

CBSE Class 11 Accountancy
Important Questions
Accounts From Incomplete Records

1. Nishant Raj Keeps incomplete records of the business. He gives the following information.

	Rs.
Capital on 1st April 2015	20,000
Capital on 31st march 2015	25,000
Drawings made during the year	4,800

He sold his investment of 1500 at 3% premium and brought that money into the business. You are required to prepare a statement of profit or loss.

Solution :

Statement of Profit
for two year ended 2015-16

Particulars	Details	Amount
Closing Capital	25,000	
Add: Drawing made during the year	<u>4,800</u>	
	29,800	
Less: Additional capital introduce (1500+45)	<u>1,545</u>	
Adjusted capital at the end		28,255
Less: Opening capital		20,000
Profit or loss during the year		<u>8,255</u>

2. Mr. Hemant started his business on 1st April 2015 with a capital of Rs. 1,00,000. He follow a single entry system. At the end of the year i.e. on 31st March, 2016 the position



of Assets & Liabilities was:

Cash in hand	20,000
Furniture	30,000
Machinery	45,000
Debtors	15,000
Stock	20,000
Creditors	35,000

During the year he introduced Rs. 15,000 as additional capital. Calculate profit & loss and prepare statement of affairs as on 31.3.16.

Solution :

Statement of Affairs
(as at 31st March, 2016)

Liabilities	Amt. (Rs.)	Assets	Amt. (Rs.)
Creditors	35,000	Cash	20,000
Capital	95,000	Furniture	30,000
(Balancing Figure)		Machinery	45,000
		Debtors	15,000
		Stock	20,000
	1,30,000		1,30,000

Statement of Profit and Loss
(for the year ended 31st March, 2016)

Particulars	Amt.
Closing Capital	95,000
Less: Additional capital	<u>(15,000)</u>



Adjust capital at the end	80,000
Less: Opening capital	(100,000)
Loss during the year	(20,000)

3. Aarushi started a business with a capital of Rs. 5, 00, 000, At the end of the year her position was.

Particular	Amount (Rs.)
Cash in Hand	15,000
Cash at Bank	70,000
Sundry Debtors	1,20,000
Stock	2,40,000
Furniture	75,000
Machinery	2,00,000

Sundry creditors on this date totalled Rs. 80,000. During the year she introduced a further capital Rs. 1,50,000 and withdrew for household expenses Rs. 90,000. A certain her profit and prepare statement of affairs at the end of year.

Solution :

Liabilities	Rs.	Assets	Rs.
Sundry Creditors	80,000	Cash in Hand	15,000
Capital (Balancing figure)	6,40,000	Cash at Bank	70,000
		Sundry Debtors	1,20,000
		Stock	2,40,000
		Furniture	75,000
		Machinery	2,00,000
	7,20,000		7,20,000

Statement of Profit or Loss

Particulars	Rs.
Capital at the end	6,40,000
Add : Drawings (Household Expenses)	<u>90,000</u>
	7,30,000
Less: Additional capital Introduced	<u>1,50,000</u>
Adjust capital at the end	5,80,000
Less : Capital in the beginning profit for the year	<u>5,00,000</u>
	80,000

4. Miss Pooja runs a business. She was not maintaining her accounts on the double entry system. On April, 2015 She started the business with a capital of Rs. 80,000. On March 31, 2016 her incomplete records could provide the following data.

- i. Amount due to suppliers of raw materials Rs. 17,500
- ii. Stock of raw material ₹ 2,000 and finished product Rs. 2,500
- iii. Fixed assets Rs. 34,000
- iv. Amount due from customers Rs. 42,000
- v. She had withdrawn Rs. 2,500 per month for meeting her personal expenses.
- vi. She had introduced Rs. 7,000 as capital during the year.
- vii. She has cash at bank Rs. 21,000 and cash in hand Rs. 1,800
- viii. Outstanding electricity bill Rs. 2,250

Calculate the profit / loss of her business during the year using statement of affairs method.

Solution :

Statements of Affairs

as at 31st March, 2016

Liabilities	Rs.	Assets	Rs.



