

SPECIAL REVISION TEST -JANUARY -2018

VELLORE DT

XII STD ACCONTANCY -KEY

S NO	FILL-UPS		CHOOSE
1	Liabilities	16	Trading A/c
2	capital	17	Sales
3	Capital	18	7500
4	40000	19	Two places
5	Liabilities	20	Debtors A/c
6	10000	21	Statement of affairs
7	Capital	22	20000
	profit	23	Natural resources
9	Balance sheet	24	Reduce
10	15000	25	Profit
11	WDV method	26	Asset A/c
12	Annuity Method	27	4065
13	25000	28	Cash receipt & payments
14	Financial Budget	29	25000
15	opening	30	Future

PART -B

31-Provision for Bad and Doubtful Debts-- Irrecoverable and written off as Bad . If Sundry debtors figure is to be shown correctly in the Balance sheet provision for bad and doubtful debts must be adjusted.

32--Prepaid Expenses -Expenses which have been paid in advance are called as prepaid (unexpired)expenses.

33-Single Entry System is a system of book- keeping in which as a rule, only records of cash and personal accounts are maintained. It is always incomplete double entry varying with circumstances

34-Statement of affairs is prepared when accounts are maintained under single entry system of accounting. it is similarly Balance sheet

35--Methods of Calculating Depreciation

1. Straight line method or fixed installment method.
2. Written down value method or diminishing balance method
3. Annuity method.
4. Depreciation Fund method.
5. Insurance Policy method.

36 Carter defines depreciation as “the gradual and permanent decrease in the value of an asset from any cause.

37-Cash Receipts 1. Cash sales 2 Cash receivable from customers 3 Business receipts like interest, commission, dividend etc 4• Sale of assets 5• Proceeds from issue of shares/ debentures Loans borrowed

38- Accrued comm. a/c Dr 150
To commission a/c 150

39 Interest on capital a/c Dr 5000
TO Capital a/c 5000

Profit and Loss a/c Dr 5000
Interest on capital a/c 5000

40`Caluclation of Missing Figure

Closing Capital	80000
Add- Drawings (?)	22000
	102000
Less- Addl Capital	10000
	92000
Less opening Capital	60000
profit	32000

41 Total Debtors A/c

PAR	RS	PAR	RS
To Bal b/d	50000	Cash recp	80000
		D/A	2000
Cr Sale ?	62000	Sales Ret	5000
		Bal c/d	75000
	162000		162000

Total sales = Cr sales + Cash 62000+79000= 141000

42_ C=S/L 50000=5000 = 45000/10= 4500
4500/50000x 100=9%

43 Aeset + Exp- Scap/ Life 230000+20000-50000
200000/10= 20000
20000/250000x 100= 9%

44 Cash Budget

Par	Rs
Op Cash	250000
Add- Cash Receipt	60000
	310000
Less- Cash payments	30000
Closing Cash	280000

PART -C

45 A

Particulars	Debit	credit
1)Bad debts a/c Dr To S Debtors a/c	8000	8000
2) p/l a/c Dr To B DD a/c	3500	3500
3) P/L a/c Dr To PDD a/c	1330	1330

PROFIT AND LOSS ACCOUNT

To Bad debts	8000		
PDD	3500		
PDDr	1330		

BALACE SHEET

Liabilities	Assets	Rs
	S Debtors	78000
	Less-Bad deb	8000
		70000
	Less=PBD	3500
		66500
	Less- PDis D	1330
		65170

45 B STATEMENT OF AFFAIRS 31-3-2006

Liabilities	Rs	Assets	Rs	Rs
S.creditors	20000	Bank		10000
		Stock		95000
Capital (?)	212000	S.Debtors		65000
		Machin		35000
		Cash		26000
		P.p Exp		2000
	232000			232000

STATEMENT OF PROFIT OR LOSS

Closing Capital	212000
Add- Drawings	2000
	214000
Less- Addl Capital	25000
	189000
Less opening Capital	215000
Loss	26000

46 Definition depreciation and causes

“Depreciation is the diminution in intrinsic value of asset due to use and /lapse of time”.

