

ACCOUNTS FROM INCOMPLETE RECORDS WS 1

Class 11 - Accountancy

Section A

1. Single entry system records [1]
 - a) Two sided effect
 - b) One sided effect
 - c) Three sided effect
 - d) Four sided effect
2. Profit = Capital at the end + ? - Capital introduced - Capital in the beginning. [1]
 - a) Sales
 - b) Journal
 - c) Net Purchases.
 - d) Drawings
3. Which of the following is not a feature of the system of single entry system [1]
 - a) Maintenance of cash book
 - b) No uniformity
 - c) Suitable of limited companies
 - d) Maintenance of personal accounts
4. Generally, incomplete records are maintained by: [1]
 - a) Society
 - b) Company
 - c) Government
 - d) Trader
5. If Capital at the end of the year is ₹ 40,000; Capital introduced during the year ₹ 30,000; drawings for the year ₹ 20,000 and loss for the year is ₹ 60,000, then Capital at the beginning of the year was: [1]
 - a) ₹ 90,000
 - b) ₹ 10,000
 - c) ₹ 70,000
 - d) ₹ 80,000
6. Single entry system is also known as [1]
 - a) Accounts for Real and Nominal nature
 - b) Accounts from Auditors
 - c) Accounts from complete records
 - d) Accounts from incomplete records
7. Profit is calculated by the formula [1]
 - a) Opening Capital + Drawing + Fresh Capital - Ending capital
 - b) Capital at the end - Drawing - Fresh capital - opening capital
 - c) Capital at the end + Drawing - Fresh capital - Opening capital
 - d) Capital at the end + Drawing + Fresh capital + opening capital
8. When closing capital is less than opening capital, it means [1]
 - a) Profit
 - b) no profit no loss situation
 - c) Loss
 - d) Loss, if there is no drawing
9. Calculate Opening capital from the following information: Profit: Rs.500, Closing capital- Rs.3,000, Withdrawn- Rs.600, Fresh capital- Rs.400 [1]

(c) Trading and profit and loss account	(iii) not maintained
(d) Balance sheet	(iv) Maintained

48. Match the following:

[1]

(a) Loan from wife	(i) Less from capital
(b) Stock	(ii) Add to capital
(c) Drawings	(iii) Liability
(d) Net Profit	(iv) Asset

49. Match the following:

[1]

(a) Advantage	(i) small firms
(b) Limitation	(ii) conversion method
(c) Single entry system adopted by	(iii) Less expensive
(d) Ascertainment of profit	(iv) Not possible to prepare trial balance

Section B

50. From the following information relating to the business of Mr. X who keeps books on single Entry System, ascertain the profit or loss for the year 2022- 23.

[6]

	1 st April 2022	31 st March 2023
Machinery	₹ 8,000	₹ 8,000
Furniture	2,000	2,000
Stock	7,000	5,000
Sundry Debtors	4,000	4,500
Bank Balance	200 (Cr.)	1,800 (Dr.)
Sundry Creditors	5,000	3,500

Mr. X withdrew ₹ 4,100 during the year to meet his household expenses. He introduced ₹ 300 as fresh capital on 15th January 2023. Machinery and Furniture are to be depreciated at 10% and 5% per annum respectively.

51. Karan, a trader, does not keep proper books of account. However, he furnishes you the following particulars:

[6]

	31 st March, 2022 (₹)	31 st March, 2023 (₹)
Cash at Bank	4,500	3,000
Cash in Hand	300	4,000
Stock-in-Trade	40,000	45,000
Debtors	12,000	20,000
Office Equipment	5,000	5,000
Sundry Creditors	30,000	20,000
Furniture	4,000	4,000

During the year, Karan introduced ₹ 6,000 as further capital and withdrew ₹ 4,000 as drawings. Write off Depreciation on furniture at 10% and on office equipment at 5%. Prepare a statement showing the profit or loss made by him for the year ended on 31st March, 2023.