Creditors (Supplier)	17,500	Stock:	
Outstanding Electricity Bill	2,250	Raw Material	2,000
Capital (Balancing figure)	83,550	Finished Products	2,500
		Fixed Assets	34,000
		Debtors	42,000
		Cash at Bank	21,000
		Cash in Hand	1,800
	1,03,300		1,03,300

**Statements of Profit and Loss
for the year ended 31st March, 2016**

Particular	Rs.
Capital at the end of the year	83,550
Add: Drawings (Rs. 2,500 × 12)	<u>30,000</u>
	1,13,550
Less: Fresh capital introduced	<u>7,000</u>
Adjust capital at the end	1,06,550
Less: Capital in the beginning profit for the period	<u>80,000</u>
	26,550

5. Mr. Shiva keeps his book by single entry. His position on 1st April, 2015 was as follows: cash in hand Rs. 1250; Cash at bank Rs. 1,000; Debtors Rs. 2,000; Stock Rs. 2,500; Furniture Rs. 750; Creditors Rs. 1,500; Plant and Machinery Rs. 3,000 His Position on 31st March, 2016 was follows: Cash Rs. 300, Debtors Rs. 3,000, Stock Rs. 3,500, Furniture Rs. 1,000, Plant and Machines Rs. 4,500, Creditors 2,000, Bank Overdraft Rs. 500 During the year he withdrew Rs. 450 for his domestic expenses and introduced Rs. 750 as fresh Capital.

Prepare the Statement of Affairs and ascertain his profit or loss for the year.



Solution:

**Statements of Affairs
as on 1st April, 2015**

Liabilities	(Rs.)	Assets	(Rs.)
Creditors	1,500	Cash in Hand	1,250
Capital (balancing figure)	9,000	Cash at Bank	1,000
		Sundry Debtors	2,000
		Stock	2,500
		Furniture	750
		Plant & Machinery	3,000
	10,500		10,500

**Statement of Affairs
as on 1st April, 2016**

Liabilities	(Rs.)	Assets	(Rs.)
Creditors	2,000	Cash in Hand	300
Bank overdraft	500	Debtors	3,000
Capital (Balancing figure)	9,800	Stock	3,500
		Furniture	1,000
		Plant & Machinery	4,500
	12,300		12,300

**Statement of Profit or Loss
for the year ended 31st March, 2016**

Particular	Rs.
Capital on 31st March, 2016	9,800



Add : Drawings	<u>450</u>
	10,250
Less : capital introduced the year	<u>750</u>
Adjust capital at the end	9,500
Less : Capital on 1st April 2015	<u>9,000</u>
Net profit during 2015-16	500

6. Mr. Naman Jain started business on January 1, 2015 with a capital of Rs. 1,00,000. He immediately bought furniture and fixtures for Rs. 20,000. On 30th June, he borrowed Rs. 50,000 from his wife @ 9% p.a. (interest not yet paid) and introduced a further capital of his own amounting to Rs. 1,500. He drew at the rate of 3,000 per month at the end of each month for his household expenses. On 31st December 2015 his position was as follows:

Liabilities	Rs.	Assets	Rs.
Cash in Hand	30,000	Sundry Debtors	48,000
Stock Creditors	68,000	Bills Receivables	16,000
		Owing for Rent	1,500

Furniture and Fixtures to be depreciated by 10%

Ascertain the profit or loss made by Naman Jain during 2015

Solution :

Books of Naman Jain
Statement of Affairs
as on Dec. 31, 2015

Liabilities	Rs.	Assets	Rs.
Wife is loan	50,000	Furniture and Fixtures	20,000
Interest on loan outstanding	2,2250	Less : Depreciation	<u>2,000</u>
			18,000



(for 6 month)		Cash in Hand		30,000
Rent Outstanding	1,500	Debtors		48,000
Creditors	5,000	Stock		68,000
Capital (Bal. fig.)	121,250	B/R		16,000
	1,80,000			1,80,000

**Statement of Profit or Loss
during 2015**

Particular	Rs.
Capital on 31st Dec. 2015	1,21,250
Add : Drawings	<u>36,000</u>
	1,57,250
Less : Capital introduced the year Adjust capital at the end	<u>11,500</u>
Less : Capital as on 1st jan. 2015	1,45,750
Profit during 2015-16	1,00,000

7. Mr. A a trader does not keep proper books of accounts. However A provides the following particular.

	31,30,2015 (Rs.)	31,03,2016 (Rs.)
Cash in Hand	300	4,000
Cash in Bank	4500	3,000
Stock	40,000	45,000
Debtors	12,200	20,000
Equipment	5,000	5,000
Creditor	30,000	20,000



Furniture	4,000	4,000
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During the year 2009-10, Mr A introduced Rs. 6, 000 as additional capital and withdraw Rs. 4,000 as drawings. He writes off 10% on furniture and 5% on equipment as depreciation. Prepare a statement showing the profit or loss made by him for the year ended 31st March 2016.