1. To ascertain correct profit / loss
2. To present a true and fair view of the financial position
3. To ascertain the real cost of production
4. To comply with legal requirements
5. To replace assets

47 ,Meaning ,characteristics , advantages of Budget
Cash Budget is a component of two words - cash and budget. The term “cash” here stands for cash and bank balance. “Budget” means, in simple words, an estimate relating to future activities of an organization. characteristics

1. It is prepared in advance and relates to a future period.
2. It is expressed in terms of money and/or physical units.
3. It is a mean to achieve the planned objective

48 Causes of Depreciation

I. Internal Causes

1. Wear and tear: Wear and tear is an important cause of depreciation in case of tangible fixed asset.
2. Disuse: When a machine is kept continuously idle, it becomes potentially less useful.
3. Maintenance: The value of machine deteriorates rapidly because of lack of proper maintenance.

4. Depletion: It refers to the physical deterioration by the exhaustion of natural resources

II. External Causes

1. Obsolescence: The old asset will become obsolete (useless) due to new inventions, improved techniques and technological advancement.
2. Effluxion of time: When assets are exposed to forces of nature, like weather, wind, rain, etc
3. Time Factor: Lease, copy-right, patents are acquired for a fixed period of time..

49 MACHINERY ACCOUNT (SL METHOD)

PAR	RS	PAR	RS
1/10/2001 To Bank a/c	300000	31/3/2002 By Dep a/c Bal c/d	15000 285000
	300000		300000
1/4/2002 To Bal b/d	285000	31/3/2003 By Dep a/c Bal c/d	30000 255000
	285000		285000
1/4/2003 To Bal b/d P/L a/c (profit on sale)	255000 75000	31/3/2004 By dep a/c Bank a/c (sale)	30000 300000
	330000		330000

DEPRECIATION ACCOUNT

To Mach a/c	15000	By P/L a/c	15000
To Mach a/c	30000	By P/L a/c	30000
To Mach a/c	30000	By P/L a/c	30000

50 MACHINERY ACCOUNT (WDV METHOD)

PAR	RS	PAR	RS
1/4/2006 To Bank a/c	100000	31/3/2007 By Dep a/c Bal c/d	10000 90000
	100000		100000
1/4/2007 To Bal b/d	90000	31/3/2008 By Dep a/c Bal c/d	9000 81000
	90000		90000
1/4/2008 To Bal b/d	81000	31/3/2009 By dep a/c Bank a/c (sale) P/L a/c (loss on sale)	8100 50000 22900
	81000		81000

DEPRECIATION ACCOUNT

To Mach a/c	10000	By P/L a/c	10000
To Mach a/c	9000	By P/L a/c	9000
To Mach a/c	8100	By P/L a/c	8100

51 STATEMENT OF AFFAIRS 1-1-2004

Liabilities	Rs	Assets	Rs	Rs
S.creditors	50000	Cash		10000
Capital (?)	100000	Stock		35000
		S.Debtors		80000
		Inv		20000
		Furniture		5000
	150000			150000

STATEMENT OF AFFAIRS 31-3-2006

Liabilities	Rs	Assets	Rs	Rs
S.creditors	60000	Stock		65000
Capital (?)	140000	S.Debtors		95000
		Cash		15000
		Inv		20000
		furniture		5000
	200000			200000

STATEMENT OF PROFIT	OR	IOSS	
Closing Capital			140000
Add- Drawings			40000
			180000
Less- Addl Capital			20000
			160000
Less opening Capital			100000
Profit			60000

52 PROFIT AND LOSS ACCOUNT

To Bad debts	5000		
PDD	6000		
PDDr	1710		

BALACE SHEET

Liabilities	Assets	Rs
	S Debtors	125000
	Less-Bad deb	5000
		120000
	Less=PBD	6000
		114000
	Less- PDis D	1710
		112290

PART-D

53 A STATEMENT OF AFFAIRS

Liabilities	Rs	Assets	Rs
Creditors	37500	Furniture	2500
Capital (?)	58700	Cash	6250
		S Debtors	62500
		Stock	25000
	96250		96250

S.DEBTORS ACCOUNT

PAR	Rs	PAR	Rs
To Bal B/d	62500	Cash	135000
Cr Sale (?)	166 300	Sales Ret	3750
		D/A	2500
		Bal c/d	87500

S CREDITORS ACCOUNT

PAR	Rs	PAR	Rs
Cash	112500	By Bal b/d	37500
D/R	3750	Purchase	123750
P`R	1250	(?)	
To Bal c/d	43750		
	161250		161250

TRADING ,PROFIT&LOSS ACCOUNT

PAR	Rs	PAR	RS
To Stock		By Sales	
Purchase	25000	166300-3750	
123750-1250	122500	Cl stock	162550
G/profit	27550		12500
	175050		175050
To D/A	2500	By G/P	27550
S Exp	8750	D/R	3750
Dep Fur	150		
To N/profit	19900		
	31300		31300

