

Written as per the revised syllabus prescribed by the Maharashtra State Board
of Secondary and Higher Secondary Education, Pune.

BOOK-KEEPING & ACCOUNTANCY

SOLUTIONS

STD. XI

Salient Features

- Solutions to all the Textual and Practice Problems
- Accurate solutions with precise formats
- Working Notes to simplify the problems
- Systematic presentation to alleviate the learning process

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Preface

“Std. XI Commerce: Book-Keeping and Accountancy Solutions” has been designed to complement the “Std. XI Commerce: Book-Keeping and Accountancy” book. This book will enable the student to verify the solutions and solve the questions independently.

The book includes accurate solutions to all the Textual and Practice Problems with precise formats. Working Notes have been provided to simplify the various complicated adjustments in the problems. The systematic and consistent presentation of solutions alleviates the learning process for the student.

We are sure, this study material will turn out to be a powerful resource for the students and facilitate them in understanding the concepts of this subject in the most lucid way.

The journey to create a book is strewn with triumphs, failures and near misses. If you think we've nearly missed something or want to applaud us for our triumphs, we'd love to hear from you.

Please write to us at: mail@targetpublications.org

Best of luck to all the aspirants!

Yours faithfully,
Publisher

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Note: All the Textual questions are represented by * mark.

02

Meaning and Fundamentals of Double Entry Book-Keeping

Textual Problems

*Sol. Q.1.:

| | Personal A/c | | Real A/c | | Nominal A/c |
|--------|-----------------------------|---------|------------------------|--------|---------------------------------|
| ii. | Mr. Kulkarnis's Capital A/c | iii. | Goods A/c | i. | Life Insurance Premium A/c |
| viii. | Outstanding Income A/c | vi. | Goodwill A/c | iv. | Freight A/c |
| x. | Outstanding Expenses A/c | vii. | Copyright A/c | v. | Wages A/c |
| xii. | Income Receivable A/c | xiv. | Furniture A/c | ix. | Bank Charges A/c |
| xix. | Drawings A/c | xx. | Fixed Deposit A/c | xi. | Sundry Income A/c |
| xxiii. | Bank of India A/c | xxii. | Office Equipment A/c | xiii. | Export Duty A/c |
| xxvii. | Loan A/c | xxiv. | Machinery A/c | xv. | Import Duty A/c |
| | – | xxviii. | Deposits with MSEB A/c | xvi. | Free Sample Distribution A/c |
| | – | | – | xvii. | Sundry Expenses A/c |
| | – | | – | xviii. | Discount A/c |
| | – | | – | xxi. | Profit on Sale of Furniture A/c |
| | – | | – | xxv. | Carriage Outward A/c |
| | – | | – | xxvi. | Loss on Sale of Machinery A/c |
| | – | | – | xxix. | Loss by Fire A/c |
| | – | | – | xxx. | Legal Expenses A/c |

*Sol. Q.2.:

| | Asset | | Liability | | Capital | | Revenue | | Expenditure |
|---------|------------------------|--------|--------------------------|------|-----------------------------|------|---------------------------------|--------|-------------------------------|
| iii. | Goods A/c | x. | Outstanding Expenses A/c | ii. | Mr. Kulkarnis's Capital A/c | xi. | Sundry Income A/c | i. | Life Insurance Premium A/c |
| vi. | Goodwill A/c | xxvii. | Loan A/c | xix. | Drawings A/c | xxi. | Profit on Sale of Furniture A/c | iv. | Freight A/c |
| vii. | Copyright A/c | | – | | – | | – | v. | Wages A/c |
| viii. | Outstanding Income A/c | | – | | – | | – | ix. | Bank Charges A/c |
| xii. | Income Receivable A/c | | – | | – | | – | xiii. | Export Duty A/c |
| xiv. | Furniture A/c | | – | | – | | – | xv. | Import Duty A/c |
| xx. | Fixed Deposit A/c | | – | | – | | – | xvi. | Free Sample Distribution A/c |
| xxii. | Office Equipment A/c | | – | | – | | – | xvii. | Sundry Expenses A/c |
| xxiii. | Bank of India A/c | | – | | – | | – | xviii. | Discount A/c |
| xxiv. | Machinery A/c | | – | | – | | – | xxv. | Carriage Outward A/c |
| xxviii. | Deposits with MSEB A/c | | – | | – | | – | xxvi. | Loss on Sale of Machinery A/c |
| | – | | – | | – | | – | xxix. | Loss by Fire A/c |
| | – | | – | | – | | – | xxx. | Legal Expenses A/c |



***Sol. Q.3.:**

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|---|---------------|---|-------------|----------|---------------|
| i. | Mr. Kumar commenced business with cash ₹ 50,000 | 50,000 | = | 0 | + | 50,000 |
| | | 50,000 | = | 0 | + | 50,000 |
| ii. | Paid Salary ₹ 1,200 | (-) 1,200 | = | 0 | + | (-) 1,200 |
| | | 48,800 | = | 0 | + | 48,800 |
| iii. | Purchased furniture ₹ 5,000 | (-) 5,000 | = | 0 | + | 0 |
| | | (+) 5,000 | = | 0 | + | 0 |
| iv. | Purchased goods from Rakesh for cash ₹ 7,500 | 48,800 | = | 0 | + | 48,800 |
| | | (-) 7,500 | = | 0 | + | 0 |
| v. | Sold goods to Shyam costing ₹ 13,000 | (+) 7,500 | = | 0 | + | 0 |
| | | 48,800 | = | 0 | + | 48,800 |
| vi. | Paid Rent ₹ 500 | (-) 13,000 | = | 0 | + | 0 |
| | | (+) 13,000 | = | 0 | + | 0 |
| | | 48,800 | = | 0 | + | 48,800 |
| | | (-) 500 | = | 0 | + | (-) 500 |
| | | 48,300 | = | 0 | + | 48,300 |

