

27 Oct 2023 (1)

### Step 1: Recording : Journal Book (debit & credit).

rent, money got from sale,  
save money to bank (mention).

Step 2:  
Then classify it in groups (It is done in  
the ledger). Then summarise it (At Step III)  
end of year How many goods, money,  
furniture) recorded in trial Balance.

To know (To make report: Trading Profit  
and Loss Account, Balance sheet), make  
2 reports, Balance sheet & Asset side  
liability (Burdens, loan from bank/person/institution)  
has to pay it.

A.P.L.A.B.S.

### ② Definition of Accounting

Accounting is the process  
of recording, classifying  
summarising, and reporting  
financial transactions  
in monetary terms  
with the aim of showing  
financial health of any  
Business. It gives a  
complete picture of  
financial condition  
of Business unit.



of business for future  
economic decisions.

④

Assets: Assets are items  
possessed by a business/  
owned by a business.  
That will provide financial  
Benefit for a long time.  
It is responsible for  
generation of cash in the  
business. Land, building,  
Bank Account Balance,  
Investment are all  
assets of a Business  
Organisation.

⑤ liability : Liability  
are obligations for a  
business. It is  
responsible for outflow  
of cash in the business.

⑥ Creditor & Debtor

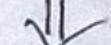


### (ii) Base of financial judgement :

Accounting provides information  
for judging the management's ability  
to utilise the financial resources  
effectively, in achieving the goals of  
business.

### (iv) Maintains historical records which indicates the future:

Accounting supplies information  
based on the past economic events.  
These records helps in the evaluation,  
Prediction or estimation



⑥ Creditor is someone to whom we owe money, (जिसका पैसा भरता है) Liability side रहेगा।  
Debtor is someone who owes us money, (जो पैसा करा), तो उन Asset side रहेगा।

⑦ Objectives of Accounting:  
प्रमुख निम्न का points लिखेंगे।

⑧ Types of Accounting  
Main (अभीजो पढ़ रहे हैं तो)  
Financial Accounting कहे हैं।  
पहले यही था, Business grows  
हुआ तो इसके Types बनाए,  
Objectives (Business का profit/loss, how use finances).

Cost Accounting: Mobile make Business  
कर्त्ता कम करना है। बिनाने में,  
MRP change नहीं कर सकते हैं,  
Use best of resources, and  
increase profit by product.

Tax Accounting: Business Org  
की कुतना tax लगाया,

Resource  
Human Accounting: Employers, roles,  
Business profit and position of  
employees.

Environmental Accounting

⑨ Financial Accounting: An accounting  
which relates with analysis and  
recording, of transactions of  
financial nature, their classification  
preparation of financial reports

↓  
And their analysis's and interpretation  
is known as financial accounting.

misleading def. <sup>व्यापक</sup>  
झौंकें।

पर sale/purchase on  
credit / उदार से संबंध रखता है।

Mr A से हम Deal किये।  
Mr A हम से उदार पर जमान खरीदा  
Mr A हमारा debtor हुआ, उस  
उक्ते लिए creditor हुए।

Mr B से हम Deal किये।

Mr B से हम उदार पर जमान खरीदे  
Mr B हमारा लिए creditor हुआ  
हम Mr B के debtor हुए।

Bank का term में Debtor  
या creditor वे ही होता।

class notes

Accounting.  
- Payroll-Salary.

c) 30 October 2023.

### Cost Acc. ④

Accounting which helps in easier finding the total cost and cost per unit of goods and services is known as Cost Accounting.

It helps in cost control and cost reduction.

### ⑤ Management Accounting

Accounting prepared for the use of management is called the Management Accounting.

It includes plans and budgets.

### ⑥ Tax Accounting

Accounting which is used for tax purpose is known as the Tax Accounting. Income Tax, Sales Tax, and other Direct and Indirect taxes are calculated on the basis of this Accounting.

### ⑦ Government Accounting

The accounts which are maintained by Central Government, State Government and the Local Government are known as Government Accounting.

### ⑧ Human Resource Accounting

Accounting which is related with Human Resources are known as the Human Resource Accounting. Cost and value of Human Resources are recorded in this Value System.

## Types of Accounting

⑥ The cost and value of the system are recorded in this accounting system.

### ⑦ Environmental Accounting

The accounting for env. and ecology prevention is a part of environmental ~~Accouting~~ Accounting. It deals with accounting of natural resources pollution etc.

Fin yr 1 April to 31st March

1 April 2022 to 31 March 2023

Rent per month = 15000/-

March Dues : 15000/-

April Pay : 30,000

→ including fee.

