



CEP Phase -2 (2024-25)
Subject : Accountancy
Class : 10+1



INTRODUCTION TO ACCOUNTING

1. Sundry Creditors account is a: ਲੈਣਦਾਰ ਖਾਤਾ ਇੱਕ
 - i. Liability A/c (ਦੇਣਦਾਰੀ ਖਾਤਾ ਹੈ)
 - ii. Asset A/c (ਸੰਪਤੀ ਖਾਤਾ ਹੈ)
 - iii. Capital A/c (ਪੂੰਜੀ ਖਾਤਾ ਹੈ)
 - iv. Revenue A/c (ਆਮਦਨ ਖਾਤਾ ਹੈ)
2. Goods costing 15,000 were sold for cash at profit of 20%. By what amount will the cash increase?
15,000 ਦੀਆਂ ਵਸਤੂਆਂ 20% ਦੇ ਲਾਭ ਤੇ ਵੇਚੀਆਂ ਗਈਆਂ, ਨਕਦ ਕਿੰਨਾ ਵਧਿਆ?
 - i. 13,000
 - ii. 12,000
 - iii. 18,000
 - iv. 15,000
3. Give examples of intangible assets. ਅਦਿੱਖ ਸੰਪਤੀਆਂ ਦੀਆਂ ਕੋਈ ਦੋ ਉਦਾਹਰਣਾ ਦਿਉ।
4. Explain the following terms with examples: ਹੇਠ ਲਿਖਿਆ ਨੂੰ ਉਦਾਹਰਣ ਸਹਿਤ ਸਮਝਾਓ
 - i. Capital Expenditure (ਪੂੰਜੀ ਖਰਚਾ)
 - ii. Non-Current Assets (ਗੈਰ-ਚਾਲੂ ਸੰਪਤੀਆਂ)
5. Give two differences between Book-Keeping and Accounting.
ਬਹੀ ਖਾਤਾ ਅਤੇ ਲੇਖਾ-ਕਾਰੀ ਵਿੱਚ ਦੋ ਅੰਤਰ ਸਮਝਾਓ।
6. What is Cost Accounting? ਲਾਗਤ ਲੇਖਾਕਾਰੀ ਕੀ ਹੈ?
7. Give two differences between Creditors and Debtors. ਲੈਣਦਾਰ ਅਤੇ ਦੇਣਦਾਰ ਵਿੱਚ ਦੋ ਅੰਤਰ ਲਿਖੋ।
8. Explain the accounting process. ਲੇਖਾਕਾਰੀ ਪ੍ਰਕ੍ਰਿਆ ਸਮਝਾਓ।
9. Explain the qualitative characteristics of accounting information.
ਲੇਖਾਕਾਰੀ ਸੂਚਨਾ ਦੀਆਂ ਗੁਣਾਤਮਕ ਵਿਸ਼ੇਸ਼ਤਾਵਾਂ ਸਮਝਾਓ।
10. Give four differences between Book-Keeping and Accounting.
ਬਹੀ-ਖਾਤਾ ਅਤੇ ਲੇਖਾਕਾਰੀ ਵਿੱਚ ਚਾਰ ਅੰਤਰ ਲਿਖੋ।

THEORY BASE OF ACCOUNTING

1. Explain the Business Entity Principle. ਕਾਰੋਬਾਰ ਦੇ ਚਲਦੇ ਰਹਿਣ ਦੀ ਧਾਰਣਾ ਸਮਝਾਓ।
2. A Company purchased goods for ₹20,00,000 and sold 80% of such goods during the year. The market value of the remaining goods was ₹2,00,000. The company valued the closing stock at ₹2,50,000 i.e., cost. Is the treatment correct?
ਇੱਕ ਕੰਪਨੀ ਨੇ 20,00,000 ਰੁਪਏ ਦੀਆਂ ਵਸਤੂਆਂ ਖਰੀਦੀਆਂ ਅਤੇ ਉਨ੍ਹਾਂ ਵਸਤੂਆਂ ਦਾ 80% ਵੇਚ ਦਿੱਤਾ। ਬਾਕੀ ਬਚੇ ਮਾਲ ਦੀ ਬਾਜ਼ਾਰੀ ਕੀਮਤ 2,00,000 ਸੀ। ਕੰਪਨੀ ਨੇ ਅੰਤਿਮ ਸਟਾਕ ਦੀ ਕੀਮਤ 2,00,000 ਰੱਖੀ। ਕੀ ਇਹ ਸਹੀ ਹੈ?