***Sol. Q.4.:**

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|---|-----------------|---|---------------|----------|---------------|
| i. | Mr. Rohit Kulkarni started business with cash ₹ 70,000 | 70,000 | = | 0 | + | 70,000 |
| | | 70,000 | = | 0 | + | 70,000 |
| ii. | Bought goods from Sanjay ₹ 10,000 | (+) 10,000 | = | (+) 10,000 | + | 0 |
| | | 80,000 | = | 10,000 | + | 70,000 |
| iii. | Sold goods to Shyam for ₹ 50,000 (costing ₹ 30,000) | (-) 30,000 | = | 0 | + | (+) 20,000 |
| | | (+) 50,000 | = | 0 | + | (+) 20,000 |
| iv. | Goods destroyed by fire (cost ₹ 500, sale price ₹ 600) | 1,00,000 | = | 10,000 | + | 90,000 |
| | | (-) 500 | = | 0 | + | (-) 500 |
| v. | Purchased furniture from J.K. Furniture on credit ₹ 5,000 | 99,500 | = | 10,000 | + | 89,500 |
| | | (+) 5,000 | = | (+) 5,000 | + | 0 |
| | | 1,04,500 | = | 15,000 | + | 89,500 |

***Sol. Q.5.:**

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|--|-----------|---|-------------|---|---------|
| i. | Rajkumar started business with cash ₹ 30,000 | 30,000 | = | 0 | + | 30,000 |
| | | 30,000 | = | 0 | + | 30,000 |
| ii. | Purchased goods for cash ₹ 1,000 | (-) 1,000 | = | 0 | + | 0 |
| | | (+) 1,000 | = | 0 | + | 0 |
| iii. | Paid salary ₹ 400 | 30,000 | = | 0 | + | 30,000 |
| | | (-) 400 | = | 0 | + | (-) 400 |



| | | | | | | |
|-----|--|---------------|----------|----------|----------|---------------|
| iv. | Paid rent in advance ₹ 2,000 | 29,600 | = | 0 | + | 29,600 |
| | | (-) 2,000 | | | | |
| | | (+) 2,000 | = | 0 | + | 0 |
| v. | Charged depreciation ₹ 300 on Furniture and ₹ 500 on Machinery | 29,600 | = | 0 | + | 29,600 |
| | | (-) 300 | | | | |
| | | (-) 500 | = | 0 | + | (-) 800 |
| | | 28,800 | = | 0 | + | 28,800 |

***Sol. Q.6.:**

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|--|---------------|----------|---------------|----------|---------------|
| i. | Mr. Ketan Shah started business with cash ₹ 50,000 | 50,000 | = | 0 | + | 50,000 |
| ii. | Purchased goods from Ramesh ₹ 30,000 | 50,000 | = | 0 | + | 50,000 |
| | | (+) 30,000 | = | (+) 30,000 | + | 0 |
| iii. | Withdrew goods for personal use ₹ 2,000 | 80,000 | = | 30,000 | + | 50,000 |
| | | (-) 2,000 | = | 0 | + | (-) 2,000 |
| iv. | Purchased household goods for ₹ 15,000 giving ₹ 5,000 in cash and balance through loan | 78,000 | = | 30,000 | + | 48,000 |
| | | (-) 5,000 | = | (+) 10,000 | + | (-) 15,000 |
| v. | Paid cash ₹ 300 for interest | 73,000 | = | 40,000 | + | 33,000 |
| | | (-) 300 | = | 0 | + | (-) 300 |
| | | 72,700 | = | 40,000 | + | 32,700 |

***Sol. Q.7.:**

Chart showing analysis of transactions:

| Sr. No. | Transactions | Two aspects/ Effects | Accounts Involved | Classification of Accounts | Rules applied | Account to be debited | Account to be credited |
|---------|--|------------------------------------|-------------------|----------------------------|----------------------|-----------------------|------------------------|
| i. | Raghav started business with cash ₹ 50,000 | Cash comes in the business | Cash A/c | Real A/c | Debit what comes in | Cash A/c | - |
| | | Proprietor is giver of the capital | Capital A/c | Personal A/c | Credit the giver | - | Capital A/c |
| ii. | Sold goods for ₹ 1,500 | Cash comes in | Cash A/c | Real A/c | Debit what comes in | Cash A/c | - |
| | | Sales is an income | Sales A/c | Nominal A/c | Credit the income | - | Sales A/c |
| iii. | Purchased goods for ₹ 1,000 from Amit | Purchase is an expense | Purchases A/c | Nominal A/c | Debit the expenses | Purchases A/c | - |
| | | Amit is the giver | Amit's A/c | Personal A/c | Credit the giver | - | Amit's A/c |
| iv. | Deposited into Bank of India ₹ 5,000 | Bank is the receiver | Bank A/c | Personal A/c | Debit the receiver | Bank A/c | - |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | - | Cash A/c |
| v. | Paid salary of ₹ 1,200 | Salary is an expense | Salary A/c | Nominal A/c | Debit the expenses | Salary A/c | - |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | - | Cash A/c |



| | | | | | | | |
|-------|---|------------------------------|---------------------------|--------------|----------------------|--------------------|----------------------|
| vi. | Received commission ₹ 250 from Ram | Cash comes in | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Commission is an income | Commission A/c | Nominal A/c | Credit the income | – | Commission A/c |
| vii. | Purchased goods for cash worth ₹ 750 from Jay | Purchase is an expense | Purchases A/c | Nominal A/c | Debit the expenses | Purchases A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| viii. | Withdrew ₹ 500 for personal use | Proprietor is receiver | Drawings A/c | Personal A/c | Debit the receiver | Drawings A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| ix. | Sold goods to Roshan worth ₹ 1,500 | Roshan is receiver | Roshan's A/c | Personal A/c | Debit the receiver | Roshan's A/c | – |
| | | Sales is an income | Sales A/c | Nominal A/c | Credit the income | – | Sales A/c |
| x. | Withdrew money for office use ₹ 1,300 | Cash comes in | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Bank is giver | Bank A/c | Personal A/c | Credit the giver | – | Bank A/c |
| xi. | Paid for transportation ₹ 430 | Transportation is an expense | Transportation A/c | Nominal A/c | Debit the expenses | Transportation A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| xii. | Loan taken from Mr. Mehta ₹ 5,000 | Cash comes in | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Mr. Mehta is giver | Loan from Mr. Mehta's A/c | Personal A/c | Credit the giver | – | Mr. Mehta's Loan A/c |
| xiii. | Paid for Advertisement ₹ 320 | Advertisement is an expense | Advertisement A/c | Nominal A/c | Debit the expenses | Advertisement A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| xiv. | Additional capital introduced ₹ 5,000 | Cash comes in the business | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Proprietor is the giver | Capital A/c | Personal A/c | Credit the giver | – | Capital A/c |
| xv. | Received interest on investment ₹ 1,500 | Cash comes in | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Interest is an income | Interest A/c | Nominal A/c | Credit the income | – | Interest A/c |