Rule: At period of payment ~~at~~ <sup>if</sup>, ~~at~~ mention ~~at~~ - This is known as Accrual system of Accounting.

## ACCRAUL System

Accrual is the method that recognises revenue in the period in which it is earned ~~and received~~. It is realisable but not necessarily when cash is actually received.

Cash Method of Accounting is adopted only in those business where only cash transactions takes place.

Difference between Cash method of Accounting and ACCRUAL Method of Accountin .

points	Cash method of Accounting	Accrual method of accounting
(1) Nature of Recording ,	Records only cash transactions.	Records both cash and credit transactions.
② Recording of Income	Cash method of Accounting Record only received in cash	Record all the transactions of income whether received in cash or not.
③		

Visual Studio - for library files, -  
Desktop apps, device drivers,  
OS components, cloud computing,  
etc.

ASP.NET - for web applications or services.  
Supports Python Programming.  
Supports framework  
such as React JS, Node JS, Angular JS.

### ① Diff. b/w Accrual System & Cash System

	Cash System	Accrual System
③ Recording of Expenses.	Only cash expenses are recorded.	In accrual system of accounting, both cash and non-cash expenses are recorded.
④ Distinction b/w Capital and Revenue Item.	In cash system of accounting, distinction b/w capital and revenue items are not made.	In accrual system of accounting, distinction b/w capital and revenue nature of items are made.
⑤ Legal position	In cash system of accounting is not recognised by any law. Indian Companies Act	Accrual system of Accounting is recognised by the companies Act.

### ② Bookkeeping : Recording, Classification, summarisation, Reporting.

Book keeping: It is an activity concerned with identification of business transaction. Measuring them in terms of money,

Recording and then classifying them in different Accounts

### USERS OF ACCOUNTING INFORMATION

1) Trading Profit & Loss.

2) Balance Sheet

These convey the Acc. Information to users.

Capital Rec: Incomes sometimes

Revenue Rec: Income in due course of Day to Day business Operation.

## The User of fin. information

### a) Internal User

owner + management + employee.

### b) External Users

Investors, Bank, Government

## GAAP

### Generally Accepted Accounting Principles.

These are the rules, guidelines and principles, which are derived from experience and practice and is useful for all.

Accounting conventions.

Accounting concepts.

GAAP are of two types: Accounting Conventions and Accounting Concepts.

#### Conventions:

Accounting conventions includes those customs and traditions which guide the accountant to write for preparing accounting statements.

1) ~~conservation~~ convention of conservatism. future is uncertain, though an estimate can be made about future events but no one can guess future with perfect certainty. Hence some arrangements or provisions is made to meet future ~~uncertainty~~ uncertainties. Every sincere

business man makes an estimate of future losses and then some provisions are made for it. Saving of money by people and depositing it; to ~~meet~~ meet future losses is conservatism.

\* Proprietor: A company in partnership causes many more decisions are responsible to management & evaluation of business units.

2) One should be careful in making provisions for future losses or more or less provided than ~~is~~ necessary will create adverse effect on the business records and not indicate the true and fair position.

Anticipate no profit and provide for all future losses.  
Explaining → convention of conservatism.

[Convention of full Disclosure] while making Accounting record care should be taken ~~not~~ to disclose all material information ~~and~~ and not to hide any information or facts. This is done to benefit the owner and those outsiders who are interested in final reports of the business. Thus full and fair disclosure helps in accurate assessment of financial position and performance.

### Acc. Info Users

Internal External

### (2) Convention of consistency.

whatever accounting practice has been adopted in one accounting year same should be continued in other future years also.

continuation of one practice for number of years indicates consistency. but this does not mean that once a method has been adopted, it can never be changed. If a better method is found out, it must be followed.

The most important advantage of consistency is that it helps in ~~material~~ for intrafirm comparisons.

### (4) Convention of materiality.

According to this accountants should attach important details and ignore insignificant details. This is because accounting will be unnecessarily overburdened with minute details.

### Accounting concepts

#### (1) Separate entity concept.

Business is treated separate from its owners. All transactions are recorded in books of the business and not in the books of the owner. Hence the transaction of inflow or outflow of cash or kind from owner to the business is also recorded in the books.

#### (2) Going concern concept

It indicates the indefinite long economic life of the business, this means that the business will continue to exist for unlimited period until and unless it is dissolved due to some reasons.

#### (3) Money measurement concept:

Only those ~~transac~~ transac. are recorded in the books of accounts which can be expressed in terms of money.