3. What is the basic accounting equation? ਮੁੱਢਲੀ ਲੇਖਾ-ਸਮੀਕਰਨ ਕੀ ਹੈ?
4. What is GST? What are its advantages? ਜੀ.ਐੱਸ.ਟੀ(GST) ਕੀ ਹੈ? ਇਸਦੇ ਕੀ ਫਾਇਦੇ ਹਨ?
5. Write the full forms of the following: ਹੇਠ ਲਿਖਿਆ ਦੇ ਵਿਸਥਾਰ ਲਿਖੋ:

I. GAAP	II. IFRS	III. ICAI	IV. AS
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6. What is meant by Reverse Charge in GST? ਜੀ.ਐੱਸ.ਟੀ. (GST) ਵਿੱਚ ਰਿਵਰਸ ਚਾਰਜ ਦਾ ਕੀ ਅਰਥ ਹੈ?
7. Explain with example, the Consistency Principle of Accounting. ਉਦਾਹਰਨ ਸਹਿਤ, ਇਕਸਾਰਤਾ ਦੀ ਧਾਰਨਾ ਸਮਝਾਓ।
8. Give four differences between Cash basis and Accrual basis of accounting. ਪ੍ਰਾਪਤੀ ਆਧਾਰ ਲੇਖਾਕਾਰੀ ਅਤੇ ਨਕਦੀ ਆਧਾਰਿਤ ਲੇਖਾਕਾਰੀ ਵਿੱਚ ਕੋਈ ਚਾਰ ਅੰਤਰ ਲਿਖੋ।
9. Write four transactions on which GST is not levied. ਕੋਈ ਚਾਰ ਲੈਣ-ਦੇਣ ਲਿਖੋ, ਜਿਸ ਤੇ GST ਨਹੀਂ ਲਗਾਇਆ ਜਾਂਦਾ।

SOURCE DOCUMENTS AND ACCOUNTING EQUATION

1. The capital of a business is 11,20,000, creditors are 40,000, the total assets are:

i. 10,40,000	ii. 11,60,000	iii. 10,80,000	iv. 11,40,000
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2. For which of the following, non-cash voucher is prepared? ਇਹਨਾਂ ਵਿੱਚੋਂ ਕਿਸ ਲਈ ਗੈਰ ਨਕਦੀ ਵਾਊਚਰ ਬਣਾਇਆ ਜਾਂਦਾ ਹੈ?
 - i. Credit sale of fixed assets (ਸਥਾਈ ਸੰਪਤੀਆਂ ਦੀ ਕਰਜ਼ ਦੇ ਆਧਾਰ ਤੇ ਵਿਕਰੀ)
 - ii. Credit sale of goods (ਵਸਤੂਆਂ ਦੀ ਵਿਕਰੀ ਕਰਜ਼ ਦੇ ਆਧਾਰ ਤੇ)
 - iii. Credit sale of investments (ਨਿਵੇਸ਼ ਦੀ ਕਰਜ਼ ਦੇ ਆਧਾਰ ਤੇ ਵਿਕਰੀ)
 - iv. All of the above (ਉਪਰੋਕਤ ਸਾਰੇ)
3. Which of the following source document is used for depositing cash or cheque into bank? ਇਹਨਾਂ ਵਿੱਚੋਂ ਕਿਹੜਾ ਸ੍ਰੋਤ ਦਸਤਾਵੇਜ਼ ਨਕਦ ਅਤੇ ਚੈੱਕ ਨੂੰ ਬੈਂਕ ਵਿੱਚ ਜਮ੍ਹਾਂ ਕਰਵਾਉਣ ਵਿੱਚ ਮਦਦ ਕਰਦਾ ਹੈ

i. Paynote	ii. Counterfoil	iii. Cash slip	iv. Pay-in-slip
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4. What is Voucher? Why they are required? ਵਾਊਚਰ ਕੀ ਹੈ? ਇਸਦੀ ਕਿਉਂ ਜ਼ਰੂਰਤ ਹੈ?
5. What is cash voucher? Explain its types with format. ਨਕਦੀ ਵਾਊਚਰ ਕੀ ਹੈ? ਫਾਰਮੈਟ ਦੀ ਮਦਦ ਨਾਲ ਇਸਦੀਆਂ ਕਿਸਮਾਂ ਸਮਝਾਓ।
6. The following transactions took place in M/s Starbucks Readymade Clothes Shop. Prepare the debit vouchers.