BALACE SHEET

Liabilities	Rs	Assets	Rs
Capital 58700		Furni 2500	
-Dra 10000		-Dep 150	2350
48700		Stock	12500
+N/P 19900	68600	Cash	10000
S Creditors	43750	S Debtors	87500
	112350		112350

53 B S DEBTORS ACCOUNT

PAR	Rs	PAR	Rs
To Bal B/d	-	Cash ?	434000
Cr Sale	70000	D/A	3500
		Bal c/d	262500
	700000		700000

S CREDITORS ACCOUNT

PAR	Rs	PAR	Rs
Cash(?)	612500	By Bal b/d	
To Bal c/d	175000	CrPurchase	787500
	787500		787500

TRADING ,PROFIT&LOSS ACCOUNT

PAR	Rs	PAR	RS
To Stock		By Sales	
Purchase -		700000+	
787500+		350000	1050000
140000	927500	Cl stock	122500
Wages	15750		
G/profit	229250		
	1172500		1172500
To D/A	3500	By G/P	229250
Salaries	17500		
Trade Exp	14000		
Advert	17500		
Dep Fur	4200		
To N/profit	172550		
	229250		229250

BALACE SHEET

Liabilities	Rs	Assets	Rs
Capital 263500		Furni 42000	
-Dra 75600		-Dep 4200	37800
186900		Stock	122500
+N/P 172550	359450	Cash	164150
S Creditors	175000	S Debtors	263500
Bank loan	52500		
	586950		586950

54 TRADING ,PROFIT&LOSS ACCOUNT

PAR	Rs	PAR	RS
To Stock	40000	By	200000
Purchase -	120000	Sales	
Wages 16000			50000
+O/s 3000	19000	Cl stock	
G/profit	70000		
	250000		250000
To Rent &Tax		By G/P	70000
10000+2000	12000	Int	2500
Salaries			
20000+4000	24000		
Dep Fur	2000		
Dep plant	2500		
Int on Bank loan	1000		
Bad debts	2000		
To N/profit	29000		
	72500		72500

BALACE SHEET

Liabilities	Rs	Assets	Rs
Capital 80000		Furni 20000	
+N/P 29000	109000	-Dep 2000	18000
S Creditors	25000	Stock	50000
Bank loan		Cash	500
20000+1000	21000	S Debtors	
B/P	25000	60000-2000	58000
O/S-wages	3000	Plant 50000	
Salary	4000	-Dep 2500	47500
Rent /Tax	2000	B/R	15000
	189000		189000

55. TRADING,PROFIT&LOSS ACCOUNT

PAR	Rs	PAR	RS
To Stock	60000	By sales	160000
Purchase -	20000	Cl stock	40000
Wages 10000			
+O/s 1000	11000		
G/profit	109000		
	200000		200000
To Rent		By G/P	109000
4500-500	4000	Int	2000
G/exp	8000	drawings	
Int on cap	12000		
commision	2500		
To N/profit	84500		
	111000		111000

BALACE SHEET

Liabilities	Rs	Assets	Rs
Capital 200000		Furni	5000
+ int cap 12000		Stock	40000
212000		Cash Bank	17000
-Draw 42000		S DebtorS	44000
170000		Building	100000
+N/P 84500	254500	B/p	29000
		Pp Rent	500
S Creditors	45000	Cash in hand	65000
O/S-wages	1000		
	300500		300500

56 CASH BUDGET

PARTICULARS	January	February	March
Op Cash Bal	75000	60000	55000
Add- Receipts			
Cr Sale	250000	350000	450000
S. premium			10000
Total (A)	325000	415000	515000
Less-payments			
Cr Purchase	200000	300000	300000
Selling Exp	60000	60000	80000
Total (B)	260000	360000	380000
Cl Bal (A-B=C)	65000	55000	135000

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CASH BUDGET

PARTICULARS	OCT	NOV	DEC
Op Cash Bal	90000	380000	950000
Add- Receipts Cash Sale	1200000	1400000	1600000
Total (A)	1290000	1780000	2550000
Less-payments			
Cr Purchase	800000	1200000	800000
Exp	110000	130000	150000
Purchase -Asset			400000
Total (B)	910000	1330000	1350000
Cl Bal (A-B=C)	380000	950000	1200000

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