

8	12-4-2008	The firm purchased a computer for Rs. 25,000 from Apex Computers on credit.
9	15-4-2008	Mr. Gupta entered into a contract with Sunshine Agencies for providing professional consultancy services for Rs. 35,000. He received an advance of Rs. 15,000 by cheque
10	18-4-2008	Mr. Gupta deposited cash of Rs. 25,000 into bank.
11	25-4-2008	Mr. Gupta withdrew Rs. 7,500 cash for his personal use.
MAY 2008		
12	1-5-2008	A cheque of Rs. 3,000 was paid towards office rent for the month of April 2008.
13	5-5-2008	Paid Rs. 1,200 in cash towards electricity charges for April 2008.
14	5-5-2008	Paid salaries by cheque for the month of April 2008. 1. Ranjith -> Rs. 6,000 2. Srisha -> Rs. 4,000 (Single Cheque issued to transfer funds to salary account of employees).
15	10-5-2008	Received consulting charges of Rs. 28,000 by cheque from a client for an advertisement campaign run by the firm.
16	10-5-2008	Paid Rs. 600 in cash towards conveyance expenses.
17	19-5-2008	Received a cheque of Rs. 25,000 for designing the brochures for a promotional campaign of Vijay Entertainment Services.
18	20-5-2008	Purchased furniture and fittings worth Rs. 50,000 by cheque for use in the office.
19	28-5-2008	Mr. Gupta withdrew Rs. 6,000 cash for personal use.
20	30-5-2008	Paid Rs. 500 in cash towards miscellaneous expenses.
JUNE 2008		
21	1-6-2008	Paid Rs. 3,000 by cash towards office rent for May 2008.
22	2-6-2008	Paid salaries by cheque for May 2008.
23	9-6-2008	Received Rs. 35,000 by cheque from Auto Graphics for services provided by the firm.
24	12-6-2008	Paid Rs. 1450 by cash for mobile phone bill charges for two months (May and June).
25	14-6-2008	Raised an invoice amounting to Rs. 35,000 for services rendered by the firm to Sunshine Agencies and received Rs. 20,000 after adjusting Rs. 15,000 which was received as advance on 15-4-2008. (Refer transaction No. 9)
26	16-6-2008	Paid conveyance bills for Rs. 850 in cash to Ranjith.
27	18-6-2008	Paid Rs. 1,450 in cash towards electricity charges for May 2008.
28	19-6-2008	Deposited cash of Rs. 10,000 into bank.
29	20-6-2008	Paid Rs. 1,250 in cash towards office maintenance charges for two months (May and June).

Appendix

A.i List of Transactions for Service Organisation

A.i.i Sample Exercise

Naresh Gupta's transactions for the year 2008-09 are as follows. You are required to

- Record the transactions.
- Prepare financial statements.

LIST OF TRANSACTIONS		
SL. NO	DATE	TRANSACTIONS
APRIL 2008		
1	2-4-2008	Naresh Gupta started Pioneer Communications by bringing in cash of Rs. 1,50,000.
2	3-4-2008	Mr. Gupta took a loan of Rs. 50,000 in cash from Vivek for his business.
3	4-4-2008	Mr. Gupta opened a bank account with Syndicate Bank, Bangalore for the firm by depositing cash of Rs. 1,00,000.
4	5-4-2008	Pioneer Communications rented an office space for Rs. 3,000 per month on April 1, 2008. A security deposit of Rs. 25,000 was paid by cheque.
5	8-4-2008	Mr. Gupta hired Ranjith as manager - operations on a monthly salary of Rs. 6,000. He also hired Srisha as Assistant manager marketing on a monthly salary of Rs. 4,000 effective from the April 2, 2008.
6	8-4-2008	A cheque was issued for purchase of the following <u>fixed assets</u> 1. Office Equipment - Rs. 6,000 2. Electrical Fittings - Rs. 4,000 3. Cellular Phone - Rs. 5,000
7	10-4-2008	Stationery consumable worth Rs. 8,000 were purchased by cash.

A.i.ii Practice Exercise

Assignment - I

The transactions of Avantec Engineering Consultants for the year 2008-09 is given in the table below. Create the necessary ledger accounts and record the transactions.

THE TRANSACTIONS FOR ASSIGNMENT - I		
SL. NO	DATE	TRANSACTIONS
APRIL 2008		
1	1-4-2008	Mr. Bhargav set up a firm called Avantec Engineering Consultants by introducing cash of Rs. 2,50,000 as capital.
2	1-4-2008	Mr. Bhargav opened a bank account with State Bank of India for the firm by depositing cash of Rs. 1,50,000.
3	3-4-2008	Mr. Bhargav issued cheque and purchased the following Fixed Assets for office use. 1. Furniture and Fittings -> Rs. 50,000 2. Air Conditioner -> Rs. 35,000 3. Office Equipment -> Rs. 25,000.
4	3-4-2008	Mr. Bhargav had rented an office space for Rs. 3,000 per month on April 1, 2008 and paid Security Deposit of Rs. 30,000 by cheque. He also hired Mr. Srinivas as Accountant and Mr. Narayan as Administrator on a monthly salary of Rs. 6,500 and Rs. 5,500 respectively.
5	5-4-2008	Avantec Engineering Consultants entered into a contract with Rajaram & Co. for offering consulting services at an agreed price of Rs. 80,000 and received an advance of Rs. 30,000 by cheque.
6	5-4-2008	Avantec Engineering Consultancy Services received an invoice for Rs. 15,000 from Gupta Associates towards Printing of Office Stationery.
7	7-4-2008	Mr. Bhargav withdrew Rs. 15,000 cash for personal use.
8	8-4-2008	Paid Rs. 2,750 in cash towards office maintenance charges.
9	9-4-2008	Received Rs. 35,000 in cheque from Rajaram & Co. (Refer transaction dated April 5, 2008).
10	10-4-2008	Paid by cheque Rs. 5,000 to Gupta Associates.
11	16-4-2008	Reimbursed conveyance bills of Rs. 1,500 in cash to Srinivas.
12	17-4-2008	Received an invoice for Rs. 30,000 raised by Ganga Architects towards architect charges rendered by them.
13	18-4-2008	Received Rs. 15,000 in cheque from Khantharaj & Co. towards consulting revenue.
14	19-4-2008	Received Rs. 15,000 in cheque from Rajaram & Co. towards full and final settlement (Refer transaction dated April 5, 2008).

30	25-6-2008	Paid Rs. 1,00,000 by cheque for the purchase of two motor vehicles for official use.
31	25-6-2008	The firm utilised the services of Mr. Suresh for the Sunshine Agencies contract and paid him a cheque of Rs. 21,000 as consultancy charges.
32	30-6-2008	Mr. Gupta withdrew Rs. 5,000 cash for personal use.

Trial Balance till June 2008

Trial Balance		Pioneer Communication		Ctrl + M
Particulars		Pioneer Communication		
		1-Apr-2008 to 30-Jun-2008	Closing Balance	
Capital Account				
- Naresh Gupta's Capital A/c		18,500.00	1,50,000.00	
Withdrawals		18,500.00	1,50,000.00	
Loans (Liability)			50,000.00	
- Vivek's Loan A/c			50,000.00	
Current Liabilities			25,000.00	
Sundry Creditors			25,000.00	
Advance From Customers				
Fixed Assets		1,90,000.00		
Cellular Phones		5,000.00		
Computer		25,000.00		
Electrical Fittings		4,000.00		
Furniture and Fittings		50,000.00		
Motor Vehicles		1,00,000.00		
Office Equipment		6,000.00		
Current Assets		77,200.00		
Deposits (Asset)		25,000.00		
Cash-in-hand		48,200.00		
Bank Accounts		4,000.00		
Direct Incomes			1,23,000.00	
Consultancy Revenue			1,23,000.00	
Direct Expenses		21,000.00		
Consultancy Charges		21,000.00		
Indirect Expenses		41,300.00		
Cellphone Charges		1,450.00		
Conveyance Expenses		1,450.00		
Electricity Charges		2,650.00		
Miscellaneous Expenses		500.00		
Office Maintenance Expenses		1,250.00		
Rent Expenses		6,000.00		
Salary Expenses		20,000.00		
Stationery Expenses		8,000.00		
Grand Total		3,48,000.00	3,48,000.00	

