

PROBLEMS PRACTICE GUIDE – XI STD
ACCOUNTANCY

CHAPTER - 4

BASIC ACCOUNTING PROCEDURES - II
JOURNAL

1. Journalise the following transactions of Mrs.Rama

2004, Jan 1 Mrs.Rama commenced business with cash 30,000

2 Paid into bank 21,000

3 Purchased goods by cheque 15,000

7 Drew cash from bank for office use 3,000

15 Purchased goods from Siva 15,000

20 Cash sales 30,000

25 Paid to Siva 14,750

Discount Received 250

31 Paid rent 500

Paid Salaries 2,000

2. Journalise the following transactions of Mr.Moorthi

2004, June 3 Received cash from Ramkumar 60,000

4 Purchased goods for cash 15,000

11 Sold goods to Damodaran 22,000

13 Paid to Ramkumar 40,000

17 Received from Damodaran 20,000

20 Bought furniture from Jagadeesan 5,000

27 Paid rent 1,200

30 Paid salary 2,500

3. Journalise the following in the Journal of Thiru.Gowri Shankar

2003, Oct. 1 Received cash from Siva 75,000

7 Paid cash to Sayeed 45,000

10 Bought goods for cash 27,000

12 Bought goods on credit from David 48,000

15 Sold goods for cash 70,000

4. Record the following transactions in the Journal of Tmt.Bhanumathi.

2004, Feb. 3 Bought goods for cash Rs.84,500

7 Sold goods to Dhanalakshmi on credit Rs.55,000

9 Received commission Rs.3,000

10 Cash Sales Rs.1,09,000

12 Bought goods from Mahalakshmi Rs.60,000

15 Received five chairs from Revathi & Co. at Rs.400 each

20 Paid Revathi & Co., cash for five chairs
28 Paid Salaries Rs.10,000
Paid Rent Rs.5,000

5. Journalise the following transactions in the books of Thiru.Kalyanasundaram.

2004, March 1 Sold goods on credit to Mohanasundaram Rs.75,000.
12 Purchased goods on credit from Bashyam Rs.70,000.
15 Sold goods for cash to David Rs.50,000.
20 Received from Mohanasundaram Rs.70,000.
25 Paid to Bashyam Rs.50,000.

CHAPTER - 5

BASIC ACCOUNTING PROCEDURES - III **LEDGER**

1. Record the following transactions in the Journal of Mr.Radhakrishnan and post them in the ledger and balance the same.

2004, Jan. 1 Radhakrishnan commenced business with cash, Rs.15, 00,000.
3 Paid into Bank Rs.5, 00,000
5 Bought goods for Rs.3, 60,000
7 Paid travelling charges Rs.5, 000
10 Sold goods for Rs.2, 50,000
15 Sold goods to Balan Rs.2, 40,000
20 Purchased goods from Narayanan Rs.2, 10,000
25 Withdrew cash Rs.60, 000

2. Journalise the following transactions in the Journal of Mr.Shanmugam, post them in the ledger and balance them.

2003, Aug. 1 Started business with Rs.4,50,000
3 Goods purchased Rs.70,000
5 Goods sold Rs.51,000
10 Goods purchased from Rangasamy Rs.2,00,000
16 Goods returned to Rangasamy Rs.5,000
23 Drew from bank Rs.30,000
26 Furniture purchased Rs.10,000
27 Settled Rangasamy's account
31 Salaries paid, Rs.12,000

3. Journalise the following transactions in Tmt.Rani's Journal and post them to ledger and balance them.

2003, Sept. 1 Tmt. Rani started business with 3,00,000
5 Opened a current account with Indian Overseas Bank 50,000

- 12 Bought goods from Tmt.Sumathi 90,000
- 18 Paid to Tmt. Sumathi 90,000
- 20 Sold goods to Tmt.Chitra 1,26,000
- 28 Tmt.Chitra settled her account

4. Journalise the following transactions in Thiru.Manikandan's books and post them to ledger and balance them.

- 2003, Aug 5 Sold goods to Arumugam on Credit Rs.17,500
- 9 Bought goods for cash from Chellappan Rs.22,500
 - 12 Met Travelling expenses Rs. 2,500
 - 15 Received Rs.80,000 from Sivakumar as loan
 - 21 Paid wages to workers Rs.3,000

5. Post the following transactions direct into ledger of Thiru.Karthik and balance them.

- 2003, Oct 1 Received cash from Ramesh Rs.1,60,000.
- 5 Bought goods for cash Rs.60,000.
 - 7 Sold to Suresh Rs.30,000.
 - 15 Bought from Dayalan Rs.40,000.
 - 18 Sold to Ganesan Rs. 50,000.
 - 20 Withdrew cash for personal use Rs.18,000.
 - 25 Received commission Rs.20,000.
 - 30 Paid rent Rs.5,000.
 - 31 Paid salary Rs.10,000.

