By Product is shown at NRV only.

PAGE NO.:
DATE: / /

1. Theoratical Framework

* Nature Of Accounts

1. Personal Nature

(a) Natural Personal nature Account. [NR.A or NR.B]

(b) Artifical Personal Nature A/c [Made by firm]

- Bank, Firm, company, etc, cash at bank.

(c) Representative Personal Nature A/c

- Capital
- Drawings
- O/s expenses
- Prepaid expenses
- Accrued Income
- Income Received in Advance
- Debtors
- Creditors
- Bills Receivable
- Bills Payable
- Tax provisions

2. Real Nature A/c

- Fixed assets
- cash in hand
- Inventory
- other assets (Except B/R, Debtor)

3. Nominal Nature A/c

- All expenses and losses { Normal - not recorded / Abnormal - recorded }
- All Income and gain

Normal loss is a Part of cost.
abnormal loss is not a Part of cost.

PAGE NO.:
DATE: / /

* Ledger Accounts

1. Sales ledger / Debtor ledger.

2. Purchase ledger / creditor ledger.

3. General ledger [Excluding ~~ledger~~ Debtor ledger and creditor ledger].

* Trial Balance.

- Methods of Making trial Balance

1. Total Method. (Gross total Method

E.g

Cash Book

Receipts	Payments.
800000	650000

Prepare :- trial balance

Particulars	Dr.	Cr.
Cash book	800000	650000

2. Balance Method / Net trial Balance Method.

Cash book

Receipts	Payments
800000	650000
	By Bal. c/d. 150000

PAGE NO.:
DATE: / /

TB

Particular	Dr.	Cr.
cash book	150000	–

3. Total cum balance method

Particulars	Total		Balance	
	Dr.	Cr.	Dr.	Cr.
cash book	800000	650000	150000	

Q: Page 99.

Particular	Debit	credit
Singhania's capital		1556
Singhania's Drawings	564	
Leasehold Premises	750	
Sales		2750
Due from customers	530	
Purchases	1259	
Purchases return		264
Loan from bank		250
Trade Payables		828
Trade expense	700	
Cash at bank	226	
Bills Payable		100
Salaries and wages	600	
Inventories	264	
Rent and rates	463	
Sales return	98	
	5454	5454

Q:2

Particulars	Debit	Credit
Provision for doubtful debts.		200
Bank overdraft		1654
capital		4591
Trade Payables		1637.
Trade receivables	2483	
Discount received		252
Discount allowed	733	
Drawings	1200	
Office furniture	2155	
General expense	829	
Purchase	10923	
Returns Inwards	330	
Rent & Rates	314	
Salaries	2520	
Sales		16882
Inventory	2418	
Provision for Dep. on Furniture	~~364~~	364
Suspense A/c	1175	-
	25580	25580

PAGE NO.:
DATE: / /

* Journal Proper

1.- Opening entry [Assets A/c Dr To liabilities A/c To capital A/c]

2.- Adjustment entry

(i) o/s expenses
(ii) Prepaid expenses
(iii) accrued Income
(iv) Income received in Advance

3.- closing entries

4. Recording related to dishonour of bill

5. rectification entries

* Purchase book / Purchase Day book

1. Credit Purchase of Business goods will be recorded in Purchase Book.

2. Credit Purchase of other than Business goods will be recorded in Journal Proper.

3. Cash Purchase of Business goods will be recorded in cash book

4. Cash Purchase of goods other than business goods will be recorded in cashbook

PAGE NO.:
DATE: / /

5. Total of Purchase book will be transferred to Purchase A/c.

- Purchase A/c Dr.
  To Purchase book A/c / Subsidiary Purchase book A/c

* Sales book.

- Credit sales of Business goods will be recorded in Sales Book.

- Credit sales of Other than Business goods will be recorded in Journal Proper.

- Cash sales of Business goods will be recorded in cash book.

- Cash Sales of Other than Business goods will be recorded in cash book.

- Total of sales book will be transferred to sales A/c.