Figure A.i Detailed Trial Balance - April 1, 2008 to June 30, 2008

15	20-4-2008	Paid Rs. 1,750 by cheque towards telephone charges.
16	21-4-2008	Paid salaries by cheque - Rs. 12,000.
17	22-4-2008	Paid Rs. 975 towards electricity charges in cash.
18	23-4-2008	Deposited cash into bank Rs. 30,000.
19	25-4-2008	Received a cheque of Rs. 15,000 from Agarwal Associates towards consulting revenue.
20	26-4-2008	Deposited cash in to bank Rs. 30,000.
21	27-4-2008	Paid Rs. 3,000 towards office rent by cheque.
22	27-4-2008	Paid Rs. 30,000 by cheque to Ganga Architects towards architect charges.
23	27-4-2008	Mr. Bhargav issued cheque and purchased two computers for Rs. 90,000

Trial Balance for April 2008

Trial Balance		Avantec Engineering Consultants		Ctrl + M
Particulars		Avantec Engineering Consultants 1-Apr-2008 to 27-Apr-2008		Closing Balance
		Debit	Credit	
Capital Account				
Bhargav's Capital		15,000.00	2,50,000.00	
Withdrawals			2,50,000.00	
Current Liabilities				
Sundry Creditors		15,000.00		10,000.00
Advance From Customers				10,000.00
Fixed Assets				
Air Conditioner		2,00,000.00		35,000.00
Computers			90,000.00	90,000.00
Furniture and Fittings			50,000.00	50,000.00
Office Equipment			25,000.00	25,000.00
Current Assets				
Deposits (Asset)		88,025.00		30,000.00
Sundry Debtors			19,775.00	19,775.00
Cash-in-hand			38,250.00	38,250.00
Bank Accounts				
Direct Incomes				
Consulting Revenue		1,10,000.00		1,10,000.00
Direct Expenses				
Architect Fees		30,000.00		30,000.00
Indirect Expenses				
Conveyance Expenses		36,975.00		1,500.00
Electricity Charges			975.00	975.00
Office Maintenance			2,750.00	2,750.00
Office Rent			3,000.00	3,000.00
Salary Expenses			12,000.00	12,000.00
Stationery Expenses			15,000.00	15,000.00
Telephone Charges				1,750.00
Grand Total			3,70,000.00	3,70,000.00

Figure A.ii Detailed Trial Balance - April 1, 2008 to April 30, 2008

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Assignment - II

Mr. Johnson's transactions for a period of three month's (April 2008 - June 2008) are as follows.
You are required to

- Record the transactions.
- Prepare financial statements.

LIST OF TRANSACTIONS - ASSIGNMENT II		
SL. NO	DATE	TRANSACTIONS
APRIL 2008		
1	1-4-2008	Mr. Johnson started a Management Consultancy Business called Prime Consultancy. and introduced Rs. 2,50,000 as initial capital.
2	2-4-2008	A bank account was opened with Union Bank and Rs.1,00,000 was deposited.
3	2-4-2008	One computer pre-loaded with Tally.ERP 9 was purchased for Rs. 25,000. Payment was made in cash.
4	2-4-2008	An Unsecured Loan of Rs. 1,50,000 by cheque was taken from Mr. Wilson.
5	8-4-2008	Two persons - Priyanka and Vivek were appointed as Managers. Salaries amount to Rs. 8,500 and Rs. 6,500 respectively.
6	10-4-2008	The following assets were purchased for office use by issuing a cheque. 1. Cellular Phones -> Rs. 5,000 2. Furniture & Fittings-> Rs. 25,000 3. Office Equipment -> Rs. 20,000 4. Electrical Fittings -> Rs. 15,000
7	11-4-2008	An office was taken in a Commercial Complex for a monthly rent of Rs. 5,000 payable on the first of every month. Security Deposit amounted to Rs. 25,000 which was paid by cheque.
8	21-4-2008	An agreement for an amount of Rs. 2,00,000 was entered into with GE Capital India Services for providing Consultancy Services. An advance of Rs. 50,000 was received by cheque.
9	20-4-2008	Printing & Stationery Expenses of Rs. 2,500 was paid in cash for printing invoices etc.
10	28-4-2008	Office Maintenance of Rs. 1,000 was paid in cash for the month of April.
11	29-4-2008	Miscellaneous Expenses of Rs. 650 was paid in cash.
12	29-4-2008	Johnson withdrew Rs. 5,000 from the bank for personal use.

Trial Balance for April 2008

Trial Balance		Prime Consultancy		Ctrl + M
Particulars				Prime Consultancy 1-Apr-2008 to 30-Apr-2008
				Closing Balance
		Debit	Credit	
Capital Account				5,000.00 2,50,000.00
Drawings		5,000.00		2,50,000.00
Johnson's Cap A/c				1,50,000.00
Loans (Liability)				1,50,000.00
Unsecured Loans				50,000.00
Current Liabilities				50,000.00
Advance From Customers				
Fixed Assets				90,000.00
Cellular Phones				5,000.00
Computer				25,000.00
Electrical Fittings				15,000.00
Furniture & Fittings				25,000.00
Office Equipment				20,000.00
Current Assets				3,50,850.00
Deposits (Asset)				25,000.00
Cash-in-hand				1,20,850.00
Bank Accounts				2,05,000.00
Indirect Expenses				4,150.00
Miscellaneous Expenses				650.00
Office Maintenance				1,000.00
Printing & Stationery				2,500.00
Grand Total				4,50,000.00 4,50,000.00

Figure A.iii Detailed Trial Balance - April 1, 2008 to April 30, 2008

MAY 2008		
13	1-5-2008	Paid Rent for the month of April 2008 by issuing cheque (Refer transaction no.7).
14	2-5-2008	Paid Salaries for the month of April 2008 by issuing cheque (Refer transaction no. 5). Note: Single cheque issued to bank to transfer funds to salary account of employees.
15	5-5-2008	Paid cash of Rs. 2,500 as Electricity Charges for the month of April 2008.
16	8-5-2008	Received cheque for Rs. 50,000 from a client for Consultancy Services rendered.
17	9-5-2008	Paid Axeon Travels Rs. 3,000 by cheque towards Travelling Expenses for the month of April 2008.
18	15-5-2008	Mr. Johnson utilised the services of a Consultant for the GE Capital India Services (GECIS) contract and paid him Rs. 1,50,000 by cheque.

19	25-5-2008	Received Cheque from GE Capital India Services Rs. 1,50,000 towards full and final settlement. (Refer transaction no. 8)
20	28-5-2008	Staff Welfare Expenses of Rs. 2,500 was paid in cash.
21	30-5-2008	Office Maintenance of Rs. 1,250 was paid in cash.

Trial Balance until May 2008

Trial Balance		Prime Consultancy		Ctrl + M
Particulars				Prime Consultancy 1-Apr-2008 to 31-May-2008
				Closing Balance
		Debit	Credit	
Capital Account				
Drawings			5,000.00	2,50,000.00
Johnson's Cap A/c			5,000.00	
Loans (Liability)				2,50,000.00
Unsecured Loans				1,50,000.00
Current Liabilities				1,50,000.00
Advance From Customers				
Fixed Assets			90,000.00	
Cellular Phones			5,000.00	
Computer			25,000.00	
Electrical Fittings			15,000.00	
Furniture & Fittings			25,000.00	
Office Equipment			20,000.00	
Current Assets			371,600.00	
Deposits (Asset)			25,000.00	
Cash-in-hand			1,14,600.00	
Bank Accounts			2,32,000.00	
Direct Incomes				2,50,000.00
Consultancy Revenue				2,50,000.00
Direct Expenses			1,50,000.00	
Consultancy Charges				
Indirect Expenses			1,50,000.00	
Electrical Charges			33,400.00	
Miscellaneous Expenses			2,500.00	
Office Maintenance			650.00	
Printing & Stationery			2,250.00	
Rent Expenses			2,500.00	
Salary Expenses			5,000.00	
Staff Welfare Expenses			15,000.00	
Travel Expenses			2,500.00	
			3,000.00	
Grand Total			6,50,000.00	6,50,000.00

Figure A.iv Detailed Trial Balance - April 1, 2008 to May 31, 2008

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JUNE 2008		
22	1-6-2008	Paid rent for the month of May 2008, by issuing cheque. (Refer transaction no. 7)
23	2-6-2008	Paid salaries for the month of May, 2008 by issuing cheque (Refer transaction no. 5).
24	5-6-2008	Received cheque amounting to Rs. 50,000 from GE Capital India Services towards consultancy services rendered.
25	8-6-2008	Paid Rs. 5,000 by cheque for a Seminar relevant to the business.
26	10-6-2008	Received cheque for Rs. 50,000 from Reliance Industries Limited (RIL) towards consultancy services rendered.
27	11-6-2008	Paid Rs. 10,000 by cheque to media as Advertisement Expenses incurred for recruiting people.
28	15-6-2008	Johnson reimbursed conveyance bills of Rs. 8,000 by cheque to Vivek.
29	15-6-2008	Invested Rs. 2,00,000 from bank into a Fixed Deposit. Note: Set Allow Cash Accounts in Journals in F12: Configuration.
30	20-6-2008	An agreement for an amount of Rs. 5,00,000 was entered into with Wipro Technologies for providing Consultancy Services. An advance of Rs. 2,50,000 was received by cheque.
31	20-6-2008	Purchased Air Conditioners (2 nos) for Rs. 1,20,000 paid by cheque.
32	28-6-2008	Office Maintenance of Rs. 1,250 was paid in cash.
33	29-6-2008	Electricity Charges of Rs. 2,200 was paid in cash.
34	30-6-2008	Paid Axeon Travels Rs. 2,000 by cash towards Travelling Expenses for the month of May 2008.