Date	Particulars	Amount
2022		
Sep 1	Bought readymade clothes for cash vide Cash Memo no. 886	11,000
Sep 10	Wages paid for the month of August 2022 vide Wage Sheet No. 57	10,000
Sep 20	Paid for conveyance	100

7. Prepare the credit vouchers from the source vouchers of M/s Raghav Jain & Company based on the following transactions:

Date	Particulars	Amount
2022		
Apr 10	Sold old furniture for cash vide Cash Receipt No. 422	2,700
Apr 20	Received cash from M/s Raj & Company on account vide Cash Receipt	8,000
Apr 25	Sold goods for cash vide Cash Memo No. 80	36,000
Apr 30	Withdrawn cash from Bank for office use vide Cheque No. 15698	8,500

8. Prepare the transfer voucher from the source voucher based on the following transaction:

Date	Particular	Amount
2022		
Sep 8	Sold goods to M/s Radha Mohan vide Bill No. 45678	15,920
Sep 11	Purchased goods from M/s Kartik & Sons vide Bill No. 119	14,100

9. A commenced his cloth business on 1st April, 2021 with a capital of ₹60,000. On 31st March, 2022, his assets were ₹1,00,000 and liabilities were ₹ 20,000. Find out his closing capital and profit earned during the year.

10. Show the effect of the following transactions on assets, liabilities and capital through accounting equation.

i.	Started business with cash	₹1,20,000
ii.	Rent received	₹10,000
iii.	Invested in shares	₹50,000
iv.	Received dividend	₹5,000
v.	Purchased goods on credit from Ragani	₹35,000
vi.	Paid cash for household expenses	₹7,000
vii.	Sold goods for cash (costing ₹10,000)	₹14,000
viii.	Cash paid to Ragani	₹35,000
ix.	Deposited into bank	₹20,000
x.	Goods destroyed by fire	₹1,000
xi.	Returned goods to a supplier of goods	₹2,000
xii.	Received return of goods from a customer Raghav to whom goods costing 2,000 were sold for	₹4,560

RECORDING OF TRANSACTIONS-I (JOURNAL ENTRIES AND LEDGER)

- Sold goods to Rahul for cash is debited to:
 - Rahul A/c
 - Sales A/c
 - Stock A/c
 - Cash A/c
- What is Journal? What are its limitations? ਰੋਜ਼ਾਨਾਮਚਾ ਕੀ ਹੈ? ਇਸ ਦੀਆਂ ਕੀ ਸੀਮਾਵਾਂ ਹਨ?
- Karuna purchased from Yash sports ltd. 200 balls @50 each on which she is given at 20% trade discount. She is further given 2% cash discount as she made payment for the purchases immediately. Determine the amount that Karuna will debit to purchases account.

4. Explain the three golden rules of accounting.
5. What is compound journal entry? Give its example.
ਕਮਪਾਊਂਡ ਇੰਦਰਾਜ ਕੀ ਹੁੰਦੀ ਹੈ? ਇਸਦਾ ਉਦਾਹਰਣ ਦਿਓ।
6. Give two differences between Trade discount and Cash discount. ਵਪਾਰਕ ਛੋਟ ਅਤੇ ਨਕਦੀ ਛੋਟ ਵਿੱਚ ਦੋ ਅੰਤਰ ਲਿਖੋ।
7. Give four difference between voucher and ledger. ਰੋਜ਼ਾਨਾਮਚਾ ਅਤੇ ਬਹੀ-ਖਾਤਾ ਵਿੱਚ ਕੋਈ ਚਾਰ ਅੰਤਰ ਦਿਓ।
8. What is meant by classification of accounts? ਲੇਖਾ ਦਾ ਵਰਗੀਕਰਨ ਕੀ ਹੁੰਦਾ ਹੈ?
9. Pass journal entries for the following transactions:
 - i. Manya started business with cash ₹9,000, stock ₹7,00,000 and building 37,00,000.
 - ii. Printing machinery purchased by Atul & Co, Delhi for office use from HP Ltd., Greater Noida(UP) for ₹50,000 plus IGST @12%, payment made by cheque.
 - iii. Paid insurance premium for stock 15,000 and self ₹7,000.
 - iv. Salaries paid ₹48,000 and due ₹22,000.
 - v. Provide depreciation on Building ₹10,00,000 @10% per annum.

10. Pass journal entries for the following transaction:

Date	Transaction
03-12-2023	Sold goods to Nishu of the list price of 2,00,000 at trade discount of 20%
07-12-2023	Nishu returned goods of the list price of 5,000
15-12-2023	Received from Nishu the full payment under a cash discount of 4%

11. On 31st March, 2022, Kushal's Assets and liabilities stood as under
Assets: Building ₹30,000, Machinery ₹10,000, Furniture ₹2,000, bill receivable ₹5,000, Sundry debtors ₹12,000, stock ₹9,000, cash at bank ₹15,000, cash in hand ₹2,000.
Liabilities: Bills payable ₹4,000, Twinkle's Loan ₹15,000, Sundry Creditors ₹20,000. Make an opening entry on 1st April, 2022.