CHAPTER - 6

SUBSIDIARY BOOKS I - SPECIAL PURPOSE BOOKS

1. Enter the following transactions in proper subsidiary books.

- 2003, March 1 Purchased goods from Balaraman Rs.2000
- 2 Sold goods to Senthil Rs.1,000
 - 3 Goods purchased from Durai Rs.1,000
 - 5 Sold goods to Saravanan Rs.700
 - 8 Sold goods to Senthil Rs.500
 - 10 Purchased goods from Elangovan Rs.600
 - 14 Purchased goods from Parthiban Rs.300
 - 20 Sold goods to Sukumar Rs.600

2. Record the following transactions in the proper subsidiary books of M/s.Ram & Co., and post them to the ledger.

- 2003 April 1 Goods sold to Ramesh Rs.1,000
- 5 Sold goods to Kumar Rs.2,200

- 8 Sold goods to Shankar Rs.300
- 10 Goods returned by Kumar Rs.600
- 15 Credit Note sent to Shankar for Rs.200 being the invoice overcharged.

3. Write the following transactions in proper subsidiary books of Mr.Rajasekaran.

- 2003, May 10 Purchased goods from Raman Rs.15,000
- 14 Returned goods to Raman Rs.500
- 18 Purchased goods from Sekaran Rs.10,000
- 20 Pradeep sold goods to us Rs.20,000
- 24 Sent a debit note to Sekaran for goods damaged in transit Rs.1,000.

4. Enter the following transactions in the proper subsidiary books of Mr.Somu

- 2003 Nov. 1 Bought from Gopal 300 bags of wheat Rs.1,000 per bag less trade discount 10%
- 3 Purchased from Madhavan 150 bags of rice Rs.900 per bag less discount 10%
- 5 Returned to Gopal 10 bags of wheat which were purchased on 1.11.03.
- 7 Sold to Shiva 50 bags of rice Rs.1,200 per bag less Trade Discount 5%.
- 12 Sold to Sharma 25 bags of Wheat Rs.1,300 per bag less Trade Discount 10%.
- 14 Returned 15 bags of rice to Madhavan.
- 15 Shiva returned 5 bags of rice.
- 17 Bought from Rajan 200 bags of wheat Rs.950 per bag
- 24 50 bags of wheat returned to Rajan

5. Enter the following transactions in the appropriate Special Journal of M/s. Sita & Co.

- 2002, Oct 2 Bought goods from Satish Rs.2,400 as per invoice No.63.
- 4 Sold to Sivagami goods Rs.1,600 as per invoice No.71.
- 7 Returned to Satish goods of Rs.250 as per debit note No.4
- 8 Sivagami returned goods Rs.150 as per credit note No.8
- 12 Sold to Vijaya goods of Rs.950 as per invoice No.72
- 14 Purchased from Velan goods worth Rs.1,100
- 18 Returned to Sampath goods of Rs.150 as per debit note No.5
- 22 Vijaya returned goods of Rs.240 Credit Note No.9

CHAPTER - 7

SUBSIDIARY BOOKS II - CASH BOOK

1. Enter the following transactions in three column cash book of Mr.Muthu and balance the same.

- 2003 Aug 1 Cash in hand Rs.75,000
- Cash at bank Rs.40,000
- 4 Paid into bank Rs.20,000.
- 6 Purchased machinery by cheque Rs.10,000.
- 8 Received from Mohan Rs.2,560, Discount allowed Rs. 40.
- 10 Paid to Somu by cheque Rs.3,970 in full settlement of his account Rs.4,000.
- 11 Withdrew cash from Bank for personal use Rs.5,000.
- 15 Received cheque from Balan Rs.4,900.Allowed him discount Rs.100.
- 19 Balan's cheque deposited into Bank
- 24 Anandan our customer has paid directly into our bank account Rs.10,000.
- 27 Rent paid by cheque Rs.3,000.