#### (4) Dual Aspect concept

This means that every transaction has two sides. One being debit and other being credit. All business transactions are recorded on the basis of this concept. If one aspect of the transaction is recorded, and the other is ignored, accountancy recording not indicate true picture.

## ⑤ Accounting period concept

Every business wants to know the result of his investment. The life of a business is divided into small segments for studying the results shown by business after each segment. This segment is called accounting period which is usually of one year.

Date	particulars	Dr	Credit

Lf = ledger folio.

Recording: Journal

also known as Books of original entry:

Journal records, orderly transactions of a business, recorded in which they occur. It is a book containing chronological records.

Of all the transactions, it is also known as book of original entry.

Process of recording transactions in journal is ~~not~~ known as journalising.

Q/II/2022

### Types of Accounts:

- ① Personal account
- ② Real account
- ③ Nominal account.

(III)

Representing personal accounts. Accounts which represent a person or a certain group of persons are representing personal accounts e.g.: capital and drawings.

### Personal Account

Natural personal account.

Artificial personal account.

Nominal personal account.

Representing.

Capital: Owner of business  
Business owner  
When owner takes money from business to home i.e. called drawing.

(IV) Real Accounts:

Goods; Bank account.  
Account dealing with material asset of a business.  
business. e.g.: land, building, machine,  
cash, bank, goods.

### Types of Accounts

#### ① Personal Account:

Accounts of person with whom business deals.  
The personal accounts are divided into three categories:

##### ① Natural personal account:

Natural persons are those who are creation of God.  
e.g. Angush - Salary.

##### ② Artificial personal Ac.

Acc. of ~~body~~ corporate bodies or institutional which are recognized as persons in business dealings. one artificial personal account.

#### (V) Expense Income profit loss.

Expense: rent,  
Salary: nominal acc.

Nominal account includes profit loss.  
Income expense.

	Debit	Credit
Personal Acc.	Recver	Givev.
Real	what comes	goes out.

Real	what comes in	what goes out	Accounts		
Personal.	expense and loss.	Income and profit	Personal, Real Nominal		
			Natural Assets, goods Income EXP, sale/purchase Loss in goods, bank Profit land		
fig. rules of journal entry					
Date NOV	Particulars - cash + furniture. capital. (R, R, P)	L.F	P. Dr. 2.	Cr.	Representing Capital brought by Owner Drawings made by owner Rent representing landlord.

- Q : 1) 1 NOV; business started with cash Rs 20000 and furniture Rs 5000,  
 2) 5 NOV, Owner withdraws 5000;  
 3) 7 NOV Goods purchased by paying cash 2000  
 4) 10 NOV Goods purchased from Suraj on Credit for Rs 2000.  
 5) 15 NOV, Groceries sold for Rs 3000.  
 6) 20 NOV, Goods sold on Credit to Mohan of rs. 3000.  
 7) 23 NOV, Goods returned to Suraj of rs 500.  
 8) 27 NOV, Goods returned from Mohan of Rs 800.  
 9) 30 NOV cash deposited in bank rs 10000

(अद सदी के अगले पृष्ठ पर बनाया गया है।)

# Journal entry व्यापक ledger entry

## Problem 1.

- 1 Nov 22 Business starts with Cash 20,000  
furniture 50,000
- 5 Nov 22. Owner withdraws 50000 Rs.
- 7 Nov 22. Goods purchased by Cash 2000.
- 10 Nov 22. Goods purchased from Suresh on credit for Rs 20000.
- 15 Nov 22. Goods sold for Rs 3000
- 18 Nov 22. Goods sold on credit To Mohan Rs 3000.
- 23 Nov 22. Goods returned to Suresh ₹ 800.
- 30 Nov 22. Cash deposited in bank rs 10,000.

### Rules:

	Subject	Credit	Debit
Date	Real A/c / Assets	Go out	comes in.
	Personal A/c	Giver	Receiver.
	Nominal A/c	Income / Profit	Loss / Expense.

Date	Particulars	If	Dr.	Cr.
1 Nov 22.	Cash A/c Dr.	200000		
	Furniture A/c Cr.	50000		
	To Capital <sup>No.</sup> [C.Y.]		250000	
	[Being business started]			
5 Nov 22	Drawings A/c Dr.	50,000		
	To cash A/c		50,000	
	[Being cash withdrawn]			
# Nov 22.	Purchase Furniture A/c Dr.	20,000		
	To cash A/c		2000	
	[Being Goods Purchased]			
10 Nov 22.	Purchase A/c Dr.	20,000		
	To Suresh A/c (Account Payable)		20000	
	[Being Goods purchase on Credit]			

15 Nov 22. Cash A/C Dr. 3000

To Sales A/C. 3000

[Being Goods sold for cash]

20 Nov 22. Mohan A/C (Acc. Receivable) Dr. 3000 3000  
To Sales A/C

[Being Goods sold on credit to mohan].