52. Siya maintains her books of account from Incomplete Records. Her books provide the following information: [6]

Particulars	1 st April 2022 (₹)	31 st March 2023 (₹)
Cash	1,200	4,000
Debtors	16,800	27,200
Stock	22,400	24,400
Investments	—	8,000
Furniture	7,500	8,000
Creditors	14,900	11,600

She withdraws ₹ 500 per month for personal expenses. She sold her Investments ₹ 16,000 at 5% premium and introduced the amount into a business.

You are required to prepare a Statement of Profit or Loss for the year ending 31st March 2023.

53. Karori Mai does not keep his books properly. Following information is available from his books [6]

Items	1 st April, 2022 (₹)	31 st March 2023 (₹)
Sundry creditors	45,000	93,000
Loan from Wife	66,000	57,000
Sundry debtors	22,500	-----
Land and building	89,600	90,000
Cash in hand	7,500	8,700
Bank overdraft	25,000	-----
Furniture	1,300	1,300
Stock	34,000	25,000

During the year, Karori Mai sold his private car for ₹ 50,000 and invested this amount into business. He withdrew from the business ₹ 1,500 per month upto 31st October, 2022 and thereafter ₹ 4,500 per month as drawings.

You are required to prepare a statement of profit or loss and a statement of affairs as at 31st March, 2023.

54. Pardeep Kumar keeps incomplete records. The Statement of Affairs of his business as at 1st April, 2022 was as follows: [6]

Liabilities	₹	Assets	₹
Creditors	5,000	Cash in hand	400
Capital	70,000	Cash at Bank	1,600
		Debtors	17,000

		Stock	20,000
		Furniture	6,000
		Plant and Machinery	30,000
	75,000		75,000

His position on 31st March, 2023 was: Cash in hand ₹ 1,000; Cash at Bank ₹ 2,000; Bill receivable ₹ 4,000; Debtors ₹ 21,000; Stock ₹ 32,000; Furniture ₹ 8,000; Plant and Machinery ₹ 40,000 and Creditors ₹ 18,000. He withdrew during the year ₹ 30,000, out of which he spent ₹ 18,000 for purchasing a scooter for the business. Calculate his net profit for the year after the following adjustments and prepare a final Statement of Affairs as at 31st March, 2023:

- Depreciate furniture and scooter @ 20%;
- 5% of the debtors are doubtful and ₹ 800 are absolutely bad.
- Make a provision of 5% on Bills Receivable also.

55. Radheshyam does not keep proper records of his business. Following information is available from records kept by him [6]

Items	1st April 2023 (₹)	31st March 2023 (₹)
Cash	20,000	18,000
Bank	30,000	33,000
Debtors	17,000	25,000
Stock	40,000	60,000
Fixed assets	29,000	29,000
Creditors	52,000	32,000
Loan	10,000	25,000

Radheshyam withdrew from the business ₹ 3,000 per month upto 30th September, 2022 and thereafter ₹ 4,000 per month as drawings ₹ 50,000 realised by the proprietor as maturity value of national saving certificates was invested in the business.

Prepare a statement showing net profit (or net loss) for the year.

56. Jatin keeps books under single entry system. His assets and liabilities were as under [6]

Items	31st March, 2012(Rs)	31st March, 2013(Rs)
Cash	2,000	1800
Sundry debtors	78,000	90,000
Stock	68,000	64,000
Plant and machinery	1,20,000	1,60,000
Sundry creditors	30,000	29,800
Bills payable	—	10,000

During 2012-13, he introduced Rs 20,000 as new capital. He withdrew Rs 6,000 every month for his household expenses. Ascertain his profit for the year ended 31st March, 2013.

57. From the following information ascertain the opening balance of sundry debtors and closing balance of sundry creditors [6]

	₹
Opening stock	30,000
Closing stock	25,000
Opening creditors	50,000
Closing debtors	75,000
Discount allowed by creditors	1,500
Discount allowed to customers	2,500
Cash paid to creditors	1,35,000
Bills payable accepted during the period	30,000
Bills receivable received during the period	75,000
Cash received from customers	2,20,000
Bills receivable dishonoured	3,500
Purchases	2,95,000

The rate of gross profit is 25% on selling price and out of the total sales ₹ 85,000 was for cash sales.