2. From the following particulars, prepare single column cash book of Ms.Kokila.

- 2002 Mar.1 Cash in hand Rs.20,000.
4 Cash purchases Rs.4,000.
7 Cash sales Rs.8,000.
8 Paid to Balan Rs. 5,000
9 Received cash from Cheran Rs.10,000.
13 Paid into bank Rs.10,000.
14 Cash withdrawn from bank Rs.4,000.
18 Paid salaries Rs.1,000.
20 Bought furniture Rs.3,000.
28 Rent paid Rs. 1,000.

3. Enter the following transactions in cash book with cash and discount column of Mr.Nandakumar.

- 2003, Jan 1 Cash in hand Rs.60,000.
3 Bought goods from Premnath Rs.10,000.
4 Opened a current account with bank Rs.15,000.
7 Withdraw from bank Rs.5,000.
8 Sold goods to Kandan for Rs.10,000 credit on terms 2% cash discount if payable within two weeks.
10 Paid cash to Premnath, less 1% C.D.
14 Received a cheque from Arul Rs.3,400, allowed him discount Rs.100.
15 Kandan settled his account.

4. Record the following transactions in Sujatha's cash book with cash and bank columns.

- 2002, Mar 1 Cash Balance Rs.45,000.
Bank Balance Rs.42,000.
3 Cash paid into bank Rs.5,000.
5 Purchases by cheque Rs.9,000.
8 Cash sales, deposited in the bank Rs.13,500.
10 Furniture purchased Rs.600.
14 Cheque received from Ramu Rs.2550.
17 Ramu's cheque deposited in the bank for collection.
18 Cash withdrawn for personal use by cheque Rs.750.
20 Cash withdrawn from bank Rs.3,000.
26 Ramu's cheque was returned by bank as dishonoured.

5. Enter the following transactions in the Three Column Cash Book of Mr.Albert.

- 2002, May 1 Cash in hand Rs.30,000.
Cash at bank Rs.2,000
3 Received cheque for goods sold to Arun and banked it Rs.1000.
5 Paid into bank Rs.4,000.
9 Paid cash to David from whom goods worth Rs.6,000 were purchased for credit on 1st May on term 2% cash discount within two weeks.
10 Paid to Robert by cheque Rs.2,400 in full settlement of his account of Rs.2,500.
12 Received cash from Nathan Rs.4,750. Discount allowed Rs.250.

- 19 Interest allowed by bank Rs.200.
- 20 Robert to whom we have issued a cheque has reported that our cheque is dishonoured.
- 22 Roshan got exchange a five hundred rupee note.
- 31 Paid into bank all cash in excess of Rs.5,000.

CHAPTER - 8

SUBSIDIARY BOOKS III - PETTY CASH BOOK

1. Record the following transactions in the analytical petty cash book of Mr.Manoharan.
Balance the book on 6th May, 2003.
Give Journal entries and post the balances to concerned ledger accounts.
2003, May 1. Received for petty cash payment Rs.1,500
 - 2. Paid taxi hire Rs. 250
 - 3. Bought stamps Rs. 75
 - 4. Paid for carriage Rs. 120
 - 4. Paid for Telegrams Rs. 75
 - 4. Paid for auto Rs. 125
 - 5. Paid for carriage Rs. 300
 - 6. Bought revenue stamps Rs. 50

2. Prepare Petty Cash Book on imprest system from the following particulars.
2003, Sept. 1. Received for petty cash payments Rs.1,000
 - 4. Paid for stationery Rs. 140
 - 9. Paid for postage Rs.80
 - 10. Paid for printing charges Rs. 150
 - 11. Paid for carriage Rs. 125
 - 17. Paid for telegrams Rs.25
 - 20. Purchased envelopes Rs. 30
 - 21. Paid for coffee to office staff Rs. 30
 - 22. Paid for office cleaning Rs. 50
 - 30. Paid to Rajesh Rs. 200

3. Prepare the analytical petty cash book of Mrs.Mala from the following:
2002, Dec. 1 Cash in hand 435
 - 1 Received from cashier 1,065
 - 4 Bought postage stamps 75
 - 7 Paid for stationery 135
 - 8 Paid to Manimaran on account 475
 - 13 Tea to sales agents 25
 - 20 Bought ink & paper 43
 - 21 Paid for carriage 45
 - 24 Sent a telegram to Madurai 25
 - 26 Paid for stationery 120
 - 29 Paid for registered post 50

4. Prepare petty cash book of Mr.Nandakumar with suitable columns and enter therein the following transactions. Balance the book on 10th March 2001.