12. Journalise the following transactions, post them in ledger accounts and balance them.

2022	Amount(₹)
Aug 1 Vimal started business with cash	2,50,000
Aug 2 Bought goods for cash	76,250
Aug 3 Opened bank account with cash	1,25,000
Aug 4 Sold goods for cash	1,00,000
Aug 7 Bought goods from Jaya on credit	75,000
Aug 10 Sold goods to Prateek on credit	62,500
Aug 15 Purchased plant and machinery and payment is made by cheque	41,500
Aug 19 Paid to Jaya in cash	25,000
Aug 21 Received loan from Vineet and deposited the same into bank	20,000
Aug 23 Goods returned to Jaya	2,500
Aug 26 Withdrew from bank for personal use	12,500
Aug 27 Paid to Jaya by Cheque	20,000
Aug 29 Received cash from Prateek	25,000

Aug 30 Purchased Stationery by cash

500

Aug 30 Paid wages and salaries

25,000

13. Journalise the following transactions in the books of Gupta Bros.

Date	Details	Amount(₹)
March 1	Started business with cash ₹30,000, goods worth ₹15,000 and furniture worth ₹20,000	
March 2	Paid into bank	20,000
March 3	Bought goods from Mohan Bros. on credit	7,000
March 4	Sold goods to Goyal Bros. on Creditors	6,000
March 5	Bought a horse for ₹10,000 for delivering goods to customers	10,000
March 7	Received from travelling salesman for goods sold by him after deducting travelling expenses ₹150	3,000
March 9	Drawn a cheque for ₹800 for personal use	800
March 10	Goyal Bros. gave cheque, deposit in the bank	6,000
March 11	Paid to Mohan Bros. by cheque	6,700
	Discount allowed by him	300
March 13	Paid for repairs of furniture	200
March 13	Received an order for goods from Mahesh	5,000
March 14	Sold old newspaper	80
March 15	Interest received from bank	400
March 16	Paid ₹300 for expenses on goods sold to Goyal Bros. This amount to be realized from Goyal Bros.	300
March 19	Bought goods from Sohan Lal & Sons	400
	Paid Carriage on these goods	50
March 20	Bank intimates that the cheque of Goyal Bros. has been returned dishonored	
March 21	The horse bought on March 5 died, its carcass was sold for ₹500	500
March 22	Paid rent by cheque	600
March 23	Salaries for the month of February remain unpaid	300
March 25	Paid Municipal taxes in cash	800
March 31	Depreciated charged on furniture @10% per annum	

March 31	Received an order for goods ₹15,000 and received ₹1,000 as advance	1,000
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14. Pass journal entries for the following transactions:

Date	
Jan 6	Sold goods to Neetu of the list price of ₹2,00,000 at trade discount of 20%.
Jan 8	Neetu returned goods of the list price of ₹5,000.
Jan 15	Received from Neetu the full payment under a cash discount of 4%.

15. Journalise the following transactions:

- Monika started business with Cash ₹3,00,000, Stock ₹ 5,00,000 and building ₹25,00,000.
- Construction of power-back room ₹ 1,00,000.
- Paid insurance premium for stock ₹15,000 and self ₹ 7,000.
- Goods destroyed by fire 80,000, Insurance Claim lodged.
- Commission received 25,000, 20% being received in advance.
- Insurance company paid 80% in full and final settlement.
- Salaries paid 48,000 and due ₹ 22,000.
- Provide Depreciation on Building @ 10% per annum.

16. Journalise the following transactions:

- Bought goods for Rs 5,000 plus CGST and SGTS @ 6% each.
- Sold goods to Mehtab for Rs 50,000, charged CGST and SGST @ 6% each.
- Sold goods to Arpana for Rs 60,000 against cheque, charged IGST @ 12%
- Computer purchased by Atul & Co., Delhi for office use from HP Ltd., Greater Noida (UP) for Rs 50,000 plus IGST @12%, payment made by cheque.
- Paid Telephone bill of Rs 5,000 plus CGST and SGST @ 6% each.
- Goods that were purchased paying CGST and SGST @ 6% each costing Rs 1000 given as charity.

