

## NEW CONCEPT

📌 Golden Rule (ICAI – Foundation Level)

Depreciation is calculated from the date the asset is *available for use / put to use*, not from the date of purchase.

# SEP 25 MTP 2

## Special sum

- (b) From the following information supplied by Raipur Club, prepare Receipts and Payments account and Income and Expenditure Account for the year ended 31<sup>st</sup> March, 2025.

	01.04.2024 ₹	31.03.2025 ₹
Outstanding subscription	70,000	1,00,000
Advance subscription	12,500	15,000
Outstanding salaries	7,500	9,000
Cash in Hand and at Bank	55,000	?
10% Investment	70,000	35,000
Furniture	14,000	7,000
Machinery	5,000	10,000
Sports goods	7,500	12,500

Subscription for the year amount to ₹ 1,50,000/-. Salaries paid ₹ 30,000. Face value of the Investment was ₹ 87,500, 50% of the Investment was sold at 80% of Face Value. Interest on investments was received ₹ 7,000. Furniture was sold for ₹ 4000 at the beginning of the year. Machinery and Sports Goods purchased and put to use at the last date of the year. Charge depreciation @ 15% p.a. on Machinery and Sports goods and @10% p.a. on Furniture.

Following Expenses were made during the year:

Sports Expenses : ₹ 25,000

Rent : ₹ 12,000 out of which ₹ 1,000 outstanding

Misc. Expenses : ₹ 2,500

(15 Marks)

# special sum **SEP 25 MTP 1**

- (b) From the following Income and Expenditure account and the Balance sheet of a club, prepare its Receipts and Payments Account and Subscription Account for the year ended 31<sup>st</sup> March 2025:

## Income & Expenditure Account for the year 2024-25

Particulars	₹	Particulars	₹
To Upkeep of ground	11,000	By Subscriptions	19,052
To Printing	1,100	By Sale of Newspapers (Old)	286
To Salaries	11,100	By Lectures (Fee)	1,650
To Depreciation on furniture	1,100	By Entrance Fee	2,145
To Rent	1,660	By Misc. Income	440
		By Deficit	<u>2,387</u>
	<u>25,960</u>		25,960

## Balance sheet as at 31<sup>st</sup> March 2025

Liabilities		₹	Assets	₹
Subscription in advance (2025-26)		110	Furniture	9,900
Prize Fund:			Ground and Building	51,700
Opening balance	27,500		Prize Fund Investment	22,000
Add: Interest	1,100		Cash in Hand	2,530
	<u>28,600</u>		Subscription (outstanding) (2024-2025)	770
Less: Prizes given	2,200	26,400		
General Fund:				
Opening balance	62,062			
Less: Deficit	<u>2,387</u>			
	59,675			
Add: Entrance Fee	715	60,390		
		<u>86,900</u>		<u>86,900</u>

The following adjustments have been made in the above accounts:

- Upkeep of ground ₹ 660 and printing ₹ 264 relating to 2023-24 were paid in 2024-25
- One fourth of entrance fee has been capitalized by transfer to General Fund

# SEP 25 MTP 1

- 3) Subscription outstanding in 2023-24 was ₹ 880 and for 2024-25 ₹ 770
- 4) Subscription received in advance in 2023-24 was ₹ 220 and in 2024-25 for 2025-26 was ₹ 110
- 5) Furniture was purchased during the year. **(10 Marks)**

# MAY 25 MTP 2

- (b) Summary of Receipts and Payments of ABC Society for the year ended 31<sup>st</sup> March, 2025 are as follows:

Receipts	Amount	Payments	Amount
Subscription Received	12,50,000	Payment for Medicine Supply	7,50,000
Donation Raised for meeting revenue expenditure	3,75,000	Honorarium to Doctors	2,50,000
		Salaries	7,00,000
		Sundry Expenses	25,000
Interest on Investments @ 9% p.a.	225,000	Equipment Purchase	3,75,000
Charity Show Collection	3,12,500	Charity Show Expenses	37,500

Additional Information:

Particulars	01.04.2024	31.03.2025
Subscription due	37,500	55,000
Subscription received in advance	30,000	17,500
Stock of medicine	2,50,000	3,75,000
Amount due for medicine supply	2,25,000	3,25,000
Value of equipment	5,25,000	7,50,000
Value of building	12,50,000	12,00,000
Cash Balance	2,00,000	2,25,000
Opening Balance of Capital Fund	45,07,500	

You are required to prepare Income and Expenditure Account and Balance Sheet for the year ended 31<sup>st</sup> March, 2025. (8 Marks)



# MAY 25 MTP 1

- (b) Following is the Receipts and Payments Account of M/s Rainbow Club for the year ended 31<sup>st</sup> March, 2025:

Receipts	₹	Payments	₹
To Cash in hand on 1.04.2024	13,500	By Payments for cosmetics	22,500
To Subscription	67,500	By Honorarium to Beautician	12,000
To Donation	6,750	By Salaries	27,000
To Int. on Investments at 6% for the year	4,500	By Sundry expenses	1,500
To Fashion show proceeds	75,750	By Rent for building	18,000
		By Fashion show expenses	51,000
		By Cash in hand on 31.03.2025	<u>36,000</u>
	<u>1,68,000</u>		1,68,000

# MAY 25 MTP 1

Additional information:

Sr. No.	Particulars	On 1 <sup>st</sup> April, 2024 (₹)	On 31 <sup>st</sup> Mar, 2025 (₹)
(i)	Subscription due	750	3,000
(ii)	Subscription received in advance	2,250	1,500
(iii)	Stock of cosmetics	15,000	10,500
(iv)	Amount due to cosmetics suppliers	12,000	16,500

You are required to prepare Income and Expenditure Account for the year ended 31st March, 2025.  
(5 Marks)

# JAN 25 MTP 2

- (a) Summary of Receipts and Payments of Natures Beauty Society for the year ended 31st March, 2024 are as follows:

Receipts	Amount	Payments	Amount
Subscription Received	5,00,000	Payment for Medicine Supply	3,00,000
Donation Raised for meeting revenue expenditure	1,50,000	Honorarium to Doctors	1,00,000
Interest on Investments @ 9% p.a.	90,000	Salaries	2,80,000
Charity Show Collection	1,25,000	Sundry Expenses	10,000
		Equipment Purchase	1,50,000
		Charity Show Expenses	15,000

Additional Information:

Particulars	01.04.2023	31.03.2024
Subscription due	15,000	22,000
Subscription received in advance	12,000	7,000
Stock of medicine	1,00,000	1,50,000
Amount due for medicine supply	90,000	1,30,000
Value of equipment	2,10,000	3,00,000
Value of building	5,00,000	4,80,000
Cash Balance	80,000	90,000
Opening Balance of Capital Fund	18,03,000	

You are required to prepare:

- (i) Income and Expenditure Account for the year ended 31<sup>st</sup> March, 2024.
- (ii) Balance Sheet as on 31<sup>st</sup> March, 2024. **(10 Marks)**



# JAN 25 MTP 1

(a) New State Society showed the following position on 31<sup>st</sup> March, 2023:

## Balance Sheet as on 31<sup>st</sup> March, 2023

Liabilities	₹	Assets	₹
Capital fund	15,86,000	Electrical fittings	3,00,000
Expenses payable	14,000	Furniture	1,00,000
		Books	8,00,000
		Investment in securities	3,00,000
		Cash at bank	50,000
		Cash in hand	<u>50,000</u>
	<u>16,00,000</u>		<u>16,00,000</u>

The receipts and payment account for the year ended on 31<sup>st</sup> March, 2024 is given below:

	₹		₹
To Balance b/d		By Electric charges	14,400
Cash at bank   50,000		By Postage and stationary	10,000
Cash in hand <u>50,000</u>	1,00,000	By Telephone charges	10,000
To Entrance fee	60,000	By Books purchased	1,20,000
To Membership subscription	4,00,000	By Outstanding expenses paid	14,000
To Sale proceeds of old papers	3,000	By Rent	1,76,000
To Hire of lecture hall	40,000	By Investment in securities	80,000
To Interest on securities	16,000	By Salaries	1,32,000
		By Balance c/d	
		Cash at bank	40,000
		Cash in hand	<u>22,600</u>
	<u>6,19,000</u>		<u>6,19,000</u>



# JAN 25 MTP 1

You are required to prepare Income and Expenditure account for the year ended 31<sup>st</sup> March, 2024 after making the following adjustments:

Membership subscription included ₹ 20,000 received in advance.

Provide for outstanding rent ₹ 8,000 and salaries ₹ 6,000.

Books to be depreciated @ 10% per annum including additions. The additions to the books were made on 01.04.2023. Electrical fittings and furniture are also to be depreciated @ 10% per annum.

60% of the entrance fees is to be capitalized.

Interest on securities is to be calculated @ 15% p.a. including purchases made on 1.10.2023 for ₹ 80,000.

**(8 Marks)**

- (a) The Receipts and Payments account of Gold Smith Club prepared on 31<sup>st</sup> March, 2024 is as follows:

**Receipts and Payments Account**

Receipts	₹	Amount ₹	Payments	Amount ₹
To Balance b/d		9,000	By Expenses (including Payment for sports material ₹ 54,000)	1,26,000
To Annual Income from Subscription	91,800			

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Add: Outstanding of last year received this year	<u>3,600</u> 95,400		By Loss on Sale of Furniture (cost price ₹ 9,000)	3,600
Less: Prepaid of last year	1,800	93,600	By Balance c/d	18,09,000
To Other fees		36,000		
To Donation for Building		18,00,000		
		<u>19,38,600</u>		<u>19,38,600</u>

**Additional information:**

Gold Smith Club had balances as on 1.4.2023:

Furniture ₹ 36,000; Investment at 5% ₹ 5,40,000;

Sports material ₹ 1,33,200;

Balance as on 31.3.2024: Subscription Receivable ₹ 5,400;

Subscription received in advance ₹ 1,800;

Stock of sports material ₹ 36,000.

