SUMS

**Question 1**

1 - Business started with cash 8,000 and plant & machinery 3,000.

2 - Stock purchase for sale (cash purchase) = 3,000, credit purchase = 5,000

3 - Wages paid 120,000 (including 20,000 relating to a future year). [prepaid expense]

4 - Salaries paid 200,000 but due 110,000. [prepaid expense]

5 - Sales made for cash 600,000 and on credit 800,000.

6 - Depreciation 10 percent on plant & machinery. [3,000\*10%=300]

7 - Goods costing 20,000 destroyed by fire. [loss by fire]

8 - Payment made to creditors to the value of 200,000 at 10 percent discount. [actual payment=2,00,000-(2,00,000\*10%) =1,80,000)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Sr.no. | Particulars | L.F. | Amount (Dr) | Amount (Cr) |
| 1 | Cash a/c  P&M a/c  To Capital a/c  (Being business started with cash and P&M) |  | 8,000  3,000 | 11,000 |
| 2 | Cash Purchase a/c  Credit Purchase a/c  To Cash a/c  To Creditors a/c  (Being goods bought on cash and credit) |  | 3,000  5,000 | 3,000  5,000 |
| 3 | Wages a/c  Prepaid Wages a/c  To Cash/Bank a/c  (Being wages due paid and prepaid for the next year) |  | 1,00,000  20,000 | 1,20,000 |
| 4 | Salaries a/c  Prepaid salaries a/c  To Cash/Bank a/c  (Being salaries due paid and prepaid for the next year) |  | 1,10,000  90,000 | 2,00,000 |
| 5 | Cash a/c  Creditor’s a/c  To Cash Sales a/c  To Credit Sales a/c  (Being goods sold on cash and credit) |  | 6,00,000  8,00,000 | 6,00,000  8,00,000 |
| 6 | Depreciation a/c  To P&M a/c  (Being P&M depreciated) |  | 300 | 300 |
| 7 | Loss by fire a/c  To Sales a/c  (Being goods lost by fire) |  | 20,000 | 20,000 |
| 8 | Creditor’s a/c  To Cash/Bank a/c  To Discount received a/c  (Being payment made to creditors on discount) |  | 2,00,000 | 1,80,000  20,000 |

**Question 2**

On April 01, 2016, Anees started business with Rs. 100,000 and other transactions for the month are:

2. Purchase Furniture for Cash Rs. 7,000. [furniture is your asset]

8. Purchase Goods for Cash Rs. 2,000 and for Credit Rs. 1,000 from Khalid Retail Store.

14. Sold Goods to Khan Brothers Rs. 12,000 and Cash Sales Rs. 5,000.

18. Owner withdrew goods of worth Rs. 2,000 for personal use. [whenever you withdraw something from your business example, I withdrew some pens for my family then it will be known as “Drawings”]

22. Paid Khalid Retail Store Rs. 500.

26. Received Rs. 10,000 from Khan Brothers.

30. Paid Salaries Expense Rs. 2,000

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Date | Particulars | L.F. | Amount (Dr) | Amount (Cr) |
| April 1 | Cash a/c  To Capital a/c  (Being business started with cash) |  | 1,00,000 | 1,00,000 |
| April 2 | Furniture a/c  To Cash a/c  (Being furniture bought for cash) |  | 7,000 | 7,000 |
| April 8 | Purchase a/c  To Cash a/c  To Khalid Retail Store a/c  (Being goods bought for cash and credit) |  | 3,000 | 2,000  1,000 |
| April 14 | Khan brother’s a/c  Cash a/c  To Sales a/c  (Being goods sold for credit and cash) |  | 12,000  5,000 | 17,000 |
| April 18 | Drawings a/c  To Sales a/c  (Being goods withdrawn for personal use) |  | 2,000 | 2,000 |
| April 22 | Khalid a/c  To Cash/Bank a/c  (Being cash paid to Khalid) |  | 500 | 500 |
| April 26 | Cash/Bank a/c  To Khan brother’s a/c  (Being cash received from Khan) |  | 10,000 | 10,000 |
| April 30 | Salaries a/c  To Cash/Bank a/c  (Being salaries paid) |  | 2,000 | 2,000 |

**Question 3**

In March 2017, Farhan Rahim, starts wholesaling business. Following transactions as follows:

1. He started business with capital of Rs. 15,000 and Land worth Rs. 10,000.

8. Bought goods from Bilal and Friends Rs. 1,000 and by cash from XYZ Co. Rs 2,000.

13. Sold goods to Rehman & sons Rs. 1,500 and sale by cash Rs. 5,000.

17. Gave away charity of cash Rs. 50 and merchandising worth Rs. 30.

21. Paid Bilal and Friends cash Rs. 975; discount received Rs. 25.

28. Received cash from Rehman & Sons Rs. 1,450; allowed him discount of Rs. 50.

Cash (dr) - 1450

Discount allowed (dr) - 50

Rehman (cr) 1500

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Date | Particulars | L.F. | Amount (Dr) | Amount (Cr) |
| March 1 | Cash a/c  Land a/c  To Capital a/c  (Being business started with cash and capital) |  | 15,000  10,000 | 25,000 |
| March 8 | Purchase a/c  To Bilal a/c  To Cash a/c  (Being goods bought on cash and credit |  | 3,000 | 1,000  2,000 |
| March 13 | Rehman a/c  Cash a/c  To Sales a/c  (Being goods sold on credit and cash) |  | 1,500  5,000 | 6,500 |
| March 17 | Charity a/c  To Cash a/c  To Sales a/c  (Being cash and goods given for charity) |  | 80 | 50  30 |
| March 21 | Bilal a/c  To Cash a/c  To Discount received a/c  (Being cash paid from Bilal) |  | 1,000 | 975  25 |
| March 28 | Cash a/c  Discount allowed a/c  To Rehman a/c  (Being cash received from Rehman) |  | 1,450  50 | 1,500 |

CASH A/C

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Particulars | Amount (dr) | Date | Particulars | Amount (cr) |
| Mar 8 | To purchase | 2,000 | Mar 1 | By capital a/c | 15,000 |
| Mar 17 | To charity | 50 | Mar 13 | By sales | 5,000 |
| Mar 21 | To bilal | 975 | Mar 28 | By rehman | 1450 |
| Mar 31 | To balance | 18425 |  |  |  |
|  |  | 21450 |  |  | 21450 |

Dr- 3025 Cr-21450

LAND A/C

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Particulars | Amount (dr) | Date | Particulars | Amount (cr) |
|  |  |  | Mar 1 | By capital a/c | 10,000 |
| Mar 31 | To balance | 10000 |  |  |  |
|  |  | 10000 |  |  | 10000 |

Dr- nil Cr- 10000

CAPITAL A/C

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Particulars | Amount (dr) | Date | Particulars | Amount (cr) |
| Mar 1 | To Cash | 15,000 |  |  |  |
|  | To Land | 10,000 |  |  |  |
|  |  |  | Mar 31 | By balance | 25000 |
|  |  | 25000 |  |  | 25000 |

Dr- 25000 Cr- nil

PURCHASE A/C

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Particulars | Amount (dr) | Date | Particulars | Amount (cr) |
|  |  |  | Mar 8 | By Bilal | 1,000 |
|  |  |  |  | By Cash | 2,000 |
| Mar 31 | To balance | 3000 |  |  |  |
|  |  | 3000 |  |  | 3000 |

Dr- nil Cr- 3000

BILAL A/C

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Particulars | Amount (dr) | Date | Particulars | Amount (cr) |
| Mar 8 | To purchase | 1,000 | Mar 21 | By cash | 975 |
|  |  |  |  | By discount received | 25 |
|  |  |  |  |  |  |
|  |  | 1000 |  |  | 1000 |

Dr- 1000 Cr-1000

REHMAN A/C

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Particulars | Amount (dr) | Date | Particulars | Amount (cr) |
| Mar 28 | To cash | 1450 | Mar 13 | By sales | 1,500 |
|  | To discount allowed | 50 |  |  |  |
|  |  |  |  |  |  |
|  |  | 1500 |  |  | 1500 |

Dr- 1500 Cr-1500

SALES A/C

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Particulars | Amount (dr) | Date | Particulars | Amount (cr) |
| Mar 13 | To rehman | 1,500 |  |  |  |
|  | To cash | 5,000 |  |  |  |
| Mar 17 | To charity | 30 |  |  |  |
|  |  |  | Mar 31 | By balance | 6530 |
|  |  | 6530 |  |  | 6530 |

Dr- 6530 Cr-nil

CHARITY A/C

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Particulars | Amount (dr) | Date | Particulars | Amount (cr) |
|  |  |  | Mar 17 | By cash | 50 |
|  |  |  |  | By sales | 30 |
| Mar 31 | To balance | 80 |  |  |  |
|  |  | 80 |  |  | 80 |

Dr- nil Cr-80

DISCOUNT RECEIVED A/C

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Particulars | Amount (dr) | Date | Particulars | Amount (cr) |
| Mar 21 | To bilal | 25 |  |  |  |
|  |  |  |  |  |  |
|  |  |  | Mar 31 | By balance | 25 |
|  |  | 25 |  |  | 25 |

Dr- 25 Cr- nil

DISCOUNT ALLOWED A/C

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Particulars | Amount (dr) | Date | Particulars | Amount (cr) |
|  |  |  | Mar 28 | By rehman | 50 |
|  |  |  |  |  |  |
| Mar 31 | To balance | 50 |  |  |  |
|  |  | 50 |  |  | 50 |

Dr- nil cr-50