Trial Balance until June 2008

Trial Balance		Prime Consultancy		Ctrl + M X
Particulars		Prime Consultancy 1-Apr-2008 to 30-Jun-2008		Closing Balance
		Debit	Credit	
Capital Account				
Drawings		5,000.00	2,50,000.00	
Johnson's Cap A/c		5,000.00		
Loans (Liability)			2,50,000.00	
Unsecured Loans			1,50,000.00	
Current Liabilities			1,50,000.00	
Advance From Customers			2,50,000.00	
Fixed Assets			2,50,000.00	
Airconditioners		2,10,000.00		
Cellular Phones		1,20,000.00		
Computer		5,000.00		
Electrical Fittings		25,000.00		
Furniture & Fittings		15,000.00		
Office Equipment		25,000.00		
Current Assets			20,000.00	
Deposits (Asset)		5,53,150.00		
Cash-in-hand		2,25,000.00		
Bank Accounts		1,09,150.00		
Direct Incomes			2,19,000.00	
Consultancy Revenue				
Direct Expenses			3,50,000.00	
Consultancy Charges			3,50,000.00	
Indirect Expenses				
Advertisement Expenses		1,50,000.00		
Conveyance Expenses		1,80,000.00		
Electrical Charges		81,850.00		
Miscellaneous Expenses		10,000.00		
Office Maintenance		8,000.00		
Printing & Stationery		4,700.00		
Rent Expenses		650.00		
Salary Expenses		3,500.00		
Seminar Expenses		2,500.00		
Staff Welfare Expenses		10,000.00		
Travel Expenses		30,000.00		
		5,000.00		
		2,500.00		
		5,000.00		
Grand Total			10,00,000.00	10,00,000.00

Figure A.v Detailed Trial Balance - April 1, 2008 to June 30, 2008

A.ii Chart of Accounts

CHART OF ACCOUNTS – PIONEER COMMUNICATIONS		
SL. NO	LEDGER	UNDER GROUP
ASSETS		
1	Computer	Fixed Assets
2	Electrical Fittings	Fixed Assets
3	Cellular Phone	Fixed Assets
4	Motor Vehicle	Fixed Assets
5	Furniture & Fittings	Fixed Assets
6	Office Equipment	Fixed Assets
7	Security Deposit – Office Building	Deposits (Asset)
8	Cash	Cash-in-Hand
9	Syndicate Bank	Bank Accounts
LIABILITIES		
10	Advance Consulting Revenue	Advance From Customers
11	Apex Computers	Sundry creditors
12	Vivek's Loan A/c	Unsecured Loans
Naresh Gupta CAPITAL		
13	Uday Kumar's Capital A/c	Capital Account
14	Withdrawals	Capital Account
REVENUE		
15	Consulting Revenue	Direct Incomes
EXPENSES		
16	Consultancy Charges	Direct Expenses
17	Cellphone Charges	Indirect Expenses
18	Conveyance Expenses	Indirect Expenses
19	Electricity Charges	Indirect Expenses
20	Miscellaneous Expenses	Indirect Expenses
21	Office Maintenance Expenses	Indirect Expenses
22	Rent Expenses	Indirect Expenses
23	Salary Expenses	Indirect Expenses
24	Stationery Expenses	Indirect Expenses

ADDITIONAL CHART OF ACCOUNTS – ASSIGNMENT I
AVANTEC ENGINEERING CONSULTANTS

SL. NO	LEDGER	UNDER GROUP
ASSETS		
1	Furniture & Fittings	Fixed Assets
2	Computers	Fixed Assets
3	Office Equipment	Fixed Assets
4	Air Conditioner	Fixed Assets
5	Security Deposit	Deposits (Assets)
6	Cash	Cash in Hand
7	State Bank of India	Bank Account
LIABILITIES		
8	Ganga Architects	Sundry Creditors
9	Gupta Associates	Sundry Creditors
10	Advance Consulting Revenue	Current Liabilities
CAPITAL		
11	Bhargav's Capital A/c	Capital Account
12	Withdrawals	Capital Account
REVENUE		
13	Consulting Revenue	Direct Incomes
EXPENSES		
14	Architects Fees	Direct Expenses
15	Conveyance Expenses	Indirect Expenses
16	Electricity Charges	Indirect Expenses
17	Office Maintenance Expenses	Indirect Expenses
18	Rent Expenses	Indirect Expenses
19	Salary Expenses	Indirect Expenses
20	Stationery Expenses	Indirect Expenses
21	Telephone Charges	Indirect Expenses

ADDITIONAL CHART OF ACCOUNTS – ASSIGNMENT II		
PRIME CONSULTANCY		
SL. NO	LEDGER	UNDER GROUP
ASSETS		
1	Air Conditioner	Fixed Assets
2	Cellular Phone	Fixed Assets
3	Computer	Fixed Assets
4	Electrical Fittings	Fixed Assets
5	Furniture & Fittings	Fixed Assets
6	Office Equipment	Fixed Assets
7	Fixed Deposit	Deposits (Assets)
8	Security Deposit – Office Building	Deposits (Assets)
9	GE Capital India Services	Sundry Debtors
10	Union Bank	Bank Accounts
11	Cash	Cash-in-hand
LIABILITIES		
12	Advance Consultancy Revenue	Advance from Customers
13	Wilson's Loan account	Unsecured Loans
CAPITAL		
14	Johnson's Capital A/c	Capital Account
15	Drawings	Capital Account
REVENUE		
16	Consultancy Revenue	Direct Incomes
EXPENSES		
17	Consultancy Charges	Direct Expenses
18	Advertisement Expenses	Indirect Expenses
19	Electricity Charges	Indirect Expenses
20	Miscellaneous Expenses	Indirect Expenses
21	Office Maintenance Expenses	Indirect Expenses
22	Printing & Stationery Expenses	Indirect Expenses
23	Rent Expenses	Indirect Expenses
24	Salary Expenses	Indirect Expenses
25	Seminar Expenses	Indirect Expenses
26	Staff Welfare Expenses	Indirect Expenses

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27	Travelling Expenses	Indirect Expenses
28	Conveyance Expenses	Indirect Expenses

A.iii List of Transactions for Trading organisation

A.iii.i Sample Exercise

Mr. Milind's transactions for the months April - June 2008 are as follows. You are required to

- Record the transactions.
- Prepare financial statements.