RECORDING OF TRANSACTION-II (CASH BOOK AND SUBSIDIARY BOOK)

- What are Subsidiary books and what are its advantages?
- Why cash book always shows debit balance? ਨਕਦੀ ਰੇਕੜ ਬਹੀ ਹਮੇਸ਼ਾ ਡੈਬਿਟ ਬੈਲੇਂਸ ਕਿਉਂ ਦਰਸਾਉਂਦੀ ਹੈ?
- What is Petty Cash Book? Name its types. ਲਘੂ ਰੇਕੜ ਬਹੀ ਕੀ ਹੈ? ਇਸਦੀ ਕਿਸਮਾਂ ਦੇ ਨਾਂ ਲਿਖੋ।
- Enter the following transaction in the sales book of Amayra Book House, Ludhiana dealing in Stationery:

2023	Transactions
April 4	Sold to GT & Bros, of Patiala 250 notebooks @200 per notebook 80 reams of white paper @300 per ream
April 12	Sold to Raman & Co, of Patna Bihar 50 dozen pens @200 per dozen

April 20	20 pencil boxes @250 per pencil box Sold to Gaya Book House, Delhi
April 25	10 study tables @2,000 per study table Sold to Sameer & Bros of Kerala for cash 100 drawing boards @600 per board Trade Discount is 15% and Freight Charges payable are 3,000

5. Records the following transactions in the Sales book of Varun & Co. of Jaipur (Rajasthan), who deal in furniture. Assume CGST @6% and SGST @6%.

2022

- June 4 Sold to PQR Furniture House, Meerut(U.P.)
120 Chairs @ ₹2,500 per chair
25 Tables @ ₹8,000 per table
Trade discount of @ 5%
- June 8 Sold to XYZ Furniture House, Ahmedabad (Gujrat)
8 Almirahs @ ₹15,000 each
9 Steel cabinets @ ₹20,000 each
Trade discount @10%
- June 12 Sold old computer for ₹1,500 to Ram & Co. on credit.
- June 20 Sold 4 Sofa sets @ ₹25,000 each to Ben & Co, for cash
- June 25 sold to ABC Furniture House, Jaipur
5 sofa sets @ ₹20,000 each
10 Tables @ ₹8,000 each
- June 28 Purchased from Zen & Co. Jaipur on Credit
50 chairs @ ₹2,000 each

6. Enter the following transaction in journal proper of Komal Sharma (Proprietor)
- Interest accrued 5,000.
 - Rent not paid (rent outstanding) ₹1,000.
 - Wages for March 2016 outstanding ₹20,000.
 - Goods withdrawn by proprietor for personal use ₹5,000.
 - Insurance prepaid ₹3,000.
 - Purchased of machine on credit for ₹10,000 from Ram Sons.
 - Rent for April 2016 received in advance ₹6,000.
 - Depreciate motor car with book value ₹1,00,000 @10% per annum for one year.
 - Commission due to Manager 6% on net profit after charging such commission. The profit before charging such commission was ₹2,12,000.
7. Prepare the cash book with cash and bank columns of bharti from the following transactions:

Date	Particulars	Amount
2008, Dec 1	Cash in hand	2,20,000
	Cash at banks	60,000
Dec 3	Deposited in the banks	80,000
Dec 4	Goods purchased by cheque	34,000
Dec 5	Cash purchase	16,000
Dec 6	Paid commission by cheque	12,000
Dec 7	Withdrew from bank for private use	2,500

Dec 8	Interest received by bank	14,000
Dec 9	Cash sales	2,000
Dec 10	Salaries paid	10,000
Dec 11	Goods sold to Sona & Co.	36,000
Dec 12	Received cheque from Sona & Co. after discount of ₹300	35,700
Dec 13	Deposited cheque received from Sona & Co. into bank	

8. Prepare an analytical petty cash book from the following:

Date	Particulars	Amount
2022		
April 1	Received cash for payment	2000
April 2	Paid for postage	160
April 3	Paid for stationery	100
April 4	Paid for advertisement	200
April 5	Paid for wages	80
April 6	Paid for carriage	60
April 7	Paid for conveyance	88
April 8	Paid for travelling expenses	320
April 9	Paid for postage	48
April 10	Paid for office cleaning	40
April 11	Paid for telegram	80

9. Prepare a Cash Book with Cash and Bank Columns from the following transactions:

2017		₹
Jan 1	Cash in hand ₹ 5,000, Bank overdraft ₹ 1,000	
Jan 2	Deposited into bank	1,000
Jan 3	General Expense paid	600
Jan 7	Purchased goods from Mudit on credit	2,000
Jan 10	Drew from bank for personal use	1,200
Jan 12	Paid to Mudit in full settlement	1,800
Jan 15	Recovered from Sunny, who owe ₹ 3,000	1,500

TRIAL BALANCE AND RECTIFICATION OF ERRORS

1. What is Trial Balance? Explain its importance. ਤਲਪਟ ਕੀ ਹੈ? ਇਸਦੀ ਮਹੱਤਤਾ ਸਮਝਾਓ।
2. What is Suspense A/c? Why is it prepared? ਸਸਪੈਂਸ ਖਾਤਾ ਕੀ ਹੈ? ਇਹ ਕਿਉਂ ਬਣਾਇਆ ਜਾਂਦਾ ਹੈ?

