

- (vi) Advice received from bank that a customer Mr. Faizan had made direct deposit in the bank Rs. 7,200.
- (vii) Unpresented Cheques Rs. 5,000.
- (viii) Issued a Cheque of Rs. 1,200 for purchase of Furniture was recorded as Rs. 12,000 by company's Cashier.

REQUIRED: Prepare a Bank Reconciliation Statement as of April, 2017.

SECTION 'C' (DETAILED-ANSWER QUESTIONS)(30)

INSTRUCTION: Attempt the following question which is compulsory.

8. Account balances and data for adjustment of Wajid Brothers at the end of June 30, 2016 are as follows:

Accounts Receivable Rs.10,000; Accounts Payable Rs.12,000; Sales Rs.105,000; Sales Return & Allowances Rs.5,000; Purchased Rs.50,000; Purchase Discount Rs.2,000; Cash Rs.50,000; Merchandise Inventory Rs.15,000; Unearned Commission Rs.18,000; Prepaid Rent Rs.8,000; Capital – Wajid Rs.71,000; Furniture Rs.20,000; Allowance for Depreciation – Furniture Rs.3,000; Carriage in Rs.2,000; Salary Expense Rs.36,000; Advertising Expense Rs.10,000; Drawing – Wajid Rs.5,000.

Data for adjustment on June 30, 2016:

- (i) Merchandise Inventory on June 30, 2016 Rs.20,000.
- (ii) Actual Salary for year Rs.40,000.
- (iii) Depreciation on fixed assets @ of 10% of cost.
- (iv) Estimated Bad Debts Exp. for the year 1% of Net Sales.
- (v) Commission Income for the year Rs.12,000.
- (vi) 1/2 of the Rent expired during the period.

REQUIRED:

- (1) Income Statement for the year ended June 30, 2016.

OR Closing entries in General Journal

- (2) Balance Sheet as on June 30, 2016 in Classified form.