SL. NO	DATE	LIST OF TRANSACTIONS																	
		TRANSACTIONS																	
APRIL.2008																			
1. 1	1-4-2008	Milind started Silverplus systems by bringing in capital of Rs. 5,00,000 (by cheque) and deposited the amount in HDFC Bank by opening a new account.																	
2. 2	1-4-2008	Milind rented a premises on 1-4-2008 for his business at Rs. 5,000 per month. He paid a security deposit of Rs. 50,000 by cheque (cheque number: 236501).																	
3.	7-4-2008	Milind withdrew Rs. 50,000 from Bank for office expenses.																	
4.	7-4-2008	He purchased tables and chairs worth Rs. 20,000 (cheque no. 236502) for office use.																	
5.	9-4-2008	He purchased the following assets for Office use by issuing cheques:	<table border="1"> <thead> <tr> <th>Asset</th> <th>Amount (Rs.)</th> <th>Cheque No.</th> </tr> </thead> <tbody> <tr> <td>Computer</td> <td>30,000</td> <td>236503</td> </tr> <tr> <td>Electrical Fittings</td> <td>7,000</td> <td>236504</td> </tr> <tr> <td>Motor Vehicle</td> <td>25,000</td> <td>236505</td> </tr> </tbody> </table>	Asset	Amount (Rs.)	Cheque No.	Computer	30,000	236503	Electrical Fittings	7,000	236504	Motor Vehicle	25,000	236505				
Asset	Amount (Rs.)	Cheque No.																	
Computer	30,000	236503																	
Electrical Fittings	7,000	236504																	
Motor Vehicle	25,000	236505																	
6.	10-4-2008	Milind appointed the following people:	<table border="1"> <thead> <tr> <th>Name</th> <th>Designation</th> <th>Salary (Rs.)</th> <th>Date of Joining</th> </tr> </thead> <tbody> <tr> <td>Ramesh</td> <td>Manager</td> <td>6,000</td> <td>6-4-2008</td> </tr> <tr> <td>Vijay</td> <td>Sales Executive</td> <td>3,000</td> <td>8-4-2008</td> </tr> <tr> <td>Shekhar</td> <td>Shop Assistant</td> <td>1,500</td> <td>9-4-2008</td> </tr> </tbody> </table>	Name	Designation	Salary (Rs.)	Date of Joining	Ramesh	Manager	6,000	6-4-2008	Vijay	Sales Executive	3,000	8-4-2008	Shekhar	Shop Assistant	1,500	9-4-2008
Name	Designation	Salary (Rs.)	Date of Joining																
Ramesh	Manager	6,000	6-4-2008																
Vijay	Sales Executive	3,000	8-4-2008																
Shekhar	Shop Assistant	1,500	9-4-2008																

7.	10-4-2008	Milind purchased the following items:
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Dealer	Item	Qty	Rate	Value
Comtech Associates	Computer	12 nos	25,000	3,00,000
	Printer	4 nos	7,000	28,000
Silicon Computer Accessories	Floppy	25 boxes	100	2,500
	Compact Disk	10 boxes	250	2,500
	CD Folder	30 nos	100	3,000

- i. Credit period of 30 days is allowed by Comtech Associates and 7 days by Silicon Computer Accessories.
- ii. Stock Items are classified into two stock groups viz. Computers Accessories and Computer Peripherals.



8.	19-4-2008	He paid Rs. 8,000 to Silicon Computer Accessories by Cheque
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9.	21-4-2008	He sold the following items for cash:	
Item			
Computer	Qty	Selling Price	Value
2 nos		35,000	70,000
Printer	3 nos	10,000	30,000
Floppy	20 box	150	3,000
Compact Disk	10 box	300	3,000
CD folder	20 nos	150	3,000

10.	25-4-2008	He purchased the following items on credit:
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Dealer	Item	Qty	Rate	Value
Bangalore Printers	Printer	6 nos	6,000	36,000
	Floppy	20 boxes	140	2,800
Perfect Accessories	Compact Disk	20 boxes	220	4,400
	CD Folder	10 nos	90	900
	Executive Bond Paper	25 rolls	100	2,500

11.	30-4-2008	<p>The following transactions were effected:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Paid rent of Rs.5, 000 through cheque no. 236506. <input type="checkbox"/> Withdrew cash of Rs.10,000 for his personal requirements. <input type="checkbox"/> Paid salary Rs. 8,400 to staff in cash. (Refer transaction no. 6) <input type="checkbox"/> Paid Rs. 1,000 towards office maintenance in cash. 																				
May 2008																						
12.	1-5-2008	Payment of Rs. 10,600 made to Perfect Accessories (cheque no. 236507).																				
13.	1-5-2008	Paid Electricity Charges of Rs. 3,000 by cash for the month of April.																				
14.	3-5-2008	<p>Paid for the following by cash:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Office Stationery - Rs. 1,500 <input type="checkbox"/> Telephone Expenses - Rs. 3,500 <input type="checkbox"/> Conveyance Expenses - Rs. 500 																				
15.	5-5-2008	Withdrew Rs. 50,000 cash from Bank.																				
16.	6-5-2008	<p>Sales made and payment received in cheque:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Item</th> <th style="text-align: center;">Qty</th> <th style="text-align: center;">Selling Price</th> <th style="text-align: center;">Value</th> </tr> </thead> <tbody> <tr> <td>Computer</td> <td style="text-align: center;">8 nos</td> <td style="text-align: center;">35,000</td> <td style="text-align: center;">2,80,000</td> </tr> <tr> <td>Printer</td> <td style="text-align: center;">2 nos</td> <td style="text-align: center;">10,000</td> <td style="text-align: center;">20,000</td> </tr> </tbody> </table>	Item	Qty	Selling Price	Value	Computer	8 nos	35,000	2,80,000	Printer	2 nos	10,000	20,000								
Item	Qty	Selling Price	Value																			
Computer	8 nos	35,000	2,80,000																			
Printer	2 nos	10,000	20,000																			
17.	10-5-2008	<p>Sold the following items to Computer Plus on credit:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Item</th> <th style="text-align: center;">Qty</th> <th style="text-align: center;">Price</th> <th style="text-align: center;">Value</th> </tr> </thead> <tbody> <tr> <td>Computer</td> <td style="text-align: center;">2 nos</td> <td style="text-align: center;">36,000</td> <td style="text-align: center;">72,000</td> </tr> <tr> <td>Printer</td> <td style="text-align: center;">4 nos</td> <td style="text-align: center;">8,000</td> <td style="text-align: center;">32,000</td> </tr> <tr> <td>Floppy</td> <td style="text-align: center;">5 box</td> <td style="text-align: center;">170</td> <td style="text-align: center;">850</td> </tr> <tr> <td>CD Folder</td> <td style="text-align: center;">10 nos</td> <td style="text-align: center;">125</td> <td style="text-align: center;">1,250</td> </tr> </tbody> </table>	Item	Qty	Price	Value	Computer	2 nos	36,000	72,000	Printer	4 nos	8,000	32,000	Floppy	5 box	170	850	CD Folder	10 nos	125	1,250
Item	Qty	Price	Value																			
Computer	2 nos	36,000	72,000																			
Printer	4 nos	8,000	32,000																			
Floppy	5 box	170	850																			
CD Folder	10 nos	125	1,250																			
18.	12-5-2008	Payment of Rs. 3,28,000 made to Comtech Associates (cheque no. 236508).																				

19.	26-5-2008	Purchased the following items from Mehta Electronics on credit of 30 days.												
		<table border="1"> <thead> <tr> <th>Item</th><th>Qty</th><th>Price</th><th>Value</th></tr> </thead> <tbody> <tr> <td>Computer</td><td>10 nos</td><td>26,000</td><td>2,60,000</td></tr> <tr> <td>Printer</td><td>10 nos</td><td>6,000</td><td>60,000</td></tr> </tbody> </table>	Item	Qty	Price	Value	Computer	10 nos	26,000	2,60,000	Printer	10 nos	6,000	60,000
Item	Qty	Price	Value											
Computer	10 nos	26,000	2,60,000											
Printer	10 nos	6,000	60,000											
20.	31-5-2008	The following transactions were effected:												
		<ul style="list-style-type: none"> ■ Paid Rent of Rs. 5,000 through cheque (no. 236509). ■ Milind withdrew cash of Rs. 10,000 for personal use. ■ Paid Salary of Rs. 10,500 to staff in cash. ■ Paid Rs. 1,000 towards office maintenance in cash. 												