23 Nov 22. Suresh A/C (Acc. Payable) Dr 800 800  
To Purchase A/C

[Being Goods returned to suresh].

30 Nov 22. Bank A/C Dr. 10,000  
To Cash A/C 10000

Accounts Identified:

- 1 Cash A/C.
- 2 Furniture A/C.
- 3 Capital A/C.
- 4 Drawing A/C.
- 5 Suresh A/C.
- 6 Sales A/C.
- 7 Purchase A/C.
- 8 Mohan A/C.
- 9 Purchase Return A/C.
10. Bank A/C.

② Furniture Account

1 Nov 22. Opening  
To Bal... 50,000  
Balance 48,000.

7 Nov 22. Goods  
By Purchased ... 2000

④ Drawing A/C.

5 Nov 22 Drawings  
50000

⑤ Suresh (A/C Payable)

10 Nov 22 Goods Purchase 20000	13 Nov 22 Goods Returned 800	Bal: 50000
Balance 20,000 - 800		
<u>19200</u>		

① Cash A/C	
Dr.	Cr.
1 Nov 22. Opening Bal. 20000	15 Nov 22 Goods sold 3000
5 Nov 22. Drawing 50,000	
7 Nov 22. Goods buy 2000	
30 Nov 22 Cash dep. bank 10,000	
Balance = 259000	

$$\text{Balance} = \text{Total Dr} + \text{Total Cr.}$$

③ Capital A/C.

1 Nov 22 Invest 25000  
Bal 250000

④ Drawing A/C.

5 Nov 22 Drawings  
50000

⑥ Sales A/C

15 Nov 22 Goods Purch = 0	15 Nov. Goods Sold 3000
	20 Nov Goods Sold C/credit 3000
Balance <u>6000</u>	<u>6000.</u>

⑦ Purchase A/C

10 Nov 22 Goods purch 20000
Balance <u>20,000</u>

⑧ Mohan A/C

Nov 20, 22	Goods sold on Cr 3000
<u>3000</u>	bd <u>30000</u>

⑨ Purchase Return A/C

Nov 28, 2022	Goods ret 800
<u>800</u>	

⑩ Bank A/C

30 Nov 22.	Cash dep in bank 10K.
	<u>10K.</u>

3 November  
Accounting.

Journal Book Entry.  
Question

Rules:

Personal  
Acc.

Debit  
Receiv'r

Credit  
Giver

Real Acc.

what  
comes in

what  
goes out

Nominal

Expense  
and loss.

Income  
and profit.

- October 1 A started business with cash £ 40000.
- October 3 £ 20,000 deposited in the bank.
- October 5 Purchased goods of rs - 15000.
- October 8 Goods sold for cash £ 6000.
- October 10 Furniture purchased and paid by cheque. £ 5000.
- October 12 Sold goods to Arvind - RS 5000. (अमृत विक्री का गुणाल) Credit Acc. Arvind Acc.
- October 14 purchased goods from Amrit £ 10000.
- October 15 Return Good to Amrit £ 5000.
- October 16 Received from Arvind £ 3960.  
In full settlement.
- October 18 withdrew goods for personal use £ 10000.
- October 20 withdrew cash from business for personal use £ 2000.
- October 24 paid Telephone charges £ 1000.
- October 26 Cash paid to Amrit in full settlement £ 4900.
- October 30 paid for stationery £ 200.  
~~outstanding rent~~ outstanding Rent 500.  
Salary to staff £ 2000.

Journal Entry :

Date	Particulars.	Dr.	Cr.
1 October	(R) Cash A/c - dr ₹ 40,000 (R) To Capital A/c. (Being Business started with cash).	40000.	
2 October	(R) Bank A/c dr ₹ 20,000 (R) To Cash A/c - Cr (Being cash deposit to bank).	20000	20000
5 October	Purchase A/c dr. To Cash A/c Cr. (Being Goods purchased).	15,000	15000.
8 October	Cash A/c dr. To Sale A/c Cr. (Being Goods Sold)	6000	6000
10 October	Furniture - R <del>*Purchase A/c dr.</del> To <del>Bank A/c</del> Cr. (Being Furniture by cheque).	5000	5000.
12 October	Cash A/c dr. To Arvind A/c Cr. (Being Goods sold to Arvind).	5000	5000.
14 October	Arvind. To Sale A/c. Purchase A/c debit To Amit A/c credit. (Being Goods Purchased).	10000	10000 1) write ACC 2) write kind of A/c. 3) Then Apply Rule.
15 October	Amit A/c - Goods - Credit. Amit A/c debit. (Being Purchase return)	5000	5000

6 Nov. 2028.

### Accounting

5000  
3960  
1040.