Hint: Total sales = 4,00,000 = 3,00,000 × $\frac{100}{75}$

58. Kamal, a general merchant, keeps his accounts on Single Entry System. He wants to Know the results of his business on 31st March 2023 and for that following information is available: [6]

	1 st April 2022	31 st March 2023
Cash in Hand	1,50,000	1,75,000
Bank Balance	7,50,000	8,00,000
Furniture	1,00,000	1,00,000
Stock	5,00,000	6,50,000
Creditors	3,50,000	4,00,000
Debtors	2,50,000	3,00,000

During the year, he had withdrawn ₹ 5,00,000 for his personal use and invested ₹ 2,50,000 as additional capital.

Calculate his profits on 31st March 2023 and prepare a Statement of Affairs as on that date.

59. X who keeps incomplete records gives you the following information: [6]

ASSETS AND LIABILITIES

	1 st April, 2022 (₹)	31 st March, 2023 (₹)
Stock in hand	18,700	20,400
Debtors	12,000	14,000
Creditors	9,000	1,500

Bills Receivable	4,000	5,000
Bills Payable	1,000	200
Furniture	600	600
Building	12,000	12,000
Bank Balance	4,350	3,350 (Overdraft)

You are also given the following information:

- i. A provision of ₹ 1,450 is required for bad and doubtful debts.
- ii. Depreciation @ 5% is to be written off on Building and furniture.
- iii. Wages outstanding ₹ 3,000; salaries outstanding ₹ 1,200.
- iv. Insurance has been prepaid to the extent of ₹ 250.
- v. Legal Expenses outstanding ₹ 700.
- vi. Drawings of Mr. X during the year were ₹ 7,520.

Prepare a statement of Profit as on 31st March, 2023, and a final statement of affairs as at that date.

60. A retail Trader has not kept proper books of accounts. Ascertain his profit or loss for the year ending 31st March, 2023, and prepare a final statement of affairs from the following information: [6]

	1st April, 2022 (₹)	31st March, 2023 (₹)
Cash Balance	3,500	4,100
Bank Balance	Dr. 6,000	Cr. 15,000
Stock	22,000	36,400
Sundry Debtors	18,800	34,500
Sundry Creditors	12,100	8,000
Loan from X	—	10,000
Bills Receivable	4,000	—
Fixed Assets	40,000	60,000

He withdrew from the business ₹ 1,500 per month for his personal use and ₹ 8,000 for giving a personal loan to his brother. He also used a house for his personal purposes, the rent of which at the rate of ₹ 900 per month and electricity charges at an average rate of ₹ 250 per month were paid from the business account.

He had received a lottery prize of ₹ 25,000, out of which he invested half the amount in business.

He has not paid two months' salary to his clerk @ ₹ 1,200 per month, but insurance premium @ ₹ 600 per annum was paid on 1st October, 2022 to run for one year.

Loan from X was taken on 1st July, 2022 on which interest was unpaid @ 18% p.a. Fixed assets are to be depreciated @ 10% p.a.

61. X, a retailer, has not maintained proper books of account, but it has been possible to obtain the following details: [6]

	Last Year (₹)	This Year (₹)
Trade Creditors	6,270	5,890
Loan from Naveen	5,000	5,000

Stock	12,350	11,980
Cash in Hand	570	650
Shop Fittings	7,250	7,800
Trade Debtors	5,280	4,560
Bank Balance	3,990	4,130

Calculate the net profit for this year and draft the Statement of Affairs at the end of the year after noting that:

- i. Shop Fittings are to be depreciated by ₹ 780.
- ii. X has drawn ₹ 100 per week for his own use.
- iii. Included in the Trade Debtors is an irrecoverable balance of ₹ 270.
- iv. Interest at 5% p.a. is due on the loan from Naveen but has not been paid for the year.

62. C maintain his books according to Single Entry System. Following figures were available from the books for the six months ended 31st December, 2017- [6]

	1st July, 2017 (Rs.)	31st Dec. 2017 (Rs.)
Plant and Machinery	1,50,000	1,40,000
Debtors	65,000	60,000
Cash and Bank balances	25,000	31,000
Stock	40,000	45,000
Creditors	9,000	10,000

Adjustments-

- a. He had withdrawn Rs.200 in the beginning of every month for household purposes.
- b. Depreciation on Plant and Machinery @ 10% p.a.
- c. Further Bad Debts Rs.5,000 and Provision for Doubtful Debts to be created @ 2%.
- d. During the period, salaries have been prepaid by Rs.500 while wages outstanding were Rs.1,000.
- e. Interest on drawings to be reckoned @ 6% p.a.