June 2008

21.	1-6-2008	Sold the following items for cash..																
		<table border="1"> <thead> <tr> <th>Item</th><th>Qty</th><th>Rate</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>Computer</td><td>5 nos</td><td>35,000</td><td>1,75,000</td></tr> <tr> <td>Executive Bond Paper</td><td>10 rolls</td><td>150</td><td>1,500</td></tr> </tbody> </table>	Item	Qty	Rate	Amount	Computer	5 nos	35,000	1,75,000	Executive Bond Paper	10 rolls	150	1,500				
Item	Qty	Rate	Amount															
Computer	5 nos	35,000	1,75,000															
Executive Bond Paper	10 rolls	150	1,500															
22.	2-6-2008	Paid Electricity Charges of Rs. 2,500 by cash for the month of May.																
23.	3-6-2008	Paid for the following by cash. <ul style="list-style-type: none"> □ Office Stationery - Rs. 750 □ Telephone Expenses - Rs. 4,000 □ Conveyance Expenses - Rs. 1,200 																
24.	3-6-2008	Following items purchased on cash: <table border="1"> <thead> <tr> <th>Item</th><th>Qty</th><th>Rate</th><th>Value</th></tr> </thead> <tbody> <tr> <td>Printer</td><td>5 nos</td><td>5,500</td><td>27,500</td></tr> <tr> <td>CD folder</td><td>10 nos</td><td>95</td><td>950</td></tr> <tr> <td>Compact Disk</td><td>10 boxes</td><td>210</td><td>2,100</td></tr> </tbody> </table>	Item	Qty	Rate	Value	Printer	5 nos	5,500	27,500	CD folder	10 nos	95	950	Compact Disk	10 boxes	210	2,100
Item	Qty	Rate	Value															
Printer	5 nos	5,500	27,500															
CD folder	10 nos	95	950															
Compact Disk	10 boxes	210	2,100															
25.	3-6-2008	The following items were sold to Pelican Systems on credit <table border="1"> <thead> <tr> <th>Item</th><th>Qty</th><th>Rate</th><th>Value</th></tr> </thead> <tbody> <tr> <td>Compact Disk</td><td>10 boxes</td><td>350</td><td>3,500</td></tr> <tr> <td>CD folder</td><td>10 nos</td><td>130</td><td>1,300</td></tr> <tr> <td>Floppy</td><td>10 boxes</td><td>200</td><td>2,000</td></tr> </tbody> </table>	Item	Qty	Rate	Value	Compact Disk	10 boxes	350	3,500	CD folder	10 nos	130	1,300	Floppy	10 boxes	200	2,000
Item	Qty	Rate	Value															
Compact Disk	10 boxes	350	3,500															
CD folder	10 nos	130	1,300															
Floppy	10 boxes	200	2,000															

26.	12-6-2008	purchased Office Equipment on credit from Pan Office Systems for Rs. 80,000.																
27.	14-6-2008	sold the following items and received a cheque of Rs. 71,650: <table border="1" data-bbox="507 572 1263 756"> <thead> <tr> <th>Item</th><th>Qty</th><th>Rate</th><th>Value</th></tr> </thead> <tbody> <tr> <td>Computer</td><td>2 nos</td><td>35,000</td><td>70,000</td></tr> <tr> <td>Floppy</td><td>5 boxes</td><td>200</td><td>1,000</td></tr> <tr> <td>CD folder</td><td>5 nos</td><td>130</td><td>650</td></tr> </tbody> </table>	Item	Qty	Rate	Value	Computer	2 nos	35,000	70,000	Floppy	5 boxes	200	1,000	CD folder	5 nos	130	650
Item	Qty	Rate	Value															
Computer	2 nos	35,000	70,000															
Floppy	5 boxes	200	1,000															
CD folder	5 nos	130	650															
28.	14-6-2008	paid Rs. 36,000 to Bangalore Printers (cheque no. 236510).																
29.	18-6-2008	deposited Rs. 1,25,000 into Bank.																
30.	19-6-2008	received a cheque of Rs. 1,06,100 from Computer Plus.																
31.	19-6-2008	paid Rs. 3,20,000 to Mehta Electronics (cheque no. 236511).																
32.	27-6-2008	withdrew Rs. 10,000 from Bank for office use.																
33.	28-6-2008	deposited Rs. 40,000 cash into bank.																
34.	30-6-2008	the following transactions were effected. <ul style="list-style-type: none"> ■ Paid rent Rs. 5,000 through cheque (no. 236512.) ■ Milind withdrew cash of Rs. 10,000 for personal use. ■ Paid Salary Rs. 10,500 to staff in cash. ■ Paid Rs. 700 towards office maintenance in cash. 																

Trial Balance till June 2008

Trial Balance		Silverplus Systems	Ctrl + M
Particulars		Silverplus Systems 1-Apr-2008 to 30-Jun-2008	
		Closing Balance	
		Debit	Credit
Capital Account			
Milind's Capital A/c		30,000.00	5,00,000.00
Milind's Drawings		30,000.00	5,00,000.00
Current Liabilities			80,000.00
Sundry Creditors			80,000.00
Fixed Assets			
Computer		1,62,000.00	
Electrical Fittings		30,000.00	
Furniture & Fittings		7,000.00	
Motor Vehicles		20,000.00	
Office Equipment		25,000.00	
		80,000.00	
Current Assets			3,60,850.00
Opening Stock			50,000.00
Deposits (Asset)			6,800.00
Sundry Debtors			1,60,900.00
Cash-in-hand			1,43,150.00
Bank Accounts			
Sales Accounts			7,70,050.00
Sales Account			7,70,050.00
Purchase Accounts			
Purchase Account		7,33,150.00	
Indirect Expenses			7,33,150.00
Conveyance Expenses			64,050.00
Electricity Charges			1,700.00
Office Maintenance Expenses			5,500.00
Office Stationery Expenses			2,700.00
Rent Expenses			2,250.00
Salary Expenses			15,000.00
Telephone Expenses			29,400.00
			7,500.00
Grand Total		13,50,050.00	13,50,050.00

Figure A.vi Detailed Trial Balance for Silverplus Systems - April 1, 2008 to June 30, 2008

A.iii.ii Practice Exercise

Assignment - I

Mr. Anand Rao started a new business dealing in sports equipment called Noble Sports Agency at 23, Jayanagar, Bangalore on July 1, 2008. He wants to maintain his accounts on Tally.ERP 9. He uses the accrual system to maintain the books of accounts.

His transactions for the month of July are as follows. You are required to

- Record the transactions.
- Generate Trial Balance.



- At the time of company creation, in the field **Books beginning from**, enter **1-7-2008**.
- Ensure that **Integrate Accounts and Inventory** is set to **Yes** in **F11: Features**.
- Ensure that **Maintain Bill-wise Details** is set to **Yes** in **F11: Features**.

List of Transactions - Assignment - I															
Transactions of Noble Sports Agency															
JULY 2008															
1.	1-7-2008	Anand Rao started the business by bringing in cash of Rs. 2,00,000.													
2.	2-7-2008	he opened a bank account with Canara Bank and deposited Rs. 1,00,000.													
3.	2-7-2008	purchased the following items from Sharath Agencies on 15 days' credit:	<table border="1"> <thead> <tr> <th>Item</th><th>Quantity</th><th>Rate</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>Cricket Bats</td><td>200 nos</td><td>225.00</td><td>45,000</td></tr> <tr> <td>Hockey Sticks</td><td>100 nos</td><td>150.00</td><td>15,000</td></tr> </tbody> </table>	Item	Quantity	Rate	Amount	Cricket Bats	200 nos	225.00	45,000	Hockey Sticks	100 nos	150.00	15,000
Item	Quantity	Rate	Amount												
Cricket Bats	200 nos	225.00	45,000												
Hockey Sticks	100 nos	150.00	15,000												
4.	5-7-2008	he purchased the following items from Cripwell Co. on 10 days' credit.	<table border="1"> <thead> <tr> <th>Item</th><th>Quantity</th><th>Rate</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>Cricket Balls</td><td>200 nos</td><td>100.00</td><td>20,000</td></tr> <tr> <td>Foot Balls</td><td>150 nos</td><td>120.00</td><td>18,000</td></tr> </tbody> </table>	Item	Quantity	Rate	Amount	Cricket Balls	200 nos	100.00	20,000	Foot Balls	150 nos	120.00	18,000
Item	Quantity	Rate	Amount												
Cricket Balls	200 nos	100.00	20,000												
Foot Balls	150 nos	120.00	18,000												
5.	7-7-2008	incurred conveyance expenses in cash Rs. 650.													
6.	8-7-2008	purchased a Vacuum cleaner for the shop from Spic & Span Traders on credit for Rs. 3,500.													
7.	10-7-2008	sold the following items for cash:	<table border="1"> <thead> <tr> <th>Item</th><th>Quantity</th><th>Rate</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>Cricket Bats</td><td>50 nos</td><td>275.00</td><td>13,750</td></tr> <tr> <td>Cricket Balls</td><td>50 nos</td><td>125.00</td><td>6,250</td></tr> </tbody> </table>	Item	Quantity	Rate	Amount	Cricket Bats	50 nos	275.00	13,750	Cricket Balls	50 nos	125.00	6,250
Item	Quantity	Rate	Amount												
Cricket Bats	50 nos	275.00	13,750												
Cricket Balls	50 nos	125.00	6,250												