Received from Amrit ₹ 3960, in full settlement.  
He must beginning me ₹ 5000, we get discount.

P Amrit (giver) - credit.

R Cash (coming in) - debit.

N Discount - (loss & expense) - debit. (Journal entry)

16 Cash A/c debit. 3960.

Discount A/c debit 1040.

OCT To Amrit Account A/c credit.

Withdrawn Goods for personal use of ₹ 10000.

Businessman taking goods to his.

Drawing (Personal A/c) - Received by owner - Debit.

Goods (Real A/c) - Goods going out - Credit.

Drawing & not Goods & at ₹ 1000 purchase of (debit).

18 Oct Drawing A/c - dr.

To purchase A/c - cr.

(Being, Goods be drawn.)

18 withdrawing cash for personal use.

OCT Drawing (Personal A/c) = dr.

20 To Cash (A/c) — cr.

(Being Cash drawn.)

Telephone charges — Nominal ACC. — Debit (expense).

Cash — Real Acc — Goods out - credit

Telephone charges A/c dr 1000.

To A/c 1000.

Cash Paid to Amrit ₹ 4900 (full settlement)  
Early. Then ~~return~~ return goods ₹ 5000.  
We then pay ₹ 4900.

26 Oct Amrit A/C Dr 4900 (creditor).  
 To discount 1000. Profit credit.  
 To Cash A/C 4900  
 (Being Amrit paid;  
 in full settlement).

- Amrit के बाहरे 5000 रुपये.  
 discount - 100rs. Credit ₹100.  
 Profit.  
 To cash A/C - 4900 pay Amrit's debt.

Paid for stationery - 200.  
 Outstanding Rent.  
 Salary to staff.

Stationary A/C (Real A/C) - Debit - 200  
 (expense) Nominal.  
 To Cash (Going out) - credit 200.  
 (Real A/C)

Outstanding Rent:

Rent A/C (Nominal A/C) - Debit - 500.  
 To Cash A/C (Real A/C) - credit - 500.  
 (Replace ~~अ~~ : )  
 Outstanding Rent A/C.

(अतः Nominal rent pay करने  
 की entry दें).

Now,

Outstanding Rent - Debit - 500 (अतः Outstanding payment  
 To cash A/C credit 500. की entry दें)

Nominal A/C में ~~अ~~ Outstanding, Advance,  
 Prepaid जैसा होता है ~~Outstanding~~.  
 Representing Personal Account जैसा, पर  
 Owner का represent करता है।

Salary To staff.

Salary A/c. (Nominal A/c) - Debit - 2000  
To cash A/c (Real A/c) Credit - 2000

### Discount Detail

ie cash discount 3% trade discount 1%

Trade disc : at sales

Cash disc : debtor at credit

Discount is of two types, 1st trade discount  
Reduction in price that supplier applies.  
to the producer's cost in order to offer  
Increase of sale of a product is known  
as the trade discount.

(ii) Cash discount : The discount offered by  
seller at the time of payment of purchase  
to provide the reduction in the value  
of invoice. This kind of discount is  
known as cash discount. This is offered  
to make the buyer buy for the product  
completely. (subsidiary books continued)

Utki 3rd Mark ✓ (Inst) 6

P.D.B [ • ₹ 2 & sign ]  
• Prom. — 5th sem.



## Subsidiary Book / Subdivision of Journal

Business transaction ~~is~~ <sup>are</sup> many &  
convenient ~~not~~ <sup>to</sup>, Journal ~~is~~ record ~~man~~

Date: 7 NOV 2023.

Day: Tuesday

In case of big business recording it becomes inconvenient to record all the transactions in one journal. Therefore journal is divided into many subsidiary books. Information classified, finding easy at ~~at~~ <sup>any</sup> time.

Advantage of Subsidiary books: 1) Firstly Convenience:

- 1) Maintenance of one journal book will make it quite bulky and difficult to handle. Subsidiary books result in reducing the size of the journal and making it convenient to handle.
- 2) Division of ~~labor~~ labour: Subsidiary books help in the division of labour as different books are maintained by different persons.
- 3) Classification of information: Subsidiary books provide information relating to a particular aspect of business. It is convenient while collecting information required for convenience + division of labour + classification.