- 2001, Mar 1 Balance in hand 158
 Received from chief cashier 592
 2 Paid for postage stamps 50
 5 Paid for stationery 105
 6 Paid for carriage 65
 7 Paid for postage stamp 75
 Paid for telegrams 35
 8 Paid for carriage 50
 9 Paid for stationery 78

5. Enter the following transactions in a petty cash book of Mr.Murugan maintained on imprest system with analytical columns:

- 2003, July 15 Cash in hand 143
 Received from the chief cashier 607
 16 Bought stamps 25
 17 Paid cartage 40
 18 Tea and lunch expenses to customers 74
 19 Telegram sent 23
 20 Paid taxi hire 150
 21 Purchased envelops 22
 22 Paid for repairs of typewriter 65
 23 Purchased one bottle of ink 12
 27 Paid Railway fare to manager 187
 31 Paid to coolie 20

CHAPTER - 9

BANK RECONCILIATION STATEMENT

1. Prepare a bank reconciliation statement of Mr.Goutham from the following data as on 31.12.2003.

- a) Balance as per cash book 12,500
- b) Cheques issued but not presented for payment 900
- c) Cheques deposited in bank but not collected 1,200
- d) Bank paid insurance premium 500
- e) Direct deposit by a customer 800
- f) Interest on investment collected by bank 200
- g) Bank charges 100

2. On 31st December 2003 the pass book of Ms.Rosy shows a credit balance of Rs.3,357.

- i) The cheques sent to the bank but not collected and credited amounted to Rs.790 and three cheques drawn for Rs.300, Rs.150 and Rs.200 respectively were not presented for payment till 31st January 2004.

- ii) Bank has paid a bill payable amounting to Rs.1,000 but it has not been entered in the Cash Book and a bill receivable of Rs.500 which was discounted with the bank was dishonoured by the drawee on due date.
- iii) The bank has charged Rs.12 as its commission for collecting outstation cheques and has allowed interest Rs.10 on the trader's balance.

Prepare a Bank Reconciliation Statement and show the balance as per cash book.

3. The Cash Book of Mr.Elavarasan showed that he had an Overdraft of Rs.8,000 on 31st October, 2003. On verification of the Cash Book and the Bank Pass Book the following points were noticed:

- a) Cheques worth Rs.1,400 paid into the Bank had not been collected till 31st October.
- b) Cheques worth Rs. 720 issued before 31st October had not been presented for payment.
- c) Interest on Overdraft Rs. 110 charged by the Bank was not entered in the Cash Book.
- d) A Bill Receivable worth Rs. 800 discounted on 1st September was dishonoured.
- e) A customer had paid into the Bank directly Rs. 450 and this was not entered in the Cash Book.

Prepare a Bank Reconciliation Statement as on 31.10.73.

4. From the following particulars, ascertain the balance that would appear in the Bank Pass Book of Cotton World Ltd. at 31st December, 2003.

- a) The bank overdraft as per Cash Book on 31st December, Rs. 1,26,800.
- b) Interest on overdraft for 6 months ending 31st December, Rs.3,200 is entered in the Pass Book.
- c) Bank charges of Rs.600 for the above period are debited in the Pass Book.
- d) Cheques issued but not cashed prior to 31st December, amounted to Rs.23,360.
- e) Cheques paid into bank but not cleared before 31st December, were for Rs. 43,400.
- f) Interest on investments collected by the bank and credited in the Pass Book, Rs. 24,000.

5 . From the following particulars of Mr.Jacob, ascertain the Bank Balance as per Pass Book on December 31, 2003.

- a) The Bank balance as per Cash Book was Rs.11,500 on December 31, 2003.
- b) Cheques issued but not cashed before that date amounted to Rs.1,750.
- c) Cheques paid into Bank, but not cleared before December 31, 2003 amounted to Rs.2,150.
- d) Interest on Investments collected by the Bank but not entered in the Cash Book amounted to Rs.275.
- e) Local cheque paid in but not entered in the Cash Book Rs.250.
- f) Bank Charges debited in the Pass Book Rs.95.