Trial Balance till June 2008

Trial Balance		Silverplus Systems		Ctrl + M
Particulars	Silverplus Systems			
	1-Apr-2008 to 30-Jun-2008		Closing Balance	
	Debit	Credit		
Capital Account				
Milind's Capital A/c	30,000.00		5,00,000.00	
Milind's Drawings		30,000.00		5,00,000.00
Current Liabilities			80,000.00	
Sundry Creditors				80,000.00
Fixed Assets	1,62,000.00			
Computer	30,000.00			
Electrical Fittings	7,000.00			
Furniture & Fittings	20,000.00			
Motor Vehicles	25,000.00			
Office Equipment	80,000.00			
Current Assets	3,60,850.00			
Opening Stock	50,000.00			
Deposits (Asset)	6,800.00			
Sundry Debtors	1,60,900.00			
Cash-in-hand	1,43,150.00			
Bank Accounts				
Sales Accounts			7,70,050.00	
Sales Account				7,70,050.00
Purchase Accounts	7,33,150.00			
Purchase Account				
Indirect Expenses	64,050.00			
Conveyance Expenses	1,700.00			
Electricity Charges	5,500.00			
Office Maintenance Expenses	2,700.00			
Office Stationery Expenses	2,250.00			
Rent Expenses	15,000.00			
Salary Expenses	29,400.00			
Telephone Expenses	7,500.00			
Grand Total	13,50,050.00		13,50,050.00	

Figure A.vi Detailed Trial Balance for Silverplus Systems. - April 1, 2008 to June 30, 2008

A.iii.ii Practice Exercise

Assignment - I

Mr. Anand Rao started a new business dealing in sports equipment called Noble Sports Agency at 23, Jayanagar, Bangalore on July 1, 2008. He wants to maintain his accounts on Tally.ERP 9. He uses the accrual system to maintain the books of accounts.

His transactions for the month of July are as follows. You are required to

- Record the transactions.
- Generate Trial Balance.

- At the time of company creation, in the field **Books beginning from**, enter **1-7-2008**.
- Ensure that **Integrate Accounts and Inventory** is set to **Yes** in **F11: Features**.
- Ensure that **Maintain Bill-wise Details** is set to **Yes** in **F11: Features**.



List of Transactions - Assignment - I

Transactions of Noble Sports Agency

JULY 2008

1.	1-7-2008	Anand Rao started the business by bringing in cash of Rs. 2,00,000.												
2.	2-7-2008	he opened a bank account with Canara Bank and deposited Rs. 1,00,000.												
3.	2-7-2008	<p>purchased the following items from Sharath Agencies on 15 days' credit:</p> <table border="1"> <thead> <tr> <th>Item</th><th>Quantity</th><th>Rate</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>Cricket Bats</td><td>200 nos</td><td>225.00</td><td>45,000</td></tr> <tr> <td>Hockey Sticks</td><td>100 nos</td><td>150.00</td><td>15,000</td></tr> </tbody> </table>	Item	Quantity	Rate	Amount	Cricket Bats	200 nos	225.00	45,000	Hockey Sticks	100 nos	150.00	15,000
Item	Quantity	Rate	Amount											
Cricket Bats	200 nos	225.00	45,000											
Hockey Sticks	100 nos	150.00	15,000											
4.	5-7-2008	<p>he purchased the following items from Cripwell Co. on 10 days' credit.</p> <table border="1"> <thead> <tr> <th>Item</th><th>Quantity</th><th>Rate</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>Cricket Balls</td><td>200 nos</td><td>100.00</td><td>20,000</td></tr> <tr> <td>Foot Balls</td><td>150 nos</td><td>120.00</td><td>18,000</td></tr> </tbody> </table>	Item	Quantity	Rate	Amount	Cricket Balls	200 nos	100.00	20,000	Foot Balls	150 nos	120.00	18,000
Item	Quantity	Rate	Amount											
Cricket Balls	200 nos	100.00	20,000											
Foot Balls	150 nos	120.00	18,000											
5.	7-7-2008	incurred conveyance expenses in cash Rs. 650.												
6.	8-7-2008	purchased a Vacuum cleaner for the shop from Spic & Span Traders on credit for Rs. 3,500.												
7.	10-7-2008	<p>sold the following items for cash:</p> <table border="1"> <thead> <tr> <th>Item</th><th>Quantity</th><th>Rate</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>Cricket Bats</td><td>50 nos</td><td>275.00</td><td>13,750</td></tr> <tr> <td>Cricket Balls</td><td>50 nos</td><td>125.00</td><td>6,250</td></tr> </tbody> </table>	Item	Quantity	Rate	Amount	Cricket Bats	50 nos	275.00	13,750	Cricket Balls	50 nos	125.00	6,250
Item	Quantity	Rate	Amount											
Cricket Bats	50 nos	275.00	13,750											
Cricket Balls	50 nos	125.00	6,250											

8.	12-7-2008	sold the following items to Sharma Sports on 7 days' credit:																
		<table border="1"> <thead> <tr> <th>Item</th><th>Quantity</th><th>Rate</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>Cricket Bats</td><td>50 nos</td><td>300.00</td><td>15,000</td></tr> <tr> <td>Cricket Balls</td><td>50 nos</td><td>150.00</td><td>7,500</td></tr> </tbody> </table>	Item	Quantity	Rate	Amount	Cricket Bats	50 nos	300.00	15,000	Cricket Balls	50 nos	150.00	7,500				
Item	Quantity	Rate	Amount															
Cricket Bats	50 nos	300.00	15,000															
Cricket Balls	50 nos	150.00	7,500															
9.	15-7-2008	paid Rs. 38,000 by cheque to Cripwell Co. against purchases made on July 5, 2008.																
10.	16-7-2008	sold the following items to JPA Cricket Academy on 7 days' credit:																
		<table border="1"> <thead> <tr> <th>Item</th><th>Quantity</th><th>Rate</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>Cricket Bats</td><td>50 nos</td><td>290.00</td><td>14,500</td></tr> <tr> <td>Cricket Balls</td><td>50 nos</td><td>175.00</td><td>8,750</td></tr> </tbody> </table>	Item	Quantity	Rate	Amount	Cricket Bats	50 nos	290.00	14,500	Cricket Balls	50 nos	175.00	8,750				
Item	Quantity	Rate	Amount															
Cricket Bats	50 nos	290.00	14,500															
Cricket Balls	50 nos	175.00	8,750															
11.	16-7-2008	purchased the following items from Wicket Pvt. Ltd. on 10 days' credit:																
		<table border="1"> <thead> <tr> <th>Item</th><th>Quantity</th><th>Rate</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>Footballs</td><td>100 nos</td><td>125.00</td><td>12,500</td></tr> <tr> <td>Stumps</td><td>400 nos</td><td>80.00</td><td>32,000</td></tr> </tbody> </table>	Item	Quantity	Rate	Amount	Footballs	100 nos	125.00	12,500	Stumps	400 nos	80.00	32,000				
Item	Quantity	Rate	Amount															
Footballs	100 nos	125.00	12,500															
Stumps	400 nos	80.00	32,000															
12.	16-7-2008	paid Rs. 60,000 by cheque to Sharath Agencies against purchase made on July 4, 2008.																
13.	16-7-2008	he received a cheque for Rs. 22,500 from Sharma Sports against sales made on July 12, 2008.																
14.	16-7-2008	received a cheque for Rs. 23,250 from JPA Cricket Academy against sales made on July 16, 2008.																
15.	24-7-2008	purchased furniture and fittings worth Rs. 50,000 from Ahmed & Bros.																
16.	25-7-2008	paid Rs. 3,500 for Miscellaneous Expenses by cash.																
17.	26-7-2008	sold the following items for cash:																
		<table border="1"> <thead> <tr> <th>Item</th><th>Quantity</th><th>Rate</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>Cricket balls</td><td>25 nos</td><td>170.00</td><td>4,250</td></tr> <tr> <td>Footballs</td><td>100 nos</td><td>152.50</td><td>15,250</td></tr> <tr> <td>Stumps</td><td>150 nos</td><td>100.00</td><td>15,000</td></tr> </tbody> </table>	Item	Quantity	Rate	Amount	Cricket balls	25 nos	170.00	4,250	Footballs	100 nos	152.50	15,250	Stumps	150 nos	100.00	15,000
Item	Quantity	Rate	Amount															
Cricket balls	25 nos	170.00	4,250															
Footballs	100 nos	152.50	15,250															
Stumps	150 nos	100.00	15,000															
18.	27-7-2008	paid by cheque Rs. 44,500 to Wickets Pvt. Ltd. towards purchase made on July 16, 2007.																
19.	27-7-2008	paid Rs. 500 for stationery expenses by cash.																
20.	29-7-2008	withdrew cash of Rs. 20,000 for personal use..																
21.	31-7-2008	paid salaries amounting to Rs. 3,000 to staff by cash.																