***Sol. Q.8.:**

Chart showing analysis of transactions:

| Sr. No. | Transactions | Two aspects/ Effects | Accounts Involved | Classification of Accounts | Rules applied | Account to be Debited | Account to be Credited |
|---------|--|----------------------------|-------------------|----------------------------|----------------------|-----------------------|------------------------|
| i. | Mr. Rohit Shah started business with cash ₹ 10,000 | Cash comes in the business | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Proprietor is the giver | Capital A/c | Personal A/c | Credit the giver | – | Capital A/c |
| ii. | Purchased goods for cash ₹ 1,500 | Purchase is an expense | Purchases A/c | Nominal A/c | Debit the expenses | Purchases A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |



| | | | | | | | |
|-------|--|--------------------------|-------------------|--------------|----------------------|--------------|-------------------|
| iii. | Deposited into Bank of Maharashtra ₹ 1,000 | Bank is the receiver | Bank A/c | Personal A/c | Debit the receiver | Bank A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| iv. | Sold goods to Rakesh ₹ 500 | Rakesh is the receiver | Rakesh's A/c | Personal A/c | Debit the receiver | Rakesh's A/c | – |
| | | Sales is an income | Sales A/c | Nominal A/c | Credit the income | – | Sales A/c |
| v. | Paid rent of ₹ 200 | Rent is an expense | Rent A/c | Nominal A/c | Debit the expenses | Rent A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| vi. | Received dividend of ₹ 550 | Cash comes in | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Dividend is an income | Dividend A/c | Nominal A/c | Credit the income | – | Dividend A/c |
| vii. | Loan taken from SBI ₹ 2,000 | Cash comes in | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Bank is the giver | Loan from SBI A/c | Personal A/c | Credit the giver | – | Loan from SBI A/c |
| viii. | Withdrew for office use ₹ 2,000 | Cash comes in | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Bank is the giver | Bank A/c | Personal A/c | Credit the giver | – | Bank A/c |
| ix. | Paid for repairs ₹ 150 | Repairs are the expenses | Repairs A/c | Nominal A/c | Debit the expenses | Repairs A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| x. | Paid wages to Rane ₹ 200 | Wages are the expenses | Wages A/c | Nominal A/c | Debit the expenses | Wages A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |

Practice Problems

Sol. Q.1.:

| | Personal A/c | | Real A/c | | Nominal A/c |
|-------|-------------------------|------|---------------|-----|---------------------------|
| ii. | Loan A/c | v. | Goodwill A/c | i. | Octroi A/c |
| iii. | Insurance Company's A/c | vii. | Furniture A/c | vi. | Commission A/c |
| iv. | Prepaid Insurance A/c | | – | x. | Goods stolen by theft A/c |
| viii. | Bank A/c | | – | xi. | Conveyance A/c |
| ix. | Archana's A/c | | – | | – |

Sol. Q.2.:

| | Asset | | Liability | | Income | | Expenditure |
|-------|----------------------------|-----|-----------|-----|-------------------|-----|---------------------|
| iii. | Copyright A/c | ii. | Loan A/c | xi. | Rent received A/c | i. | Octroi A/c |
| iv. | Prepaid Insurance A/c | | – | | – | vi. | Commission paid A/c |
| v. | Goodwill A/c | | – | | – | | – |
| vii. | Furniture and Fixtures A/c | | – | | – | | – |
| viii. | Land A/c | | – | | – | | – |
| ix. | Patents A/c | | – | | – | | – |
| x. | Livestock A/c | | – | | – | | – |



Sol. Q.3.:

| | Asset | | Liability | | Capital | | Revenue | | Expenditure |
|-------|-----------------|-------|---------------------------|----|-------------------|------|--------------------------|------|----------------------------|
| i. | Bank A/c | xii. | Bills Payable A/c | v. | Ram's Capital A/c | ix. | Dividend Received A/c | ii. | Octroi A/c |
| vii. | Live stock A/c | xiii. | Advance From Customer A/c | | | x. | Rent Received A/c | iii. | Printing & Stationery A/c |
| viii. | Investments A/c | | | | | xiv. | Interest on Drawings A/c | iv. | Depreciation A/c |
| xi. | Patents A/c | | | | | | | vi. | Interest on Loan Taken A/c |

Sol. Q.4.:

| | Natural Personal A/c | | Artificial Personal A/c | | Representative Personal A/c |
|------|----------------------|-----|----------------------------|-------|------------------------------------|
| iii. | Sunny's A/c | i. | Kumar and Co.'s A/c | v. | Commission received in advance A/c |
| iv. | Akshay's A/c | ii. | Ramakant's Sports Club A/c | vi. | Outstanding salary A/c |
| vii. | Surveen's A/c | x. | Nashik Corporation A/c | viii. | Outstanding Rent A/c |
| ix. | Jay's A/c | | | | |