## Types of Subsidiary Books

There are 5 kinds: Purchase Book, Sale Book, Purchase Return book, Sale return book, Cash book.

Purchase Book  $\leftarrow$  All credit purchase of goods Bill etc.,  
Purchase Book  $\leftarrow$  All cash purchase.  
Cash Book  $\leftarrow$  All credit sale of goods.  
Sales Book  $\leftarrow$  All cash sale of goods.

Purchase book: It is meant for recording all transactions relating to credit-purchase of the goods.

Date | particulars | invoice NO | & F | Amount |

The above is the format of the purchase book.

Sale Book: It is meant for recording all those transactions in which the goods were sold on credit. It also has same format as above.

Purchase Return Book:

यदि समान cash purchase या at cash Book में credit, तो return किए जए cash book में debit  
यदि समान credit purchase किए, return करना है तो Purchase Return लिखा।  
It is meant for recording the return of goods.

purchase on credit. It also has the same format.

Sales Return Book: It is meant for recording all those transactions in which goods sold on credit are returned. यदि समान credit पर sold किए, तो return के Sales Return Book में debit,

Cash Book: It is meant for recording all cash transactions. It acts as an important subsidiary book because the number of the cash transactions in any business is quite large and the chances of fraud being committed regarding cash are higher as compared to other Assets.

It is ~~has~~ three types:

Single column, Double column, Triple column Cashbook

Single column: It has L.F side for debit and R.T side for credit. The single column cash book format is as:

Dr	Date	particulars	lf	Amount	Date	particulars	lf	Amount	Or N
----	------	-------------	----	--------	------	-------------	----	--------	------

Double column Cashbook

format as below:

Debit	Date	particulars	lf	Amt	Amt	Date	particulars	lf	Credit.
		(cash)	(Bank)				(Bank)	(cash)	

Triple column Cashbook.

format as below.

Debit	Date	particulars	lf	Amt	Amt	Amt	Date	part.	lf	Credit.
		(cash)	(Bank)					(Bank)	(cash)	

Contra entry: It is such an accounting entry in which transactions are recorded on both sides of a cashbook. Whenever such an entry is passed the letter C is put on the L.F column on both sides of the cashbook.

The 4th kind of the cashbook is known as the petty cashbook. Petty - etc, small transactions, like travelling expenses, very small kind of expenses, each ~~amount~~ recorded will be transferred to the main cashbook.

It is maintained by business to record, petty cash expenses of the business, in every business there are many payments which are of small amount. All such transactions are not recorded in the main cashbook, as if it would be inconvenient

for the cashier, so a petty cashbook is maintained under the supervision of the main cashier to record all those transactions which are of small account.

The format is as below :

Dr.	Receipt	Date	Details	₹ Total	Office exp.	Man. exp.	Cleaning exp.	Miscellaneous exp.	Cr.
	4000	1/11/23	Stat.	500 1000	500		1000		

## VB-.Net Access Specifiers

Date : 7 NOV 2023

- The most common and least secure access specifier. In this, the data members and methods of a class can be accessed easily without any security by the objects from anywhere, either inside or outside of the class. In this there is no restriction at all on accessibility of the object of same or different ~~other~~ class.

(b) Protected: It has limited accessibility, with the same ~~other~~ class or its derived class, protected members are accessible within the class where they are declared as well as in any derived classes. However, they cannot be accessed from outside the class hierarchy.

(c) Private: The most secure access specifier. It is highly restricted.

8 NOV 2023

## Computer Graphics

### Picture Analysis.

8 NOV 2023

## Accounting

**Ledger:** ledger is the book which contains various Accounts in this all transactions are classified as per their respective Accounts. The process of writing in Journal was journalising. Transferring Transactions from journal to ledger is posting.

Posting means transferring the credit and debit items from the journal to their respective Accounts in the ledger. Posting can be done at Any Time but must be completed before financial statements are prepared. ledger H Time mention करा जाना है।

### Rules Regarding Posting.

1) Cash A/C To - Dr 50 000  
To Capital A/C - - - - - 50000.

2) Purchase A/C - Dr 10 000.  
To Cash A/C - - - - - 1000.

3) Cash A/C To Sale A/C Dr - 15k 15k.

4) Rent A/C - Dr 10K.  
To Cash A/C - - - - - 10K.

5) Salary A/C - 20K 20K  
To Cash A/C

**Rules:** Separate Accounts must be opened in ledger for posting transactions relating to different accounts in journal.