Trial Balance for July 2008

Trial Balance		Noble Sports Agency		Ctrl + M
Particulars		Noble Sports Agency 1-Jul-2008 to 31-Jul-2008		Closing Balance
		Debit	Credit	
Capital Account				
Anand Rao's Capital A/c		20,000.00	2,00,000.00	
Drawings A/c			2,00,000.00	
Current Liabilities				
Sundry Creditors		20,000.00		53,500.00
Fixed Assets				
Furniture & Fittings		53,500.00		
Vaccum Cleaner		50,000.00		
Current Assets				
Opening Stock		3,500.00		1,30,100.00
Sundry Debtors			1,26,850.00	
Cash-in-hand			3,250.00	
Bank Accounts				
Sales Accounts				
Sales A/c			1,00,250.00	
Purchase Accounts				
Purchase A/c		1,42,500.00		
Indirect Expenses				
Conveyance Expenses		1,42,500.00		
Miscellaneous Expenses		7,650.00		
Salary Expenses		650.00		
Stationery Expenses		3,500.00		
		3,000.00		
		500.00		
Grand Total			3,53,750.00	3,53,750.00

Figure A.vii Detailed Trial Balance for Noble Sports Agency-July 1, 2008 to July 31, 2008

Assignment - II

Mr. Shyamal Ghosh is in the wholesale trade of UPS (Uninterrupted Power Supply Systems) under the trade name M/s. Safe Power System on Church Street, Bangalore.



The closing balances as on March 31, 2008 are treated as opening balances on April 1, 2008 for the financial year 2008-09. All the opening balance amounts provided in the following table must be entered as opening balances in the corresponding ledger accounts that you create. In the sample exercise you have learnt to create ledgers and stock items wherein you were asked to skip the opening balance field. In this exercise you must enter the opening balance amounts and opening stock details (both quantity and value) and then accept the ledger creation and stock item creation screens.

Enter the details provided in the table below.

Opening Balances			
Particulars	Amount	Particulars	Amount
Capital Account		Fixed Assets	
Shyamal Ghosh Capital	9,00,000	Furniture	95,000
		Computers	75,000
Sundry Creditors		Electrical Fittings	35,000
Smart Stabilisers	50,000		
Infinite Distributors	1,00,000	Current Assets	
		Closing stock	
Provisions		UPS - 15 minute Back up - 50 nos at the rate of Rs. 3,950 each	1,97,500
Salary payable (staff)	30,000	UPS - 1 Hour Back up - 50 nos at the rate of Rs. 4,750 each	2,37,500
Electricity Charges payable	500	Sundry Debtors	
Office Maintenance expenses payable	1,000	Surabhi Electronics	25,000
Rent payable	12,000		
		Cash/Bank Balances	
		Cash in hand	30,000
		Indian Overseas Bank	3,98,500
Total	10,93,500	Total	10,93,500



The method of accounting applied by M/s Safe Power System is accrual.

You are required to create a new company in the name of M/s Safe Power System.

- Enter opening balances from the balance sheet as at March, 31 2008.
- Record the transactions.
- Prepare financial statements.
- Generate Inventory Reports.

Opening Balances			
Particulars	Amount	Particulars	Amount
Capital Account		Fixed Assets	
Shyamal Ghosh Capital	9,00,000	Furniture	95,000
		Computers	75,000
Sundry Creditors		Electrical Fittings	35,000
Smart Stabilisers	50,000		
Infinite Distributors	1,00,000	Current Assets	
		Closing stock	
Provisions		UPS - 15 minute Back up - 50 nos at the rate of Rs. 3,950 each	1,97,500
Salary payable (staff)	30,000	UPS - 1 Hour Back up - 50 nos at the rate of Rs. 4,750 each	2,37,500
Electricity Charges payable	500	Sundry Debtors	
Office Maintenance expenses payable	1,000	Surabhi Electronics	25,000
Rent payable	12,000		
		Cash/Bank Balances	
		Cash in hand	30,000
		Indian Overseas Bank	3,98,500
Total	10,93,500	Total	10,93,500

The method of accounting applied by M/s Safe Power System is accrual.

Notes

You are required to create a new company in the name of **M/s Safe Power System**.

- Enter opening balances from the balance sheet as at March, 31 2008.
- Record the transactions.
- Prepare financial statements.
- Generate Inventory Reports.

- Ledger account **Cash** is a pre-defined account in Tally.ERP 9. The opening balance of cash has to be entered by altering this account.
- Opening stock details of UPS have to be entered at the time of stock item creation. There is no need to create a separate **Opening Stock** account.
- Ensure that Integrate Accounts and Inventory is set to Yes in F11: Features.



List of Transactions - Assignment - II

APRIL 2008

1.	1-4-2008	Ghosh paid salaries to staff of Rs. 30,000 by cheque for the month of March, 2008.								
2.	2-4-2008	paid Rs. 1,000 by cash towards office maintenance expenses for the month of March, 2008.								
3.	3-4-2008	paid Rs. 500 by cash towards electricity charges for the month of March, 2008.								
4.	4-4-2008	paid Rs. 12,000 by cheque towards rent expenses for the month of March, 2008.								
5.	4-4-2008	purchased Motor Car worth Rs. 2,25,000 by issuing cheque.								
6.	6-4-2008	withdrew cash Rs. 50,000 from Indian Overseas Bank for office expenditure.								
7.	7-4-2008	purchased on credit the following items from a new dealer, Sinha & Co: <table border="1" data-bbox="554 1347 1313 1474"> <thead> <tr> <th>Item</th> <th>Quantity</th> <th>Rate</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>UPS - 15 minute Backup</td> <td>200 nos</td> <td>3,950</td> <td>7,90,000</td> </tr> </tbody> </table>	Item	Quantity	Rate	Amount	UPS - 15 minute Backup	200 nos	3,950	7,90,000
Item	Quantity	Rate	Amount							
UPS - 15 minute Backup	200 nos	3,950	7,90,000							
8.	8-4-2008	paid carriage inwards expenses of Rs. 1,500 in cash for purchase made on April 7, 2008.								
9.	9-4-2008	withdrew Rs. 10,000 in cash for personal use.								
10.	10-4-2008	purchased on credit the following items from AK Traders, a new dealer: <table border="1" data-bbox="554 1685 1313 1812"> <thead> <tr> <th>Item</th> <th>Quantity</th> <th>Rate</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>UPS - 1 Hour Backup</td> <td>200 nos</td> <td>4,750</td> <td>9,50,000</td> </tr> </tbody> </table>	Item	Quantity	Rate	Amount	UPS - 1 Hour Backup	200 nos	4,750	9,50,000
Item	Quantity	Rate	Amount							
UPS - 1 Hour Backup	200 nos	4,750	9,50,000							

11.	26-7-2008	sold the following items for cash:												
		<table border="1"> <thead> <tr> <th>Item</th><th>Qty</th><th>Rate</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>UPS - 15 minute Backup</td><td>150 nos</td><td>4,550</td><td>6,82,500</td></tr> <tr> <td>UPS - 1 Hour Backup</td><td>150 nos</td><td>5,450</td><td>8,17,500</td></tr> </tbody> </table>	Item	Qty	Rate	Amount	UPS - 15 minute Backup	150 nos	4,550	6,82,500	UPS - 1 Hour Backup	150 nos	5,450	8,17,500
Item	Qty	Rate	Amount											
UPS - 15 minute Backup	150 nos	4,550	6,82,500											
UPS - 1 Hour Backup	150 nos	5,450	8,17,500											
12.	12-4-2008	sold the following items to a new customer, Sharma Traders and received Rs. 11,62,500 by cheque:												
		<table border="1"> <thead> <tr> <th>Item</th><th>Qty</th><th>Rate</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>UPS - 15 minute Backup</td><td>250 nos</td><td>4,650</td><td>11,62,500</td></tr> </tbody> </table>	Item	Qty	Rate	Amount	UPS - 15 minute Backup	250 nos	4,650	11,62,500				
Item	Qty	Rate	Amount											
UPS - 15 minute Backup	250 nos	4,650	11,62,500											
13.	14-4-2008	issued a cheque to Sinha & Co. for Rs. 7,88,000 towards full and final settlement and received a discount of Rs. 2,000 against purchase made on April 7, 2008.												
14.	16-4-2008	paid Rs. 4,500 by cheque towards stationery expenses.												
15.	17-4-2008	paid Rs. 1,200 towards Office Maintenance expenses.												
16.	19-4-2008	paid Rs. 1,325 to the marketing executives towards conveyance expenses.												
17.	22-4-2008	paid Rs. 975 by cheque towards electricity charges.												
18.	22-4-2008	paid Rs. 50,000 on account to Infinite Distributors.												
19.	22-4-2008	paid Rs. 12,000 by cheque towards office rent.												
20.	22-4-2008	paid Rs. 30,000 by cheque towards staff salaries.												