Sol. Q.5.:

| Sr. No | Transactions | Assets | = | Liabilities | + | Capital |
|--------|---|-----------------|---|-------------|---|-----------------|
| i. | Opening Balances: Cash ₹ 1,00,000, Balance in Bank of Baroda A/c ₹ 3,50,000 | 4,50,000 | = | 0 | + | 4,50,000 |
| | | 4,50,000 | = | 0 | + | 4,50,000 |
| ii. | Ghosh paid salaries to staff ₹ 30,000 by cheque | (-) 30,000 | = | 0 | + | (-) 30,000 |
| | | 4,20,000 | = | 0 | + | 4,20,000 |
| iii. | Paid ₹ 1,000 by cash towards office maintenance expenses | (-) 1,000 | = | 0 | + | (-) 1,000 |
| | | 4,19,000 | = | 0 | + | 4,19,000 |
| iv. | Purchased on credit from Sinha & Co. goods worth ₹ 79,000 | (+) 79,000 | = | (+) 79,000 | + | 0 |
| | | 4,98,000 | = | 79,000 | + | 4,19,000 |
| v. | Paid ₹ 1,325 to Marketing Executive towards conveyance expenses | (-) 1,325 | = | 0 | + | (-) 1,325 |
| | | 4,96,675 | = | 79,000 | + | 4,17,675 |
| vi. | Paid ₹ 975 by cheque towards electricity expenses | (-) 975 | = | 0 | + | (-) 975 |
| | | 4,95,700 | = | 79,000 | + | 4,16,700 |
| vii. | Paid ₹ 12,000 by cheque towards office rent | (-) 12,000 | = | 0 | + | (-) 12,000 |
| | | 4,83,700 | = | 79,000 | + | 4,04,700 |
| viii. | Issued a cheque to Sinha & Co. of ₹ 78,000 towards full and final settlement and received a discount of ₹ 1,000 against purchase made | (-) 78,000 | = | (-) 79,000 | + | (+) 1,000 |
| | | 4,05,700 | = | 0 | + | 4,05,700 |

Sol. Q.6.:

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|--|---------------|---|-------------|---|-----------|
| i. | Brought in ₹ 15,00,000 as capital into the business | 15,00,000 | = | 0 | + | 15,00,000 |
| | | 15,00,000 | = | 0 | + | 15,00,000 |
| ii. | Opened account with SBI bank and deposited full amount therein | (-) 15,00,000 | = | | | |
| | | (+) 15,00,000 | = | 0 | + | 0 |



| | | | | | | |
|-------|---|-------------------------------|---|-----------------|---|------------------|
| iii. | Leased a premise for office and paid rent of ₹ 20,000 by cheque | 15,00,000 | = | 0 | + | 15,00,000 |
| | | (-) 20,000 | = | 0 | + | (-) 20,000 |
| iv. | Purchased a second hand computer for office use on credit from Mr. Aniket ₹ 12,000 | 14,80,000 | = | 0 | + | 14,80,000 |
| | | (+) 12,000 | = | (+) 12,000 | + | 0 |
| v. | Withdrew from bank for business use ₹ 5,000 | 14,92,000 | = | 12,000 | + | 14,80,000 |
| | | (-) 5,000 (+) 5,000 | = | 0 | + | 0 |
| vi. | Took a personal loan from Sudha ₹ 50,000 | 14,92,000 | = | 12,000 | + | 14,80,000 |
| | | (+) 50,000 | = | (+) 50,000 | + | 0 |
| vii. | Brought into business, additional capital in the form of Cash ₹ 25,000 and Furniture ₹ 40,000 | 15,42,000 | = | 62,000 | + | 14,80,000 |
| | | (+) 25,000 (+) 40,000 | = | 0 | + | (+) 65,000 |
| viii. | Bought Machinery worth ₹ 15,00,000 after paying 50% amount by cheque | 16,07,000 | = | 62,000 | + | 15,45,000 |
| | | (-) 7,50,000 (+) 15,00,000 | = | (+) 7,50,000 | + | 0 |
| | | 23,57,000 | = | 8,12,000 | + | 15,45,000 |

Sol. Q.7.:

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|--|------------------------------|---|---------------|---|-----------------|
| i. | Opening Balance: Cash ₹ 50,000, HDFC Bank A/c ₹ 1,50,000, Stock ₹ 45,000 | 2,45,000 | = | 0 | + | 2,45,000 |
| | | 2,45,000 | = | 0 | + | 2,45,000 |
| ii. | Paid ₹ 4,500 by cheque towards stationery expenses | (-) 4,500 | = | 0 | + | (-) 4,500 |
| | | 2,40,500 | = | 0 | + | 2,40,500 |
| iii. | Purchased goods from Mr. Bharat worth ₹ 12,500 on 15 days credit | (+) 12,500 | = | (+) 12,500 | + | 0 |
| | | 2,53,000 | = | 12,500 | + | 2,40,500 |
| iv. | Purchased a computer from Global Computers on credit at ₹ 25,000 | (+) 25,000 | = | (+) 25,000 | + | 0 |
| | | 2,78,000 | = | 37,500 | + | 2,40,500 |
| v. | Cash sales made ₹ 19,500 | (+) 19,500 (-) 19,500 | = | 0 | + | 0 |
| | | 2,78,000 | = | 37,500 | + | 2,40,500 |
| vi. | Depreciation charged on Computer ₹ 600 | (-) 600 | = | 0 | + | (-) 600 |
| | | 2,77,400 | = | 37,500 | + | 2,39,900 |
| vii. | Purchased a Motor Car worth ₹ 2,25,000 by issuing cheque | (-) 2,25,000 (+) 2,25,000 | = | 0 | + | 0 |
| | | 2,77,400 | = | 37,500 | + | 2,39,900 |
| viii. | Sold goods to Sharma Traders and received ₹ 11,600 by cheque | (+) 11,600 (-) 11,600 | = | 0 | + | 0 |
| | | 2,77,400 | = | 37,500 | + | 2,39,900 |

Sol. Q.8.:

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|--|-----------|---|-------------|---|---------|
| i. | Rajesh started business with cash ₹ 40,000 | 40,000 | = | 0 | + | 40,000 |
| | | 40,000 | = | 0 | + | 40,000 |
| ii. | Purchased goods on credit ₹ 4,000 | (+) 4,000 | = | 4,000 | + | 0 |



| | | | | | | |
|-------|---|---------------|---|--------------|---|---------------|
| iii. | Paid Rent in Advance ₹ 2,500 | 44,000 | = | 4,000 | + | 40,000 |
| | | (-) 2,500 | = | | | |
| | | (+) 2,500 | = | 0 | + | 0 |
| iv. | Paid cash ₹ 500 for Loan and ₹ 200 for interest | 44,000 | = | 4,000 | + | 40,000 |
| | | (-) 700 | = | (-) 500 | + | (-) 200 |
| v. | Sold goods to Rupal costing ₹ 25,000 for ₹ 30,000 | 43,300 | = | 3,500 | + | 39,800 |
| | | (-) 25,000 | = | | | |
| | | (+) 30,000 | = | 0 | + | 5,000 |
| vi. | Paid Salary ₹ 5,000 | 48,300 | = | 3,500 | + | 44,800 |
| | | (-) 5,000 | = | 0 | + | (-) 5,000 |
| vii. | Purchased Chair of ₹ 500 in cash | 43,300 | = | 3,500 | + | 39,800 |
| | | (+) 500 | = | | | |
| | | (-) 500 | = | 0 | + | 0 |
| viii. | Paid Rent ₹ 600 | 43,300 | = | 3,500 | + | 39,800 |
| | | (-) 600 | = | 0 | + | (-) 600 |
| | | 42,700 | = | 3,500 | + | 39,200 |

Sol. Q.9.:

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|---|---------------|---|--------------|---|---------------|
| i. | Siddhi started business with cash ₹ 15,000 | 15,000 | = | 0 | + | 15,000 |
| | | 15,000 | = | 0 | + | 15,000 |
| ii. | Purchased goods on credit ₹ 5,000 | (+) 5,000 | = | 5,000 | + | 0 |
| | | 20,000 | = | 5,000 | + | 15,000 |
| iii. | Paid Salary ₹ 3,000 | (-) 3,000 | = | 0 | + | (-) 3,000 |
| | | 17,000 | = | 5,000 | + | 12,000 |
| iv. | Withdrew for personal use ₹ 3,000 | (-) 3,000 | = | 0 | + | (-) 3,000 |
| | | 14,000 | = | 5,000 | + | 9,000 |
| v. | Received dividend ₹ 2,000 | (+) 2,000 | = | 0 | + | 2,000 |
| | | 16,000 | = | 5,000 | + | 11,000 |
| vi. | Purchased Machinery for business ₹ 7,000 | (+) 7,000 | = | | | |
| | | (-) 7,000 | = | 0 | + | 0 |
| | | 16,000 | = | 5,000 | + | 11,000 |
| vii. | Paid to Creditor ₹ 1,500 | (-) 1,500 | = | (-) 1,500 | + | 0 |
| | | 14,500 | = | 3,500 | + | 11,000 |
| viii. | Additional Capital introduced in business ₹ 5,000 | (+) 5,000 | = | 0 | + | 5,000 |
| | | 19,500 | = | 3,500 | + | 16,000 |

Sol. Q.10.:

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|--|------------|---|-------------|---|-----------|
| i. | Morari started business with cash ₹ 35,000 | 35,000 | = | 0 | + | 35,000 |
| | | 35,000 | = | 0 | + | 35,000 |
| ii. | Borrowed from Palak ₹ 10,000 | (+) 10,000 | = | 10,000 | + | 0 |
| | | 45,000 | = | 10,000 | + | 35,000 |
| iii. | Goods destroyed by fire [Cost ₹ 400, Sale price ₹ 500] | (-) 400 | = | 0 | + | (-) 400 |
| | | 44,600 | = | 10,000 | + | 34,600 |
| iv. | Paid Salary ₹ 2,500 | (-) 2,500 | = | 0 | + | (-) 2,500 |
| | | 42,100 | = | 10,000 | + | 32,100 |
| v. | Purchased goods on credit ₹ 5,000 | (+) 5,000 | = | 5,000 | + | 0 |
| | | 47,100 | = | 15,000 | + | 32,100 |
| vi. | Withdrew for personal use ₹ 500 | (-) 500 | = | 0 | + | (-) 500 |



| | | | | | | |
|-------|---|---------------------|---|---------------|---|---------------------|
| vii. | Received interest ₹ 1,500 | 46,600 (+) 1,500 | = | 15,000 0 | + | 31,600 (+) 1,500 |
| viii. | Charged depreciation on Machinery ₹ 400 | 48,100 (-) 400 | = | 15,000 0 | + | 33,100 (-) 400 |
| | | 47,700 | = | 15,000 | + | 32,700 |

Sol. Q.11.:

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|--|--------------------------|---|---------------|---|---------------|
| i. | Mr. Maulik started business with ₹ 25,000 | 25,000 | = | 0 | + | 25,000 |
| ii. | Sold goods of Suhani costing ₹ 20,000 for ₹ 30,000 | 25,000 | = | 0 | + | 25,000 |
| | | (-) 20,000 (+) 30,000 | = | 0 | + | (+) 10,000 |
| iii. | Paid Rent ₹ 2,000 | 35,000 | = | 0 | + | 35,000 |
| | | (-) 2,000 | = | 0 | + | (-) 2,000 |
| iv. | Purchased goods on credit ₹ 10,000 | 33,000 | = | 0 | + | 33,000 |
| | | (+) 10,000 | = | 10,000 | + | 0 |
| v. | Withdrew for personal use ₹ 500 | 43,000 | = | 10,000 | + | 33,000 |
| | | (-) 500 | = | 0 | + | (-) 500 |
| vi. | Received commission ₹ 1,500 | 42,500 | = | 10,000 | + | 32,500 |
| | | (+) 1,500 | = | 0 | + | (+) 1,500 |
| vii. | Goods worth ₹ 5,000 were distributed as free samples | 44,000 | = | 10,000 | + | 34,000 |
| | | (-) 5,000 | = | 0 | + | (-) 5,000 |
| viii. | Purchased Furniture for business ₹ 6,000 | 39,000 | = | 10,000 | + | 29,000 |
| | | (+) 6,000 | = | | | |
| | | (-) 6,000 | = | 0 | + | 0 |
| | | 39,000 | = | 10,000 | + | 29,000 |

Sol. Q.12.:

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|--|---------------|---|--------------|---|---------------|
| i. | Ronit commenced business with ₹ 60,000 | 60,000 | = | 0 | + | 60,000 |
| | | 60,000 | = | 0 | + | 60,000 |
| ii. | Bought Machinery from Sumaria ₹ 4,000 | (+) 4,000 | = | 4,000 | + | 0 |
| | | 64,000 | = | 4,000 | + | 60,000 |
| iii. | Sold goods to Rajan costing ₹ 20,000 for ₹ 30,000 | (-) 20,000 | = | | | |
| | | (+) 30,000 | = | 0 | + | (+) 10,000 |
| iv. | Paid Rent ₹ 5,000 | 74,000 | = | 4,000 | + | 70,000 |
| | | (-) 5,000 | = | 0 | + | (-) 5,000 |
| v. | Received dividend of ₹ 3,500 | 69,000 | = | 4,000 | + | 65,000 |
| | | (+) 3,500 | = | 0 | + | 3,500 |
| vi. | Charged depreciation ₹ 600 on furniture | 72,500 | = | 4,000 | + | 68,500 |
| | | (-) 600 | = | 0 | + | (-) 600 |
| vii. | Goods destroyed by fire cost ₹ 600, Sale price ₹ 700 | 71,900 | = | 4,000 | + | 67,900 |
| | | (-) 600 | = | 0 | + | (-) 600 |
| viii. | Paid Salary ₹ 2,500 | 71,300 | = | 4,000 | + | 67,300 |
| | | (-) 2,500 | = | 0 | + | (-) 2,500 |
| | | 68,800 | = | 4,000 | + | 64,800 |

**Sol. Q.13.:**

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|--|---------------|---|---------------|----------|---------------|
| i. | Jackie started business with cash ₹ 30,000 | 30,000 | = | 0 | + | 30,000 |
| | | 30,000 | = | 0 | + | 30,000 |
| ii. | Cash Sales ₹ 8,000 | (+) 8,000 | = | 0 | + | 8,000 |
| | | 38,000 | = | 0 | + | 38,000 |
| iii. | Received commission ₹ 1,500 | (+) 1,500 | = | 0 | + | (+) 1,500 |
| | | 39,500 | = | 0 | + | 39,500 |
| iv. | Cash purchases ₹ 7,000 | (-) 7,000 | | | | |
| | | (+) 7,000 | = | 0 | + | 0 |
| v. | Purchased Machinery from Thacker and Sons ₹ 11,000 | 39,500 | = | 0 | + | 39,500 |
| | | (+) 11,000 | = | 11,000 | + | 0 |
| vi. | Purchased goods for ₹ 4,500 on credit | 50,500 | = | 11,000 | + | 39,500 |
| | | (+) 4,500 | = | 4,500 | + | 0 |
| vii. | Paid salary ₹ 6,000 | 55,000 | = | 15,500 | + | 39,500 |
| | | (-) 6,000 | = | 0 | + | (-) 6,000 |
| viii. | Received Interest ₹ 1,000 | 49,000 | = | 15,500 | + | 33,500 |
| | | (+) 1,000 | = | 0 | + | (+) 1,000 |
| | | 50,000 | | 15,500 | + | 34,500 |

Sol. Q.14.:

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|---|-----------------|---|-------------|----------|-----------------|
| i. | Cash introduced in business ₹ 5,00,000 | 5,00,000 | = | 0 | + | 5,00,000 |
| | | 5,00,000 | = | 0 | + | 5,00,000 |
| ii. | Opened an Account with Bank of Baroda and deposited ₹ 4,00,000 | (+) 4,00,000 | | | | |
| | | (-) 4,00,000 | = | 0 | + | 0 |
| iii. | Bought Machinery by issuing a cheque from Bank of Baroda A/c ₹ 50,000 | 5,00,000 | = | 0 | + | 5,00,000 |
| | | (+) 50,000 | | | | |
| iv. | Goods purchased from Mr. Sarang on credit ₹ 50,000 | (-) 50,000 | = | 0 | + | 0 |
| | | 5,00,000 | = | 0 | + | 5,00,000 |
| v. | Paid to Mr. Sarang in full by issuing a cheque | (+) 50,000 | = | 50,000 | + | 0 |
| | | (-) 50,000 | = | (-) 50,000 | + | 0 |
| vi. | Paid wages ₹ 5,000 | 5,00,000 | = | 0 | + | 5,00,000 |
| | | (-) 5,000 | = | 0 | + | (-) 5,000 |
| vii. | Royalty received in cash ₹ 7,000 | 4,95,000 | = | 0 | + | 4,95,000 |
| | | (+) 7,000 | = | 0 | + | (+) 7,000 |
| viii. | Paid salary by cheque ₹ 12,000 | 5,02,000 | = | 0 | + | 5,02,000 |
| | | (-) 12,000 | = | 0 | + | (-) 12,000 |
| ix. | Legal expenses paid in cash ₹ 2,500 | 4,90,000 | = | 0 | + | 4,90,000 |
| | | (-) 2,500 | = | 0 | + | (-) 2,500 |
| x. | Paid conveyance expenses ₹ 250 | 4,87,500 | = | 0 | + | 4,87,500 |
| | | (-) 250 | = | 0 | + | (-) 250 |
| | | 4,87,250 | | 0 | + | 4,87,250 |



Sol. Q.15.:

| Sr. No. | Transactions | Assets | = | Liabilities | + | Capital |
|---------|---|--------------------------|---|---------------|----------|-----------------|
| i. | Opening balance ₹ 25,000 Cash, ₹ 30,000 Machinery, ₹ 3,70,000 Bank Balance and ₹ 30,000 Furniture | 4,55,000 | = | 0 | + | 4,55,000 |
| | | 4,55,000 | = | 0 | + | 4,55,000 |
| ii. | Bought computer from Ahmed on credit ₹ 20,000 | (+) 20,000 | = | 20,000 | + | 0 |
| | | 4,75,000 | = | 20,000 | + | 4,55,000 |
| iii. | Advance from customer received in cash ₹ 10,000 | (+) 10,000 | = | (+) 10,000 | + | 0 |
| | | 4,85,000 | = | 30,000 | + | 4,55,000 |
| iv. | Sold machinery costing ₹ 20,000 at ₹ 25,000 | (-) 20,000 (+) 25,000 | = | 0 | + | (+) 5,000 |
| | | 4,90,000 | = | 30,000 | + | 4,60,000 |
| v. | Withdrew from Bank for business use ₹ 5,000 | (-) 5,000 (+) 5,000 | = | 0 | + | 0 |
| | | 4,90,000 | = | 30,000 | + | 4,60,000 |
| vi. | Introduced additional capital of ₹ 50,000 | (+) 50,000 | = | 0 | + | (+) 50,000 |
| | | 5,40,000 | = | 30,000 | + | 5,10,000 |
| vii. | Charged depreciation on Machinery ₹ 500 | (-) 500 | = | 0 | + | (-) 500 |
| | | 5,39,500 | = | 30,000 | + | 5,09,500 |
| viii. | Carriage inward paid in cash ₹ 500 | (-) 500 | = | 0 | + | (-) 500 |
| | | 5,39,000 | | 30,000 | + | 5,09,000 |

Sol. Q.16.:

| Sr. No. | Transaction | Accounts Affected | Classification |
|---------|---|-------------------|----------------|
| i. | Commenced business with cash ₹ 7,000 | Cash A/c | Real A/c |
| | | Capital A/c | Personal A/c |
| ii. | Purchased goods for cash ₹ 5,000. | Purchases A/c | Nominal A/c |
| | | Cash A/c | Real A/c |
| iii. | Received commission ₹ 2,000 | Cash A/c | Real A/c |
| | | Commission A/c | Nominal A/c |
| iv. | Withdrew goods worth ₹ 3,000 for personal use | Drawings A/c | Personal A/c |
| | | Cash A/c | Real A/c |
| v. | Sold goods to Chintan ₹ 20,000 on credit | Chintan's A/c | Personal A/c |
| | | Sales A/c | Nominal A/c |
| vi. | Cash purchases ₹ 10,000 | Purchases A/c | Nominal A/c |
| | | Cash A/c | Real A/c |
| vii. | Purchased Chair for business ₹ 800 | Chair A/c | Real A/c |
| | | Cash A/c | Real A/c |
| viii. | Paid Rent ₹ 800 | Rent A/c | Nominal A/c |
| | | Cash A/c | Real A/c |
| ix. | Received interest of ₹ 1,000 | Cash A/c | Real A/c |
| | | Interest A/c | Nominal A/c |
| x. | Sold goods to Suraj for cash ₹ 3,000 | Cash A/c | Real A/c |
| | | Sales A/c | Nominal A/c |



Sol. Q.17.:

| Sr. No. | Transaction | Accounts Affected | Classification |
|---------|--|-------------------|----------------|
| i. | Started business with cash ₹ 21,000 | Cash A/c | Real A/c |
| | | Capital A/c | Personal A/c |
| ii. | Deposited into the bank ₹ 5,500 | Bank A/c | Personal A/c |
| | | Cash A/c | Real A/c |
| iii. | Purchased goods for cash ₹ 7,000 | Purchases A/c | Nominal Ac |
| | | Cash A/c | Real A/c |
| iv. | Paid Salaries ₹ 7,700 | Salary A/c | Nominal A/c |
| | | Cash A/c | Real A/c |
| v. | Received Rent ₹ 1,000 | Cash A/c | Real A/c |
| | | Rent A/c | Nominal A/c |
| vi. | Cash Sales ₹ 5,000 | Cash A/c | Real A/c |
| | | Sales A/c | Nominal A/c |
| vii. | Bought goods from Viral ₹ 8,000 | Purchases A/c | Nominal A/c |
| | | Viral A/c | Personal A/c |
| viii. | Purchased Furniture for cash ₹ 6,000 | Furniture A/c | Real A/c |
| | | Cash A/c | Real A/c |
| ix. | Withdrew cash from business for personal use ₹ 1,500 | Drawings A/c | Personal A/c |
| | | Cash A/c | Real A/c |
| x. | Paid advertisement ₹ 7,000 | Advertisement A/c | Nominal A/c |
| | | Cash A/c | Real A/c |

Sol. Q.18.:

| Sr. No. | Transactions | Two aspects/ Effects | Accounts Involved | Classification of Accounts | Rules applied | Account to be Debited | Account to be Credited |
|---------|--|------------------------------------|-------------------------|----------------------------|----------------------|-------------------------|------------------------|
| i. | Mahesh commenced business with a capital of ₹ 2,00,000 | Cash bought in the business | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Proprietor is giver of the capital | Capital A/c | Personal A/c | Credit the giver | – | Capital A/c |
| ii. | Purchased goods from Mr. Raj ₹ 6,000 and payment made in cash | Purchase is an expense | Purchases A/c | Nominal A/c | Debit the expense | Purchases A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| iii. | Paid telephone bill by cash ₹ 3,000 | Telephone bill is expense | Telephone Expenses A/c | Nominal A/c | Debit the expenses | Telephone Expenses A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| iv. | Paid for electrical fittings for his business premises ₹ 5,000 | Electrical fittings is an asset | Electrical Fittings A/c | Real A/c | Debit what comes in | Electrical Fittings A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| v. | Paid conveyance expenses in cash ₹ 2,000 | Conveyance is an expense | Conveyance A/c | Nominal A/c | Debit the expenses | Conveyance A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |



| | | | | | | | |
|-------|---|------------------------------------|-------------------|--------------|----------------------|-------------------|---------------|
| vi. | Paid for advertisement ₹ 6,000 | Advertisement is an expense | Advertisement A/c | Nominal A/c | Debit the expenses | Advertisement A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| vii. | Took loan from bank ₹ 5,00,000 | Cash comes in | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Bank is the giver | Bank Loan A/c | Personal A/c | Credit the giver | – | Bank Loan A/c |
| viii. | Salary paid ₹ 9,000 | Salary is an expense | Salaries A/c | Nominal A/c | Debit the expenses | Salaries A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| ix. | Mahesh bought a Laptop for his personal use by withdrawing ₹ 30,000 from business | Purchased laptop for personal use | Drawings A/c | Personal A/c | Debit the receiver | Drawings A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| x. | Sold goods to Mr. Sunil on credit ₹ 7,000 | Sunil is the receiver of the goods | Sunil's A/c | Personal A/c | Debit the receiver | Sunil's A/c | – |
| | | Sales is an income | Sales A/c | Nominal A/c | Credit the income | – | Sales A/c |