Solution :

Liabilities	Rs.	Assets	Rs.
Cash in Hand	36,000	Furniture	4,000
Creditors	30,000	Equipment	5,000
		Debtors	12,200
		Stock	40,000
		Cash at Bank	4,500
		Cash in Hand	300
	66,000		66,000

Statement of Affairs

as on 31,03,2016

Liabilities	Rs.	Assets	Rs.
Cash in Hand	60,350	Furniture	4,000
Creditors	20,000	Less : Depreciation	<u>400</u>
		Equipment	5,000
		Less : Depreciation	<u>250</u>
		Debtors	20,000
		Stock	45,000
		Cash at Bank	4,000
		Cash in Hand	3,000



	80,350		80,350
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Statement of Profit or Loss
for the year ended 31-03-2016

Particular	Rs.
Closing Capital	60,350
Add : Drawings - Rs. 3,000	<u>4,000</u>
	64,350
Less : Additional Capital Adjust capital at the end	<u>6,000</u>
	58,350
Less : Opening Capital profit during 2015	<u>35,000</u>
	22,350

8. Sanjay keeps incomplete records. During the year 2012-13 he kept a Cash Book of which the following is an analysis :

Receipts from	Rs.	Payments to	Rs.
Received from Debtors	28800	Paid to Creditors	15,000
Cash sales	21600	Salaries	5,280
Additional Capital Introduced	6,000	Rent	3600
Interest on Investments	1080	General Expenses	2040
		Wages	10500
		Drawings	3180
		Cash Purchases	10800

Adjustments :

- 1. Provide 5% on debtors for doubtful debts.**
- 2. Outstanding salary @ 480.**



From the above information, prepare the Trading & Profit & Loss A/c for the year ended 31st March, 2013 and a Balance Sheet as at that time.

Solution :

Cash Book

Dr.			
Receipts from	Rs.	Payments to	Rs.
To balance b/d (01.04.2012)	2520	To Payment to Creditors	15,000
To Receipt from Debtors	28800	To Salaries	5,280
To Cash Sales	21600	To Rent	3600
To Additional Capital	6,000	To General Expenses	2040
To Interest on Investments	1080	To Wages	10500
		To Drawings	3180
		To Cash Purchases	10800
		By Balance c/d (balancing figure on 31.03.2013)	
	60000		60000

Total Debtors Account

Dr.			Cr.
Particulars	Rs.	Particulars	Rs.
To balance b/d (01.04.2012)	4320	By Cash received from Debtors	28800
To Credit sales (balancing Fig.)	31680	By Balance c/d (31.03.2013)	7200
	36000		36000
Dr.			Cr.
Particulars	Rs.	Particulars	Rs.
	15000		3600



To Cash paid to Creditors		By Balanced b/d (01.04.2012)	
To Balance c/d	5100	By Credit Purchases	16500
	20100		20100

Opening Balance Sheet
as at 1st April 2012

Liabilities	Rs.	Assets	Rs.
Creditors	3600	Cash in Hand	2520
Capital (Balancing Figure)	56040	Debtors	4320
		Stock	9000
		Investments	9000
		Furniture	4800
		Machinery	30000
	59640		59640

Trading And Profit And Loss Account
For the year ending 31st March, 2013

Liabilities	Rs.	Assets	Rs.
To Opening Stock	9000	By Sales	
To Purchases		Cash Sales	21600
Cash Purchases	10800	Credit sales	31680
Credit Purchases	<u>16500</u>	By Closing Stock	14400
To Wages	10500		
To Gross profit c/d	20880		
	67680		67680
To Salaries	5280	By Gross Profit b/d	20880