3. Following balances were extracted from the books of Ritesh on 31st March, 2023. You are required to prepare a Trial Balance. The amount required to balance should be entered as capital.

	₹		₹
Purchases	1,70,000	Drawings	7,700
Stock (1 st April, 2022)	24,000	Returns Inward	3,500
Sales	1,05,000	Premises	5,28,000
Discount Received	3,500	Discount Allowed	2,800
Sundry Debtors	23,800	Sundry Creditors	16,100
Carriage Outward	700	Carriage Inward	1,400
Cash in Hand	3,500	Cash at Bank	17,500
Machinery	1,24,500	General Expenses	2,100
Provision for Depreciation on Machinery	24,200	Bad Debts written off	2,450
		Provision for Doubtful Debts	2,380

4. A Trial Balance showed excess credit of 2,728, which were placed in a suspense account. Later on the following errors were located. Pass rectifying entries and prepare Suspense A/c.
- 1.825, the total of purchase return book has been posted to the debit of sales return account.
 - Goods purchased from Sunil 1,800 recorded in Sales Book as 180
 - An item of ₹ 328 written off as a bad debt from Arvind Kumar has not been debited to Bad Debts Account.
 - Goods purchased from X 3,500 and from Y ₹ 4,000, but were recorded in the purchase book as X 4,000 and Y ₹ 3,500
 - Goods returned to Ritesh for 2,600 was correctly recorded in the return outward book but was wrongly posted to his account as 260
 - A sum of 2,210 stolen by an ex-employee stand debited to Suspense A/c.
 - A sum of 500 written off as depreciation on Machinery, were not posted to the Machinery account.
5. Pass necessary Journal entries to rectify the following errors:
- A credit sale of 1,700 to Karan was posted to Kartik's Account.
 - A cash sale of ₹ 1,700 to Neema was posted to the credit of Neema.
 - A credit sale of old furniture to Prince for 1,700 was credited to the Sales Account.
 - A credit sale of old furniture to Ronak for ₹ 1,700 was posted as ₹7,100.
 - A cheque for 640 received from Gautam was dishonoured and was posted to the debit of Sales Return Account.
 - An amount of ₹ 2,860 due from Rawat, written off as bad in previous year, was recovered and credited to his personal account.

- vii. 10,000 paid for the electricity bill of the proprietor's residence was debited to Electricity Expenses Account.
- viii. An amount of 7,500 withdrawn from bank by the proprietor for his personal use was debited to Purchases Account.
- ix. An amount of 15,000 withdrawn from bank by the proprietor for office use was debited to Drawings Account.
- x. 8,000 salary paid to Vikas, an employee, debited to his personal account.

BANK RECONCILIATION STATEMENT (BRS)

1. On 31st March, 2023, Bank Statement of Gopal shows credit balance of 33,570 whereas Cash Book showed debit balance of 53,000.
It was observed that the differences were because of the following:
 - i. Cheques and drafts sent to the bank but not collected and credited, amounted to 7,900 while cheque for 2,000 was received unpaid.
 - ii. Three cheques drawn for ₹3,000; ₹ 1,500 and 2,000 respectively were not presented for payment till 30th April, 2023.
 - iii. Bank has paid a cheque of 10,000 but it has not been entered in the Cash Book and a cheque of ₹ 5,000 which was discounted with the bank was dishonoured by the drawee on the due date.
 - iv. Bank has charged 130 as its commission for collecting outstation cheques and had credited an interest of 100 in the account. A wrong debit of 5,000 was made by the bank, which was reversed on 4th April, 2023. Prepare Bank Reconciliation Statement as on 31st March, 2023.

2. The Cash Book of a merchant showed an overdraft balance of 15,700 on 31st December 2023. On comparing it with the Pass Book, the following differences were noted:
 - i. Cheques amounting to 12,250 were deposited into the bank, out of which cheques for 28,200 have been credited in the Pass Book on 2nd January, 2024.
 - ii. Cheques were issued amounting to ₹ 8,300 of which cheques for 2,000 have been cashed upto 31st Dec.
 - iii. A cheque of ₹ 4,250 issued to a creditor, has been entered in the Cash Book as 24,520.
 - iv. Bank charges of 180 on 30th November 2023 and 240 on 30th December 2023 have not been entered in the Cash Book.
 - v. A B/R for 6,000 discounted with the bank is entered in the Cash Book without recording the discount charges of 300.
 - vi. A cheque for 2,000 deposited into the bank appear in the Pass Book, but not recorded in the Cash Book.
 - vii. A cheque for 3,700 deposited into the bank appear in the Pass Book, was recorded in the cash column of the Cash book.