CHAPTER - 10

TRIAL BALANCE AND RECTIFICATION OF ERRORS

1. The following balances were extracted from the ledger of Rahul on 31st March, 2003. You are requested to prepare a trial balance as on that date in the proper form.

Salaries 36,320	Purchases 1,44,670
Sales 1,73,500	Sundry Debtors 1,430
Plant & Machinery 34,300	Travelling Expenses 2,630
Commission Paid 1,880	Carriage Inward 240
Stock on 1.4.2002 11,100	Sundry Creditors 14,260
Repairs 1670	Capital, 1.4.2002 62,500
Sundry Expenses 460	Drawings 3,500
Returns Inward 1,000	Cash at Bank 1,090
Discount Allowed 1,150	Returns Outward 400
Rent and Rates 3,220	Investments 6,000

2. The following balances are extracted from the books of Mr.Senthil. Prepare Trial Balance as on 30.6.2004.

Capital 4,70,200	Machinery 1,58,800
Cash in hand 6,000	Sundry Debtors 48,000
Building 3,20,000	Repairs 5,400
Stock 33,000	Insurance premium 3,300
Sundry creditors 26,000	Sales 2,90,000
Commission paid 750	Telephone charges 6,450
Rent & Taxes 6,300	Furniture 11,000
Purchases 1,65,000	Discount earned 1,100
Salaries 70,600	Loan from Mohammed 51,000
Discount allowed 650	Reserve fund 5,900
Drawings 5,000	Bills receivable 8,600
Bad debts 1,350	Bills payable 6,000

3. Rectify the following errors:

- Credit purchase of goods from Madhan of Rs.300 has been wrongly entered in the sales book.
- Rs.500 received from Selvam has been credited to Selvi's account.
- Rs.1,000 received as interest was credited to commission account.
- Sales book total Rs.878 was wrongly totalled as Rs.788.
- The total of the discount column, on the debit side of the cash book has been added short by Rs.400.

4. An Accountant could not tally the trial balance. The difference of Rs.520 was temporarily placed to the credit of suspense account and subsequently found the following errors.

- a) The total of the Discount column on the credit side of the Cash Book Rs.230 was not posted in the ledger.
- b) The total of the Discount Column on the debit side of the Cash Book Rs.150 was omitted to be posted in the ledger.
- c) The total of the purchases book was short by Rs.600.
- d) A sale of Rs.675 to Kalpana was entered in the Sales book as Rs.975.
- e) A sale of Rs.500 to Vimala has been entered in the Purchase Book.

Rectify the above errors through Suspense Account. Also give journal entries for rectification.

5. Rectify the following errors which are located in the books of Mr.Ganesh.

- i. The purchases return book overcast by Rs.1,500.
- ii. Received Rs.2,000 from Shankar debited to his account.
- iii. The sales book undercast by Rs.1,500.
- iv. Rs.1,500 received from Geetha was entered on the debit side of the cash book. No posting was done to Geetha's A/c.
- v. Sale of old furniture for Rs.2,000 treated as sale of goods.

CHAPTER - 11

CAPITAL AND REVENUE TRANSACTIONS

1. Prasad Pictures Ltd. constructed a cinema house and incurred the following expenditures during the year ended 31.12.2003.

- i. Second hand furniture purchased worth Rs.3,00,000.
- ii. Expenses in connection with obtaining a license were Rs.30,000.
- iii. Fire insurance, Rs.2500 was paid on 1st January 2003 for one year.
- iv. During the first week after the release of the cinema, free tickets worth Rs.30,000 were distributed to increase the publicity of the cinema house.
- v. The manager's salary for the year was Rs.60,000.

Classify the above transactions into capital, revenue and deferred revenue expenditures.

2. Bharat company has incurred the following expenditure you are required to identify the capital, revenue and deferred revenue expenses.

- i. Rs.60,000 travelling expenses of their sales manager who travelled to Japan to attend a meeting in order to increase sales – trip was quite successful.
- ii. Rs.500 spent for installing machinery.
- iii. Rs.6,00,000 spent on research and development.
- iv. Rs.500 paid for fuel.

