

Girl's High School and College, Prayagraj
2020-2021
Class 11-C
Accountancy
Worksheet-2

Note:-Parents please ensure that your ward refers to the prescribed book for Accountancy New I.S.C. Accountancy by D.K. Goel (Avichal Publications) and/or to the Extra Class /www.studiestoday.com/By JU's.com for two days to read the basics-terms, concepts, GAAP

Introduction:- An Account is a ledger record in a summarised form, of all the transactions that have taken place with the particular person or things specified ---- "Carter".

Account is a record of all business transactions relating to a particular person or item.

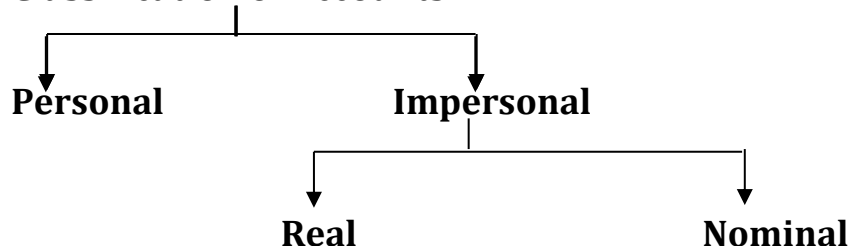
All accounts are divided into two sides.

Debit (Dr) Account Credit(Cr.)

The left side is called - Debit (Dr.)

The Right side is called - Credit (Cr.)

Classification of Accounts



Personal A/c - Includes all Individuals, organisations, Institutions, Societies etc.

Real A/c - Includes all Assets like Land & Building, Cash, furniture, goods, machinery etc.

Nominal A/c - Includes all expenses/losses & all incomes/gains.

The various transactions (Cash or Credit) that take place have the involvement of the aspects that may fall in Personal A/c / Real A/c / Nominal A/c.

- Q1. What do you understand by the term Account ?
- Q2. Define Debit ?
- Q3. Define Credit.
- Q4. Enumerate the various Account heads that fall in personal A/c, Real A/c and Nominal A/c.

Introduction :- The Journal is the Primary Book where recording is done.

This the first step in the process of recording the transactions.

The act of writing Journal Entries is known as Journalising.

In order to journalise, the traditional approach is as follows :-

Personal A/c :- Debit the Receiver;

Credit the Giver.

Real A/c:- Debit what comes in;

Credit what goes out.

Nominal A/c:- Debit all expenses/losses;

Credit all Incomes/gains.

After writing the Journal Entries, the information is transferred to the Book of Secondary Entry - Known as ledger. Transferring the information from Journal to ledger is known as Posting.

The work of journalising is supported by GAAP as you have already read.

- Q5. What is Money Measurement Concept ?
- Q6. What is Going Concern Concept ?
- Q7. What is Accounting Period Concept ?

Q8. What is Accounting Entity Concept ?

Accounting Entity Concept lays stress on treating owner and Business having separate identity and recording the transactions for the business and from Business point of view.

Every transaction, involves, atleast two aspects which fall in the category of personal A/c or Real A/c or Nominal A/c.

For Example :-

(i) X commenced business with cash.

two aspects - X and Cash

X - Personal A/c.

Cash - Real A/c.

(ii) X withdrew cash from business

Two aspects - X and Cash

X - Personal A/c.

Cash - Real A/c.

(iii) Sold goods to Y.

two aspects : Sales and Y.

Sales - Nominal A/c.

Y - Personal A/c.

(iv) Paid Salary to A.

two aspects : Cash and Salary.

Cash - Real A/c.

Salary - Nominal A/c

Q9. Identify the two aspects, classify them into personal, Real or Nominal A/c and apply the rule for journalising from the following transactions:-

2019		
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April 1	Siya Ram & Sons started business with cash	50,000
2	Purchased goods for cash	20,000
4	Purchased goods from Subhash	12,000
5	Purchased Furniture for cash	6,000
7	Sold goods for cash	13,000
9	Sold goods to Mahesh	15,000
10	Paid cash to Subhash	8,000
12	Received cash from Mahesh	10,000
16	Purchased goods from Ravi for cash	7,500
17	Purchased goods from Ravi	5,000
18	Sold goods to Suresh for cash	12,600
19	Sold goods to Suresh	7,000
20	Bought Machinery for cash	8,000
24	Withdrew cash from Office for personal use	2,500
27	Paid rent	400
29	Paid wages	450
30	Paid salary to Gopal	1,200
30	Received Commission	200

Q10. Identify the two aspects, classify them into Personal, Real or Nominal A/c and apply the rule for journalising from the following transactions:-

2019		
March 1	Manohar Lal & Sons started business with cash	60,000
2	Purchased furniture for cash	10,000
4	Purchased goods for cash	25,000

5	Bought goods from Kamlesh	15,000
6	Sold goods for cash	36,000
8	Sold goods to Hari	30,000
10	Paid cash to Kamlesh	15,000
14	Received cash from Hari	18,000
16	Purchased goods from Sohan	6,000
18	Purchased goods from Sohan for cash	8,000
20	Paid rent for the office	1,000
26	Received Commission	750
27	Paid Salary to Gopal	1,200
28	Received cash from Hari	12,000
29	Withdrew cash from office for personal use	4,000
30	Wages paid	7,200
30	Bought Machinery for Cash	8,000