You are required:

 - a) to make appropriate adjustments in the cash book, bringing down the correct balance, and
 - b) to prepare a bank reconciliation statement with the adjusted balance.

DEPRECIATION

1. What is depreciation? What are the causes of depreciation? ਪਿਸਾਵਟ ਕੀ ਹੈ? ਇਸਦੇ ਕੀ ਕਾਰਣ ਹਨ?
2. Give four differences between Provision and Reserves?
3. Give two differences between SLM & WDV. ਪਿਸਾਵਟ ਦੀ ਸਥਾਈ ਮੁੱਲ ਵਿਧੀ ਅਤੇ ਘੱਟਦੀ ਮੁੱਲ ਵਿਧੀ ਵਿੱਚ ਦੋ ਅੰਤਰ ਦਿਉ।
4. (a) (more than one machine is being purchased and depreciated is charged on SLM basis) A machine was purchased on 1st April, 2020 for ₹10,00,000. On 1st October, 2020 another machine was purchased for ₹6,00,000. Estimated scrap values were ₹40,000 and ₹20,000 respectively. Depreciation is to be provided @10% per annum on the machines under the fixed installment method.
 - i. Show the machinery account for the year ended 31st March, 2021 and 2022.
 - ii. Show how the machinery account will appear in the balance sheet as at 31st March, 2022.(b) (When depreciation is charged on WDV basis) Prepare machinery account if in the above question, depreciation is charged at WDV basis.
5. (Written down value method) On 1st July, 2020, Ashwani purchased a machinery for ₹2,00,000 on credit from Dushyant. Installation expenses ₹25,000 are paid by cheque. Depreciation is to be charged on written down value method @10% per annum. Prepare necessary ledger accounts for first three years, assuming that Ashwani closes his books on 31st December.
6. On 1st January, 2022 ABC Ltd purchased a second-hand machine for ₹48,000 and spent ₹12,000 on its installation. The residual value at the end of its expected useful life of 4 years is estimated at ₹40,800. Calculate the amount of depreciation and rate of depreciation as per SLM for the first year ending on 31st March, 2022.
7. On 1st January, 2022, ABC Ltd purchased a second hand machine for ₹3,00,000 and spent ₹69,000 on its installation. Calculate the amount of depreciation @10% p.a. according to SLM for the first year ending on 31st March, 2022.

FINANCIAL ADJUSTMENTS-I (WITHOUT ADJUSTMENTS)

1. Give two differences between Trading account and Profit and Loss A/c.
ਵਪਾਰਕ ਅਤੇ ਲਾਭ ਹਾਨੀ ਖਾਤੇ ਵਿੱਚ ਦੋ ਅੰਤਰ ਲਿਖੋ।
2. What is the difference between Gross Profit and Net Profit.
ਕੁਲ ਲਾਭ ਅਤੇ ਸ਼ੁੱਧ ਲਾਭ ਵਿੱਚ ਕੀ ਅੰਤਰ ਹੈ?
3. Give two difference between Direct and Indirect expenses.
ਪ੍ਰਤੱਖ ਅਤੇ ਅਪ੍ਰਤੱਖ ਖਰਚਿਆਂ ਵਿੱਚ ਅੰਤਰ ਸਮਝਾਓ।
4. Ascertain Cost of Goods Sold from the following

	₹
Opening stock	8,500
Purchases	30,700

Direct Expenses	4,800
Indirect Expenses	5,200
Closing Stock	9,000

5. From the following information, Gross Profit for the year ended 31st March, 2023:

Transaction	₹
Opening Stock (1 st April, 2022)	50,000
Freight and Packaging	20,000
Sales	3,80,000
Goods purchased during the year	2,80,000
Closing Stock (31 st March, 2023)	60,000
Packaging Expenses on Sales	12,000

FINANCIAL STATEMENT-II (WITH ADJUSTMENTS)

- Calculate the amount of purchase from the following information. Purchase: ₹2,80,000, Return Outward: ₹5,000, goods distributed as free sample: ₹2,000, goods costing ₹1,500 taken over by owner
a) ₹2,69,500 b) ₹2,73,000 c) 27,000 d) ₹2,71,500
- A's Trial Balance provides you the following information:

Bad Debts	₹ 3,000
Provision for Bad Debts	₹ 5,000

It is desired to maintain a provision of ₹ 1,500 for doubtful debts, the amount to be recorded in P & L A/c will be:

- ₹ 4,500 in Dr. b) ₹ 3,500 in Dr. c) ₹ 500 in Dr. d) ₹ 500 in Cr.
- Income received in advance is deducted from the income because of
a) Revenue Recognition Concept c) Accrual Concept
b) Matching Concept d) Prudence Concept
 - From the following trial balance as on 31st March, 2023, prepare Trading and Profit and loss account and Balance Sheet as on that date:

	Amount		Amount
Capital	1,90,000	Cash at bank	26,000
Drawings	7,000	Salaries	8,000
Plant and Machinery	1,20,000	Repairs	1,900

Delivery Van	26,000	Opening stock	16,000
Sundry debtors	36,000	Manufacturing expenses	1,500
Purchases	20,000	Bad Debts	5,000
Sundry Creditors	49,500	Rent	4,500
Sales	42,000	Carriage inward	1,600
Wages	8,000		

Additional information:

- i. Closing stock ₹16,000.
 - ii. Depreciate Plant & Machinery by 10% and Delivery Van @15%.
 - iii. Rent outstanding at the year end 500.
5. Raman's Trial Balance as on 31st March, 2023:

Head of Accounts	Debit (₹0)	Credit (₹)
Investment (rate of interest 10% p.a.)	5,00,000	-
Interest Received	-	45,000

Show how the items would appear in the Profit and Loss Account and balance sheet.

6. From the following Adjustments and with the help of Trial Balance prepare a Trading A/c, Profit and Loss A/c and Balance Sheet as at 31st March, 2023:

Dr. Balances	₹	Cr. Balances	₹
Insurance Charges	2,400	Capital	1,70,000
Salaries & Wages	19,400	Sundry Creditors	20,000
Cash in hand	200	Sales	1,20,000
Cash at HDFC Bank	19,500	Returns Outwards	1,200
Trade Expenses	400	Provision for Doubtful debts	400
Postage	800	Discount	800
Drawings	6,000	Rent of Premises, Sublet for one year to 30 th Sept, 2023)	1,200
Plant & Machinery:-			
Balance on 1 st April, 2022	1,20,000		
Addition on 1 st Oct, 2022	5,000		
Stock on 1 st April, 2022	15,000		
Purchases	82,000		
Returns Inward	2,000		

S. Debtors	20,800		
Furniture & Fixtures	5,000		
Freight	2,000		
Carriage Outwards	500		
Rent, Rates & Taxes	4,600		
Printing & Stationery	1,000		
Input IGST	7,000		
	3,13,600		3,13,600

Adjustments:

- i. Stock on 31st March, 2023 was valued at ₹ 24,000 and stationery unused at the end was ₹ 250.
 - ii. The provision for doubtful debts is to be maintained at 6% on Sunday debtors.
 - iii. Create a provision for discount on debtors at 2%.
 - iv. Write off ₹ 800 as bad debts.
 - v. Provides depreciation on plant and machinery @10% p.a.
 - vi. Insurance is paid up to 30th June, 2023.
 - vii. A fire occurred on 25th March, 2023 in the Godown and Stock of the Value of ₹ 6,000 was destroyed. The Stock was purchased paying IGST @18%. It was insured ad Insurance Co. admitted a claim of ₹ 4,000.
7. The trial balance of Ramesh Vyas as on 31st March, 2013 was as follows:

Name of Accounts	Debit Balance (Rs)	Credit Balance (Rs)
Purchases/Sales	81,25,250	1,26,20,000
Provision for doubtful debts	-	2,60,000
Sundry Debtors/Sundry Creditors	25,10,000	15,26,300
Bills Payable	-	1,97,500
Opening Stock	13,36,250	-
Wages	11,56,850	-
Salaries	2,78,750	-
Furniture	3,62,500	-
Postage	2,11,300	-
Power and Fuel	67,500	-
Trade Expenses	2,91,550	-
Bad debts	26,250	-

Loan to Ram @10% 1 st Dec, 2012	1,50,000	–
Cash in hand and at bank	5,00,000	-
Trade expenses accrued but not paid	-	35,000
Drawings A/c/capital A/c	2,22,600	5,00,000
Outstanding Wages	-	1,00,000
	1,52,38,800	1,52,38,800

Prepare the trading and profit and loss account for the year ended 31st March, 2013 and the balance sheet as at that date after taking into consideration the following information:

- i. Stock on 31st March, 2013 was ₹ 6,27,500.
- ii. Depreciation on Furniture is to be charged @10%.
- iii. Provision for doubtful debts is to be maintained @5% on sundry debtors.
- iv. Sundry debtors include an item of ₹ 25,000 due from a customer who has become insolvent.
- v. Goods of the value of ₹ 75,000 have been destroyed by fire and insurance company admitted a claim for ₹50,000.
- vi. Received ₹ 60,000 worth of goods on 27th March, 2013 but the invoice of purchases was not recorded in purchases book.