3. Raju gives you the following expenses which were incurred in his business during the year 2003, classify them into capital, revenue or deferred revenue

- i. Rs.12,000 spent on purchasing a patent right
- ii. Freight charges paid on new plant amounts to Rs.700
- iii. Repairs of Rs.575 for furniture
- iv. Rs.5,000 spent towards expenses connected with rain water harvesting as per Government orders
- v. Rs.7,500 spent towards initial advertising expenses.

4. State whether the following are capital or revenue

- i. repairs made on second hand plant purchased
- ii. wages paid to workmen for setting up a new plant
- iii. replacement of old furniture
- iv. salary paid to staff
- v. amount received as rent during the year for letting out a portion on sub rent

5. Classify as capital and revenue:-

- i. carriage paid on goods purchased
- ii. legal expenses paid for raising of loans
- iii. cost of maintenance of building
- iv. investments costing Rs 40,000 were purchased a few years back, were sold for Rs 50,000
- v. annual white washing charges amounted to Rs 1,000

CHAPTER - 12

FINAL ACCOUNTS

1. The following are some of the balances extracted from the ledger of Mr.Sundaram as on 31st December 2000. Prepare a trading account.

Stock (1.1.2000) 12,500
Purchases 1,00,000
Sales 1,50,000
Returns outwards 5,000
Returns inwards 10,000
Salaries 4,400
Wages 7,500
Rent 2,750
Carriage inwards 2,500
Carriage outwards 750
Power, coal, gas 1,000

Stock on 31.12.2000 was valued at Rs.14,000.

2. The following balances are taken from the books of M/s. RSP Ltd. Prepare profit and loss account for the year ended 31st March 2002.

Gross profit 5,25,000	Salaries & wages 1,00,000
Rent 10,000	Depreciation 5,000
Interest on loan 5,000	Office expenses 1,500
Distribution charges 2,500	Salesman salary 8,000
Bad debts 2,200	Stationery and printing 500
Commission received 3,000	Discount received 2,000
Interest received 5,000	Advertising 9,000
Taxes and insurance 2,000	

3. From the following information prepare balance sheet of Mrs.Nasreen Khan as at 31st Dec. 2003.

Goodwill 10,000	Sundry debtors 25,000
Capital 90,000	Drawings 15,000
Cash in hand 10,000	Land & Buildings 30,000
Investment 500	Bank 10,000
Net profit 46,900	Creditors 31,500
Bills receivable 6,500	Plant & machinery 20,000
Bills payable 5,350	closing stock 40,000
Furniture 6,750	

4. From the following Trial Balance of M/s. Ram & Sons, prepare trading and profit and loss account for the year ending on 31st March 2002 and the balance sheet as on the date:
Trial Balance as on 31st March 2002

Opening Stock (1.4.2001) 5,000
Purchases 16,750
Discount allowed 1,300
Wages 6,500
Sales 30,000
Salaries 2,000
Travelling expenses 400
Commission 425
Carriage inward 275
Administration expenses 105
Trade expenses 600
Interest 250
Building 5,000
Furniture 200
Debtors 4,250
Creditors 2,100
Capital 13,000
Cash 2,045

Stock on 31st March 2002 was Rs. 6,000.

5. From the following balances extracted from the books of Mrs.Mala, prepare final accounts for the year ending 31st March 2003. Closing stock as on 31.03.2003 was Rs.72,500.

Mrs.Mala's Capital 95,000
Plant & Machinery 37,000
Repairs to Machinery 9,150
Wages 42,000
Salaries 6,000
Income tax 750
Cash and bank balances 3,000
Land and building 1,11,750
Purchases 1,80,000
Purchase Returns 3,000
Sales 3,75,000
Interest 2,250
Bills receivable 15,000
Bills payable 4,500
Commission (Cr) 6,000
Debtors 52,500
Creditors 40,650
Opening Stock as on 1.4.2003 55,500
Drawings 12,000
Suspense account 2,750 (Cr)

PREPARED BY

B.ABDUL AJISH M.COM., M.PHIL.,

P.G. ASSISTANT COMMERCE

**EQUITAS GURUKUL MATRIC HIGHER SECONDARY SCHOOL,
DINDIGUL DISTRICT.**

CONTACT NUMBER: 7708082064 (WHATS APP NUMBER)