2) Concerned Accounts which have been debited in journal should be debited in ledger. However a reference should be made of the other Account which has been credited in journal.

3) Concerned Account which has been credited in the journal should also be credited in the ledger and reference should be given of the Account which has been debited in the journal.

4) The word to ~~to~~ is used after the Account which appears on the debit side and the word By is used with the A/C ~~and~~ to with the account that is in the credit side.

<u>Cash A/C</u>	
Ref.	Debit
Capital	50K
Sale	15K.

<u>Purchase A/C</u>	
Ref.	Debit.
Cash	10K.

<u>Rent A/C</u>	
Ref.	Debit
Cash	10K.

<u>Salary A/C</u>	
Ref.	Debit
Cash	20K.

Capital A/C

Sale A/C

Cash A/C

<u>Cash A/C</u>	
- Ref.	Debit
To Capital	50K
To Sale	15K
	<u>65K</u>
	Ref. Credit
	By Purchase 10K.
	By Rent 10K
	By Salary 20K.
	By balance C/d 25K
	<u>65K</u>

Capital A/C

<u>Capital A/C</u>	
Ref.	Credit
By cash 50K.	

Relationship between Journal and ledger: Transactions are recorded first in journal and then they are posted in ledger. Thus the journal book is known as Book of Original entry and ledger book is known as the Secondary Book. Journal records transactions in chronological order (date wise) while ledger records transactions in Analytical order. Process of recording in journal is known as journalising. And the process of recording in ledger is known as posting.

Total-Balance:

It is a statement containing various ledger balances on a particular date. If two sides of trial balance do not tally, this means that, the accounts are arithmetically inaccurate.

Objective of preparing trial balance:

1) st. ~~A~~ checking Arithmetical Accuracy of Accounting entries. trial balance helps in knowing the ~~other~~ Arithmetical Accuracy of Accounting entries.

This is because of pre-deduced aspect concept.

every debit has an equal credit.  
Trial balance represents the summary of ledger accounts balances and it

if two sides of trial balance do not tally it indicates that books are arithmetically inaccurate.

#### Basis of financial statement.

Total balance forms the basis for preparing financial statements. It represents all the transactions relating to different Accounts in a summarised form for a particular period. without trial balance it would be impossible to prepare financial statements.

#### Summarised ledger.

Total Balance contains ledger balances on a particular date in a summarised form. The position of a particular Account can be judged by simply looking at the trial balance.

#### Final Re

9. November 2023.

### Rectification of Errors:

1) Types of Errors: Error of omission: There are errors in which transaction is completely omitted (recording was not done) from the books of accounts. For e.g. If Goods purchased from A on credit is not recorded, in the books of original entry, there has neither been a debit nor a credit entry.

This is the reason the two sides of trial balance will not be affected by this type of error.

Error of commission: Error (Journal to ledger, posting was done, there was an error). Errors on account of wrong balancing, wrong posting, wrong carry forward and wrong & totalling, ~~wrong carry forward~~. Known as Error of Commission. For e.g. If RS 50 is received from B and by posting it is credited as RS 500. This type of error affects the agreement of trial balance.

Error of principle: Error of principles are committed in those cases where proper distinction between revenue and capital items are not made.

Revenue: frequent expense & Capital Item: In many years we do transaction. For e.g. sale of old furniture should be credited to furniture A/c but it is credited to furniture A/c but if it is credited to sales A/c, it will be treated as an error of principle.

Compensating Errors! These are the errors which compensate each other.

Goods sold to A of ₹ 500.

A

Dr 500

To sale A/C

Goods sold to B of ₹ 50.

B

Dr - 50

500.

To sales A/C

50.

These kinds of errors do not affect the agreement of trial balance.

Rectification of Errors: Trial balance provides only proof of arithmetic accuracy. It simply assures that for every debit there has been an equivalent credit. But ~~inspite of agreeing~~ agreed trial balance, there may be errors in the books of accounts. In case of disagreement of trial balance, following steps must be followed to locate the errors.

1st step: Recheck the total of debit and credit of trial balance compare each account and amount appearing in the trial balance with that of ledger to detect any difference in amount or omission of an account.

Third step: If the difference is of a huge amount trial balance of current year and previous year must be compared, and checked whether there is any abnormal difference between the balance of important accounts of the two trial balances.

4th step: recheck the correctness of posting in ledger from the books of original entry.