You are required to prepare the Statement of Profit or Loss for the half year ended 31st December, 2017, followed by Revised Statement of Affairs as on that date.

63. The following information is available from Sahil, who maintains books of accounts on a single entry system: [6]

	1 st April, 2022 (₹)	31 st March, 2023 (₹)
Cash and Bank	20,000	21,000
Sundry Debtors	17,000	25,000
Stock	40,000	60,000
Furniture	29,000	29,000
Sundry Creditors	32,000	22,000
10% Loan from Mrs. Sahil	30,000	30,000

Sahil withdrew ₹ 5,000 from the business every month for meeting his household expenses. During the year, he sold investments held by him privately for ₹ 35,000 and invested the amount in his business.

At the end of the year 2022-23, it was found that the full year's interest on loan from Mrs. Sahil had not been paid. Depreciation @ 10% per annum was to be provided on furniture for the full year. Shop assistant was to be given a share of 5% on the profits ascertained before charging such share.

Calculate profit earned during the year ended 31st March, 2023 by Sahil.

64. Mr. Muneesh maintains his books of accounts from incomplete records. His books provide the information: [6]

	April. 01, 2016 (₹)	March. 31, 2017 (₹)
Cash	1,200	1,600
Bills receivable	-	2,400
Debtors	16,800	27,200
Stock	22,400	24,400
Investment	-	8,000
Furniture	7,500	8,000
Creditors	14,000	15,200

He withdrew ₹ 300 per month for personal expenses. He sold his investment of ₹ 16,000 at 2% premium and introduced that amount into business.

65. From the following information supplied by Ms. Sudha, calculate the amount of 'Net Sales' [6]

	₹
Debtors on April 01, 2016	65,000
Debtors on March 31, 2017	50,000
Opening balance of bills receivable as on April 01, 2016	23,000
Closing balance of bills receivable as on March 31, 2017	29,000
Cash received from debtors	3,02,000
Discount allowed	8,000
Cash received against bills receivable	21,000
Bad debts	14,000
Bill receivables (dishonoured)	20,000
Cash sales	2,25,000
Sales return	17,000

66. Gopal Sharma maintains incomplete records of his business. He wants to know the result of his business on 31st March, 2023 and for that following information are available: [6]

items	1st April, 2022 (₹)	31st March, 2023(₹)
Cash in hand	1,50,000	1,75,000
Bank balance	7,50,000	6,00,000
Furniture	1,00,000	1,00,000

Stock	5,00,000	4,50,000
Creditors	3,50,000	4,00,000
Debtors	2,50,000	3,00,000

Personal expenses of Gopal Sharma paid from business account amounted to ₹ 4,80,000 and goods worth ₹ 20,000 were withdrawn by him for personal use. He sold ornaments of his wife for ₹ 3,50,000 and invested that amount into the business. Calculate his profit or loss.

Section C

67. **State True or False:** **[9]**
- (a) When closing capital is less than opening capital, it means profit. **[1]**
 - (b) When closing capital is greater than opening capital it means loss. **[1]**
 - (c) $\text{Net Profit} = \text{Capital at the end} + \text{Drawings} + \text{Fresh capital introduced} - \text{Capital in the beginning}$. **[1]**
 - (d) A Trial Balance cannot be drawn from books kept under Single Entry System. **[1]**
 - (e) Under the Single Entry System, Dual Aspect Principle of Accounting does not hold good as two-fold effects of each and every transaction are not recorded. **[1]**
 - (f) Capital in the beginning of the accounting year is ascertained by preparing debtors account. **[1]**
 - (g) A single Entry System can be adopted by joint-stock companies. **[1]**
 - (h) From incomplete records, it is possible to prepare a statement of affairs. **[1]**
 - (i) Under Single Entry System normally personal accounts and Cash Book transactions are recorded. **[1]**