Add: Outstanding	<u>480</u>	5760	By Interest on Investments		1080
To Rent		3600			
To General Expenses		2040			
To Provision for doubtful Debts		360			
To Net Profit		10200			
		21960			21960

Balance Sheet
as at 31st March, 2013

Liabilities		Rs.	Assets		Rs.
Creditors		5100	Cash in hand		9600
Outstanding Salary		480	Debtors	7200	
Capital	56040		Less: provision for Doubtful Debts	360	6840
Add: Additional Capital	<u>6000</u>		Stock		14400
	62040		Investments		9000
Add: Net Profit	<u>10200</u>		Furniture		4800
	72240		Machinery		30000
Less: Drawings	<u>3180</u>	69060			
		74640			74640

9. Yashpal does not maintain proper books of account. From the following particulars, prepare the trading and profit and loss account for the year ended 31st March 2018 and Balance Sheet as on that date :

Particulars	31.03.2017 (Rs.)	31.03.2018 (Rs.)
Furniture	10000	15000



Stock	98000	132000
Debtors	180000	250000
Creditors	60000	45000

Analysis of other transactions is as follows:

Particulars	Rs.
Cash collected from Debtors	608000
Cash paid to creditors	440000
Salaries	120000
Rent	15000
Office Expenses	18000
Additional Capital Introduced	20000
Drawings	30000
Cash Sales	15000
Cash Purchases	50000
Discount Received	7000
Discount Allowed	3000
Return Inward	10000
Return outward	8000
Bad debts	2000

He had Rs. 50000 as cash Balance in the beginning of the year.

Solution :

**Trading and Profit and Loss Account
for the year ended 31st March, 2018**

Particulars	Rs.	Particulars	Rs.



To opening stock		98000	By Sales		
To Purchase			Cash	15000	
Cash	50000		Credit	693000	
Credit (WN.4)	<u>440000</u>		(WN-3)	709000	
	490000		Less : Return	10000	
Less : Return Outwrd	8000		Inward		698000
		48200	By closing stock		132000
To Gross profit c/d		25000			
		830000			830000
To Salaries		120000	By Gross profit b/d		250000
To Rent			By Discount Received		7000
To office expesnses					
To Discount Allowed					
To bad Debt					
To Net profit transfers to Capital A/c	99000				
	257000				257000

Balance Sheet
as at 31st March, 2018

Liabilities		Rs.	Assets	Rs.
Creditors		45000	Cash (WN-2)	20000
Creditors for Furniture (Rs. 15000 - Rs. 1000)		5000	Debtors	250000
Capital 1.04.2017 (WN-1)	278000		Stock	132000
Add : Capital Introduced	20000		Furniture	15000



Net Profit	<u>99000</u>			
	397000			
Less : Drawings	<u>3000</u>	367000		
		417000		417000

Working Notes:

WN-1. Calculation of Opening Capital

Balance Sheet as at 31st March, 2017

Liabilities	Rs.	Assets	Rs.
Creditors	60,000	Cash and Bank	60,000
Capital	2,78,000	Balance	50,000
(Balancing Figures)		Debtors	120,000
		Stock	98,000
		Furniture	10,000
	3,38,000		3,38,000

WN-2.

Cash Book

Dr. Receipts		Payments Cr.	
Particulars	Rs.	Particulars	Rs.
To Balance b/d	50,000	By Creditors	4,40,000
To Debtors	6,08,000	By Rent	15,1000
To Capital	201,000	By Salaries	1,20,000
To Sales	15,000	By Drawings	30,000
		By office Expenses	18,000



		By Purchases	50,000
		By Balance c/d	20,000
	6,93,000		6,93,000

WN-3.

Total Debtors Account

Dr.			Cr.
Particulars	Rs.	Particulars	Rs.
To Balance b/d	180000	By Cash	608000
To sales (Credit Sales)	693000	By Discount Allowed	3000
Balancing Figure		By Return Inwards	10000
		By Bad Debts	2000
		By Balance old	250000
	873000		873000

WN-4.

Total Creditors Accounts

Dr.			Cr.
Particulars	Rs.	Particulars	Rs.
To Cash	440000	By Balance b/d	60000
To Discount Received	7000	By Purchases (credit purchases)	440000
To Return outward	8000	Balancing Figure	
To Balance c/d	45000		
	500000		500000