Sol. Q.19.:

| Sr. No. | Transactions | Two aspects/ Effects | Accounts Involved | Classification of Accounts | Rules applied | Account to be Debited | Account to be Credited |
|---------|---|--------------------------------------|---------------------------|----------------------------|----------------------|-----------------------|---------------------------|
| i. | Mr. Rahul commenced business by introducing machinery worth ₹ 30,00,000 | Machinery brought as capital | Machinery A/c | Real A/c | Debit what comes in | Machinery A/c | – |
| | | Proprietor is giver of the capital | Capital A/c | Personal A/c | Credit the giver | – | Capital A/c |
| ii. | Bought computer from Ahmed on credit ₹ 20,000 | Computer comes in | Computer A/c | Real A/c | Debit what comes in | Computer A/c | – |
| | | Ahmed is the giver | Ahmed's A/c | Personal A/c | Credit the giver | – | Ahmed's A/c |
| iii. | Mr. Rahul paid LIC premium ₹ 5,000 | LIC of Rahul is a personal expense | Drawings A/c | Personal A/c | Debit the receiver | Drawings A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| iv. | Advance from customer received in cash ₹ 10,000 | Cash comes in | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Advance from customer is a liability | Advance from Customer A/c | Personal A/c | Credit the giver | – | Advance from Customer A/c |



| | | | | | | | |
|-------|---|-------------------------------|---------------------------------|--------------|------------------------------|---------------------|---------------------------------|
| v. | Sold machinery costing ₹ 20,000 at ₹ 25,000 | Cash comes in | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Machinery goes out | Machinery A/c | Real A/c | Credit what goes out | – | Machinery A/c |
| | | Profit on Sale is a gain | Profit on Sale of Machinery A/c | Nominal A/c | Credit the gains | – | Profit on Sale of Machinery A/c |
| vi. | Deposited into HDFC Bank amount of ₹ 20,000 | Bank is the receiver | HDFC Bank's A/c | Personal A/c | Debit the Receiver | HDFC Bank's A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| vii. | Introduced additional capital in the form of Furniture worth ₹ 50,000 | Furniture comes in | Furniture A/c | Real A/c | Debit what comes in | Furniture A/c | – |
| | | Proprietor is the giver | Capital A/c | Personal A/c | Credit the giver | – | Capital A/c |
| viii. | Interest on investments ₹ 2,500 received in cash | Cash comes in | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Interest is an income | Interest on Investment A/c | Nominal A/c | Credit all incomes and gains | – | Interest on Investment A/c |
| ix. | Carriage Inward paid in cash ₹ 500 | Carriage Inward is an expense | Carriage Inward A/c | Nominal A/c | Debit the expense | Carriage Inward A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |

Sol. Q.20.:

| Sr. No. | Transactions | Two aspects/ Effects | Accounts Involved | Classification of Accounts | Rules applied | Account to be Debited | Account to be Credited |
|---------|---|------------------------------------|----------------------|----------------------------|----------------------|-----------------------|------------------------|
| i. | Cash introduced in business ₹ 5,00,000 | Cash comes in the business | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Proprietor is giver of the capital | Capital A/c | Personal A/c | Credit the giver | – | Capital A/c |
| ii. | Opened an account with Bank of Baroda and deposited ₹ 4,00,000 | Bank of Baroda receives the amount | Bank of Baroda's A/c | Personal A/c | Debit the Receiver | Bank of Baroda's A/c | – |
| | | Cash goes out from business | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| iii. | Bought machinery by issuing a cheque from Bank of Baroda A/c ₹ 50,000 | Machinery comes in | Machinery A/c | Real A/c | Debit what comes in | Machinery A/c | – |
| | | Paid through Bank A/c | Bank of Baroda's A/c | Personal A/c | Credit the Giver | – | Bank of Baroda's A/c |
| iv. | Goods purchased from Mr. Sunder on credit worth ₹ 50,000 | Purchase is an expense | Purchases A/c | Nominal A/c | Debit the expense | Purchases A/c | – |
| | | Sunder is the giver of the goods | Sunder's A/c | Personal A/c | Credit the giver | – | Sunder's A/c |



| | | | | | | | |
|-------|--|------------------------------|------------------------|--------------|------------------------------|------------------------|----------------------|
| v. | Paid to Mr. Sunder in full by issuing a cheque | Sunder is the receiver | Sunder's A/c | Personal A/c | Debit the receiver | Sunder's A/c | – |
| | | Paid through Bank A/c | Bank of Baroda's A/c | Personal A/c | Credit the giver | – | Bank of Baroda's A/c |
| vi. | Paid wages ₹ 1,000 | Wages is an expense | Wages A/c | Nominal A/c | Debit the expense | Wages A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| vii. | Royalty received in cash ₹ 7,000 | Cash comes in | Cash A/c | Real A/c | Debit what comes in | Cash A/c | – |
| | | Royalty is an income | Royalty A/c | Nominal A/c | Credit all incomes and gains | – | Royalty A/c |
| viii. | Paid salary by cheque ₹ 12,000 | Salary is an expense | Salary A/c | Nominal A/c | Debit the expense | Salary A/c | – |
| | | Paid through Bank A/c | Bank of Baroda's A/c | Personal A/c | Credit the Giver | – | Bank of Baroda's A/c |
| ix. | Legal expenses paid in cash ₹ 2,500 | Legal Expenses is an expense | Legal Expenses A/c | Nominal A/c | Debit the expense | Legal Expenses A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |
| x. | Paid conveyance expenses ₹ 250 | Conveyance is an expense | Conveyance Expense A/c | Nominal A/c | Debit the expense | Conveyance Expense A/c | – |
| | | Cash goes out | Cash A/c | Real A/c | Credit what goes out | – | Cash A/c |