- Sales book A/c Dr
  To sales A/c

Q.1 Page 121

Purchase book

Date	Particulars	details	₹	Expenses	Total
1-4-19	Ajay Enterprise				
	100 DOZ. Hawai chappal @ 1200 per doz	120000			
	200 DOZ. Palki leather chappal @ 3000 per doz	600000			
		720000			
	- Trade discount	72000	648000	1500	649500
5-4-19	Balaji Traders.				
	50 DOZ. Nose shoes @ ₹4000 per DOZ.	200000			
	100 pair sports shoes @ ₹1400 per pair.	140000			
		340000			
	- Trade discount	34000	306000	2000	308000
25-4-19	Tripti Industries.				
	40 pair leather shoes @ 4000 per pair.	160000			
	100 doz. Rosy Hawai chappal @ ₹1800 per doz.	180000			
		340000	~~340000~~	~~1000~~	~~341000~~
	- Trade discount	34000	306000	1000 ~~30700~~	307000
	Purchase A/c				1264500

PAGE NO.:
DATE: / /

Q:2

Sales book

Date	Particular	details	₹
2-1-19	Sold to M/S Ajanta Electricals, 5 Piece of ovens @ ₹ 6000/- each.	30000	
	- Trade discount (10%)	3000	27000
8-1-19	Sold to M/S Ajanta Electricals, 10 Pieces of tablets @ ₹8000/- each	80000	
	- Trade discount (5%)	4000	76000
15-1-19	Sold to M/S Haryana Traders, 5 pieces of juices @ 3500/- each.	17500	
	- Trade discount (10%)	1750	15750
	Sales A/c		118750

* Purchase return book.

- Purchase return of credit Purchase of business goods will be recorded in Purchase return book.

- Total Amount of purchase return book will be transferred to the Purchase return a/c.

* sales return book.

- Sales return of a credit sales of business goods will be recorded in sales return book.

- Total Amount of sales return book will be transferred to the sales return A/c.

PAGE NO.:
DATE: / /

* **Bills receivable Book.**

- Bills receivable book will record all the bills receivable.

- Total amount of B/R book will be transferred to the B/R A/c.

* **Bills Payable Book.**

- All the bills Payable will be recorded in the Bills Payable book.

- Total Amount of Bills Payable Book will be transferred to the Bills Payable A/c.

* **Cash Book.**

* Single Column Cash Book.

Possible obligation (upto 50% or less than 50%.)
H.Imp:- Difference between contingent liability and provisions

PAGE NO.:
DATE: / /

- Provision or for depreciation, Provision for doubtful debtor, Provision for dis. to debtor will not be shown in liabilities side
Provisions related to Assets, will be deducted from assets.

* Conditions of Provisions (Provision for liabilities)

1. Past event

2. Present obligation (on balancesheet date)

3. Probable (More than 50% chances)

4. Easy Estimation

* Bill discounted with bank is a contingent liability

Accounting process * Accounting treatment for GST.

1) Goods Purchased

- Purchase A/c Dr.
Input GST A/c Dr.
To Bank / creditors A/c

2) Goods sale

- Bank / debtors A/c Dr.
To sales A/c
To out put GST A/c

PAGE NO.:
DATE: / /

3) Goods returned to supplier.

= Creditors A/c Dr.
To Purchase return A/c
To Input GST A/c

4) Goods returned from customer.

- Sales return A/c Dr.
Output GST A/c Dr.
To Debtors A/c

5) Drawings of goods

- Drawings A/c Dr.
To Purchase A/c
To Input GST A/c

6) Expenses Paid / O/S expenses

- Expenses A/c Dr.
Input GST A/c Dr.
To Bank A/c / O/S expense A/c.

7) Income received / Accrued Income.

- Bank A/c / Accrued Income A/c Dr.
To Income A/c
To Output GST A/c.

PAGE NO.:
DATE: / /

* Gst Payable / Refundable.

- Output Gst - Input Gst.

* Accounting Polices

* change in Method of depreciation is a change in accounting estimates.

- change in Method of valution of Inventory is a change in accounting Policy.