Do you agree with above Receipts and Payments account? If not, prepare correct Receipts and Payments account and Income and Expenditure account for the year ended 31<sup>st</sup> March, 2024 and Balance Sheet on that date.

**(15 Marks)**

# SEP 24 MTP 1

- (b) The following information of M/s. Football Club are related for the year ended 31<sup>st</sup> March, 2024:

(1)

Balances	As on 01-04-2023 (₹)	As on 31-3-2024 (₹)
Stock of Sports Material	4,50,000	6,75,000
Amount due for Sports Material	4,05,000	5,85,000
Subscription due	67,500	99,000
Subscription received in advance	54,000	31,500

- (2) Subscription received during the year ₹ 22,50,000  
(3) Payments for Sports Material during the year ₹ 13,50,000

You are required to:

- (A) Ascertain the amount of Subscription and Sports Material that will appear in Income & Expenditure Account for the year ended 31.03.2024 and  
(B) Also show how these items would appear in the Balance Sheet as on 31.03.2024.

**(8 Marks)**



# JUN 24 MTP 3

3. (a) Dr. Gulleria started private practice on 1st April, 2023 with ₹ 2,00,000 of his own fund and ₹ 3,00,000 borrowed at an interest of 12 p.a. on the security of his life policies. His accounts for the year were kept on a cash basis and the following is his summarized cash account:

Receipts	₹	Payments	₹
Own Capital	2,00,000	Medicines Purchased	2,45,000
Loan	3,00,000	Surgical Equipment	2,50,000
Prescription Fees	6,60,000	Motor Car	3,20,000
Visiting Fees	2,50,000	Motor Car Expenses	1,20,000
Lecture Fees	24,000	Wages and Salaries	1,05,000
Pension Received	3,00,000	Rent of Clinic	60,000
		General Charges	49,000
		Household Expenses	1,80,000
		Household Furniture	25,000
		Expenses on Daughter's college admission	2,15,000
		Interest on Loan	36,000
		Balance at Bank	1,10,000
		Cash in Hand	19,000
	17,34,000		17,34,000

1/3rd of the motor car expenses may be treated as applicable to the private use of car and ₹ 30,000 of salaries are in respect of domestic servants. The stock of medicines in hand on 31st March, 2024 was valued at ₹ 95,000.

You are required to prepare his private practice income and expenditure account and capital account for the year ended 31st March, 2024. Ignore depreciation on fixed assets. **(8 Marks)**



# JUN 24 MTP 2

- (b) From the following information supplied by Fazilka Club, prepare Receipts and Payments account and Income and Expenditure Account for the year ended 31<sup>st</sup> March 2024.

	01.04.2023 ₹	31.03.2024 ₹
Outstanding subscription	70,000	1,00,000
Advance subscription	12,500	15,000
Outstanding salaries	7,500	9,000
Cash in Hand and at Bank	55,000	?
10% Investment	70,000	35,000
Furniture	14,000	7,000
Machinery	5,000	10,000
Sports goods	7,500	12,500

Subscription for the year amount to ₹ 1,50,000/-. Salaries paid ₹ 30,000. Face value of the Investment was ₹ 87,500, 50% of the Investment was sold at 80% of Face Value. Interest on investments was received ₹ 7,000. Furniture was sold for ₹ 4000 at the beginning of the year. Machinery and Sports Goods purchased and put to use at the last date

of the year. Charge depreciation @ 15% p.a. on Machinery and Sports goods and @10% p.a. on Furniture.

Following Expenses were made during the year:

Sports Expenses: ₹ 25,000

Rent: ₹ 12,000 out of which ₹ 1,000 outstanding

Misc. Expenses: ₹ 2,500

**(15 Marks)**

# JUN 24 MTP 1

- (b) The following information of M/s. Zara Club are related for the year ended 31<sup>st</sup> March, 2024:

(1)

Balances	As on 01-04-2023 (₹)	As on 31-3-2024 (₹)
Stock of Sports Material	6,75,000	10,12,500
Amount due for Sports Material	6,07,500	8,77,500
Subscription due	1,01,250	1,48,500
Subscription received in advance	81,000	47,250

(2) Subscription received during the year ₹ 33,75,000

(3) Payments for Sports Material during the year ₹ 20,25,000

You are required to:

- (A) Ascertain the amount of Subscription and Sports Material that will appear in Income & Expenditure Account for the year ended 31.03.2024 and
- (B) Also show how these items would appear in the Balance Sheet as on 31.03.2024. **(10 Marks)**