Trial Balance for April 2008

Trial Balance		Safe Power System		Ctrl + M
Particulars				Safe Power System 1-Apr-2008 to 30-Apr-2008
				Closing Balance
		Debit	Credit	
Capital Account				
Shyamal Ghosh's Drawings A/c		10,000.00	9,00,000.00	
Shyamal Ghosh Capital		10,000.00	9,00,000.00	
Current Liabilities				25,50,000.00
Provisions				25,50,000.00
Sundry Creditors				
Fixed Assets		4,30,000.00		
Computers		75,000.00		
Electrical Fittings		35,000.00		
Furniture		95,000.00		
Motor Car		2,25,000.00		
Current Assets		8,83,000.00		
Opening Stock		4,35,000.00		
Sundry Debtors		25,000.00		
Cash-in-hand		14,475.00		
Bank Accounts		4,08,525.00		
Sales Accounts				11,62,500.00
Sales A/c				11,62,500.00
Purchase Accounts		32,40,000.00		
Purchase A/c		32,40,000.00		
Direct Expenses		1,500.00		
Carriage Inwards		1,500.00		
Indirect Incomes				2,000.00
Discount Received				2,000.00
Indirect Expenses		50,000.00		
Conveyance Expenses		1,325.00		
Electricity Charges		975.00		
Office Maintenance		1,200.00		
Rent Expenses		12,000.00		
Salaries		30,000.00		
Stationery Expenses		4,500.00		
Grand Total		46,14,500.00	46,14,500.00	

Figure A.viii Detailed Trial Balance of Safe Power System - April 1, 2008 to April 30, 2008

A.iv Chart of Accounts

Chart of Accounts - Silverplus Systems - Sample Exercise		
Sl. No	Ledger	Under Group
Assets		
1.	Computer	Fixed Assets
2.	Electrical Fittings	Fixed Assets
3.	Furniture and Fittings	Fixed Assets
4.	Office Equipment	Fixed Assets
5.	Motor Vehicle	Fixed Assets
6.	Computer Plus	Sundry Debtors
7.	Mehta Electronics	Sundry Debtors
8.	Pelican Systems	Sundry Debtors
9.	Security Deposit (Office)	Deposits (Asset)
10.	Cash	Cash-in-Hand
11.	HDFC Bank	Bank Accounts
Liabilities		
12.	Bangalore Printers	Sundry Debtors
13.	Comtech Associates	Sundry Debtors
14.	Pan Office Systems	Sundry Debtors
15.	Perfect Accessories	Sundry Debtors
16.	Silicon Computer Accessories	Sundry Debtors
Capital		
17.	Milind's Capital	Capital Account
18.	Milind's Drawings	Capital Account
Revenue		
19.	Sales Account	Sales Accounts
Revenue		
20.	Purchases Account	Purchases Accounts
21.	Conveyance Expenses	Indirect Expenses
22.	Electricity Expenses	Indirect Expenses
23.	Office Stationery Expenses	Indirect Expenses
24.	Rent Expenses	Indirect Expenses
25.	Salary Expenses	Indirect Expenses
26.	Office Maintenance Expenses	Indirect Expenses
27.	Telephone Expenses	Indirect Expenses

Assignment I

Additional Chart of Accounts — Assignment - I Noble Sports Agency		
Sl. No	Ledger	Under Group
Assets		
1.	Furniture and Fittings	Fixed Assets
2.	Vacuum Cleaner	Fixed Assets
3.	JPA Cricket Academy	Sundry Debtors
4.	Sharma Sports	Sundry Debtors
5.	Cash	Cash-in-Hand
6.	Canara Bank	Bank Accounts
Liabilities		
7.	Ahmed & Bros.	Sundry Debtors
8.	Cripwell Co.	Sundry Debtors
9.	Sharath Agencies	Sundry Debtors
10.	Spic & Span Traders	Sundry Debtors
11.	Wicket Pvt. Ltd	Sundry Debtors
Capital		
12.	Anand Rao's Capital A/c	Capital Account
13.	Drawings A/c	Capital Account
Revenue		
14.	Sales Account	Sales Accounts
Expenses		
15.	Purchases Account	Purchases Accounts
16.	Conveyance Expenses	Indirect Expenses
17.	Miscellaneous Expenses	Indirect Expenses
18.	Salary Expenses	Indirect Expenses
19.	Stationery Expenses	Indirect Expenses

Assignment II

Additional Chart of Accounts — Assignment - II		
M/s Safe Power System		
Sl. No	Ledger	Under Group
Assets		
1.	Furniture	Fixed Assets
2.	Motor Car	Fixed Assets
3.	Computer	Fixed Assets
4.	Electrical Fittings	Fixed Assets
5.	Sharma Traders	Sundry Debtors
6.	Surabhi Electronics	Sundry Debtors
7.	Cash	Cash-in-Hand
8.	Indian Overseas Bank	Bank Accounts
Liabilities		
9.	Electricity Charges Payable	Provisions
10.	Salary Payable	Provisions
11.	Office Maintenance Expenses Payable	Provisions
12.	Rent Expenses Payable	Provisions
13.	AK Traders	Sundry Creditors
14.	Infinite Distributors	Sundry Creditors
15.	Sinha & Co.	Sundry Creditors
16.	Smart Stabilisers	Sundry Creditors
Capital		
17.	Shyamal Ghosh Capital A/c	Capital Account
18.	Shyamal Ghosh's Drawings A/c	Capital Account
Revenue		
19.	Sales Account	Sales Accounts
20.	Discount Received	Indirect Incomes
Expenses		
21.	Purchases Account	Purchases Accounts
22.	Carriage Inward Expenses	Direct Expenses
23.	Conveyance Expenses	Indirect Expenses
24.	Electricity Expenses	Indirect Expenses
25.	Office Rent Expenses	Indirect Expenses
26.	Office Maintenance Expenses	Indirect Expenses

27.	Salary Expenses	Indirect Expenses
28.	Stationery Expenses	Indirect Expenses

A.v List of Function Keys

Function Key			
Sl. No	Key	Functionality	Availability
1.	F2	To change the menu period.	At almost all screens in Tally.ERP 9.
2.	F4	To select the contra voucher	At accounting voucher creation and alteration screens.
		To view the list of groups.	At the trial balance, cash/bank summary, group summary and group vouchers screens.
		To view the list of ledgers.	At the ledger vouchers screen.
		To change voucher type.	At the sales, purchase and journal register and day book screens.
		To switch between bills receivable and payable report.	At the bill receivable and payable report screens.
		To view other stock item's summary.	At the item monthly screen.
3.	F5	To show/ hide gross profit earned on sales made.	At the item monthly screen.
		To select the payment voucher.	At accounting voucher creation and alteration screens.
		To switch between grouped and ledger wise display.	At the trial balance, cash/bank summary and group summary screens.
4.	F6	To reconcile bank accounts.	At the ledger vouchers screen, where the ledger is the bank ledger.
		To select the receipt voucher.	At accounting voucher creation and alteration screens.
		To view the age wise analysis of bills payables	At the bill receivable and payable report screens.
5.	F7	To select the journal voucher.	At accounting creation and alteration screens.
		To view the monthly summary.	At the ledger vouchers screen.
		To switch between group summary and group vouchers.	At the group summary and group voucher screens.
6.	F8	To select a sales voucher.	At accounting voucher creation and alteration screens.
7.	F9	To select a purchase voucher.	At accounting voucher creation and alteration screens.