Suspense Account: In case of inability to detect the errors at the right time the difference is transferred to a temporary account known as suspense account. On location of errors suitable accounting entries are passed and suspense account is closed. However it should be noted that suspense A/C should be opened only when one has failed in locating the errors, and should not be opened by way of normal practice; instance of a suspense account creates a doubt about the authenticity of the books of accounts.

22 NOV.

## Accounting

### BILLS OF EXCHANGE.

Proof: when sold on credit, as a proof, both parties do it.  
Sign: 2 types: Credit purchase pay later: bills payable.  
to get money later: bills payable.

bills payable is the liability  
bills receivable is asset.

①

Bills of exchange: when goods are sold on credit or bought on credit. payment is made on a future date. In order to avoid any possibility of default an instrument of credit is used through which buyer assures the seller that payment shall be made according to agreed conditions. These instruments of credit are known as Bills of exchange.

②

In India, these instruments are governed by Negotiable Instruments Act 1881. Negotiable Instruments are a signed document that promises a payment of a sum of money to a specified person.

③

Features of Bills of Exchange: Bills of exchange must always be in writing. It acts as an order to make payment.

Maker of the bill must sign it.

④

Payment to be made must be certain.

Date on which payment must be made is also certain.

Drawer - वाला जो बिल देता है। (Seller)

Drawee - वाला जो भुगतान करता है। (Buyer)

Payee - वाला जो बिल लेता है।

अब ये Drawee वाला रेस्वर करता है।  
(Generally seller वाला payee होता है।)

### Parties involved in Bills of Exchange

① Drawer: Drawer is the maker of the bill.

He is also the seller or the creditor.

The drawer after writing the bills of exchange has to sign it as the maker of the bill.

④ Drawee: Person on whom Bill of exchange is drawn & known as Drawee. He is the purchaser of debtor.

⑥ Payee: Person to whom the payment is to be made is known as payee. The drawer of the bill he himself be the payee if he keeps the bill with himself till the date of payment.

If I have bill, bill given to third party to take payment  
it's known as the endorsement.

Go to bank, give bill (10k), and take (9.5k) to give 500 as service charge, called ~~discount~~ ~~for~~ discounting of bill

The payee may charge in the following 2 conditions:  
1) Except the drawee can't pay him.

- (i) In case the drawer has got the bill discounted.
  - (ii) The bank gets the amount from the drawee on the due date.
  - (iii) 2nd. If the bill is endorsed the other person becomes the payee.

## Discounting of BII

Discounting of Bill

(i) If the holder of the bill needs funds, he can approach the bank for encashment before the due date. The banks shall make the payment after deducting some interest or some discount. This process of encashing the bill with the bank is known as discounting of bill. The bank gets the amount from drawee on the due date.

Endorsement of Bill.

endorsement of Bill.  
Any holder may transfer the bill unless its transfer is

Any holder may transfer the bill subject to transfer, restricted. The bill can be endorsed by the drawer by putting ~~his~~ his signature at the back of the bill, along with the name of the party to whom it is being transferred. This act of signing and transferring the bill is known as the endorsement of bill.

## Advantages of Bills of Exchange

The controllability of Teams and conditions

The seller knows the time when he would receive the money and the buyer is fully aware of the date by which he has to pay the money. This is due to the fact that terms and conditions are fully mentioned in the bills of exchange.

## ② Commitment means of credit.

A bill of exchange enables the buyer to buy the goods on credit and pay after a certain period of time. The seller of the goods can also get payment immediately either by discounting or by endorsing it to the third party.

## ③ Conclusive proof:

The bill of exchange is a legal evidence implying that buyer will pay the money to the seller after a certain period of time. In case of refusal of making the payment, it may act as a proof in the court.

Easy transferability seller can pay off its liability either by endorsing or getting it encashed from the bank.

Nativity of Bill: The determinacy refers to the date on which a bill of exchange becomes due for payment. In arriving at the maturity date, 3 days known as days of grace must be added to the date on which the credit expires.

Eg. Bill date: & bill is drawn on 5th March and must be paid after a month.

The date of maturity = 8th April.

If public holiday, then before 1 day 7th April will be date of maturity.

If the date of maturity is a public holiday the instrument will become due on the preceding business day. In case any problem, then next debentable date of maturity.

If the date of maturity becomes an emergent holiday declared by the government. Then the date of maturity will be the next working day.

## ~~Types~~ Types of Bills of Exchange:

~~Types~~ Bills payable: ~~With~~ Behalf of payment that is

① Bills payable: It is that bill on which payment is payable to the bill on which payment is due to the creditor. It is a fact of liability.

② Bills receivable: It is that type of bill on which payment is to be received from the debtor. It is a fact of assets.