**INDIAN SCHOOL AL WADI AL KABIR**

**DEPARTMENT OF COMMERCE**

**HOLIDAY HOMEWORK**

**ACCOUNTANCY**

1.Gloriya Ltd. purchased a second hand machine for Rs. 65,000 on October01, 2001 and spent Rs. 25,000 on its overhaul and installation before putting it to operation. It is expected that the machine can be sold for Rs. 5,000 at the end of its useful life of 15 years. Moreover an estimated cost of Rs. 1,000 is expected to be incurred to recover the salvage value of Rs. 5,000. Prepare

machine account and Provision for depreciation account for the first three years charging depreciation by fixed installment Method. Accounts are closed on December 31, every year

2. M/s Mahesh Fabrics purchased a Textile Machine on April 01, 2001 for Rs. 2,00,000. On July 01, 2002 another machine costing Rs. 4,50,000 was purchased . The machine purchased on April 01, 2001 was sold for Rs.25,000 on October 01, 2005. The company charges depreciation @15% p.a. on straight line method. Prepare machinery account, provision account and machinery disposal account for the year ended March 31, 2006.

3. M/s. Global Computers has a debit balance of Rs. 60,000 (original cost Rs. 1,00,000) in computers account on April 01, 2000. On July 01, 2000 it purchased another computer costing Rs. 2,50,000. One more computer was purchased on January 01, 2001 for Rs. 30,000. On April 01, 2004 the computer which has purchased on July 01, 2000 became obselete and was

sold for Rs. 30,000. A new version of the IBM computer was purchased on August 01, 2004 for Rs. 50,000. Show Computers account in the books of Global Computers for the years ended on March 31, 2001, 2002, 2003 ,2004 and 2005. The computer is depreciated @10 p.a. on straight line method basis.

4. On January 01, 2000, a Limited Company purchased machinery for Rs. 40,00,000. Depreciation is provided @10% p.a. on diminishing balance method. On March 01, 2002, one fourth of machinery was damaged by fire and Rs. 50,000 were received from the insurance company in full settlement. On September 01, 2002 another machinery was purchased by the companyfor Rs. 20,00,000. Write up the machinery account from 2002 to 2003. Books are closed onDecember 31, every year.

5. Prepare a Bank Reconciliation Statement for the following:

Suresh Kumar finds that bank balance shown by this cash book on 31st December 2001 is

Rs. 21000 (credit) but the pass book shows a difference due to the following reasons:

(i) Cheque no.61 for Rs. 840 favouring A B & Co. has not been presented.

(ii) A post-dated cheque for Rs. 500 has been debited in the bank column of the cash   
 book could not have been presented in any case.

(iii) Four cheques totalling Rs. 3600sent to bank have not been collected while a fifth cheque

for Rs.800 deposited in the account has been dishonoured.

(iv) Life insurance premium amounting to Rs. 100 paid by the bank under a standing order has   
 not been entered in cash book.

6. Prepare a Bank Reconciliation Statement as on 31-12-2014 from the following particulars:

(i) Bank Balance as per passbook Rs.40,000

(ii) Cheque deposited into bank but no entry was passed in the cash book Rs.1000.

(iii) Cheque received and entered in cash book but not sent to bank Rs.5,200.

(iv) Insurance premium paid directly by the bank Rs.1600.

(v) Bank charges entered twice in the cash book Rs.100.

(vi) Cheque received entered twice in cash book Rs.2,000.

(vii).Bill discounted dishonoured not recorded in the cash book Rs.10,000.

7. Prepare BRS as on 31st July 2015

(i) Balance as per Cash Book is Rs. 55,000 as on 31st July 2015.

(ii) Cheques for Rs. 25,000 were deposited into the Bank in the month of July but only   
 cheques for Rs.21,000 were credited by the bank till 31st July 2015.

(iii) Cheues issued for Rs. 23,000 in July, out of which a cheque for Rs. 4,800 was presented   
 for payment on 6th August.

(iv) Bank charged Rs. 1000 as Bank charges and credited interest of Rs. 470.

(v) A customer directly deposited Rs. 2,550 in firm’s bank A/c.

(vi) Bank paid the Insurance Premium of Rs. 4,200 as per standing instructions 25.07.2015.

8. Prepare a Bank Reconciliation Statement on 31 Dec. 2010 for the following:

(i) Overdraft as per pass book 8,600

(ii) Cheques deposited but not collected by bank 9,560

(iii) Incidental charges paid by bank but not recorded in cash book 180

(iv) Cheques issued but not presented for payment 5,400

(v) Insurance premium paid by bank not recorded in cash book 6,200

9. On December 31, 2014, the cash book of Morarji Bros Showed an overdraft of Rs. 5,920. From the following particulars prepare an Adjusted Cash Book and Bank Reconciliation Statement and ascertain the balance as per passbook.

(1) Debited by bank for Rs. 400 on account of Interest on overdraft and Rs. 10 on account of charges for collecting bills.

(2) Cheques drawn but not encashed before December, 31 2014 for Rs. 5,000.

(3) The bank has collected interest and has credited Rs. 700 in passbook.

(4) A bill receivable for Rs. 100 previously discounted with the bank had been dishonoured and debited in the passbook.

(5) Cheques paid into bank but not collected and credited before December 31, 2014 amounted Rs. 5,000.

10.Nikhil sold goods for Rs. 23,000 to Akhil on Dec. 01, 2012. He drew upon Akhil a bill of exchange for the same amount payable after 2 months. Akhil accepted the bill and sent it back to Nikhil. Nikhil discounted the bill immediately with his bank @ 12 % p.a. On the due date Akhil dishonored the bill of exchange and the bank paid Rs. 100 as noting charges. Akhil requested Nikhil to draw a new bill upon him with interest @ 10% p.a. which he agreed. The new bill was payable after two months. A week before the maturity of the second bill Akhil requested Nikhil to cancel the second bill. He further requested to accept Rs. 10,000 in cash immediately and drew a third bill upon him including interest of Rs. 500. Nikhil agreed to Akhil’s request. The third bill was payable after one month. Akhil met the third bill on its maturity. Record the necessary journal entries in the books of Nikhil and Akhil.

11. On Jan 01, 2010 Raghu sold goods worth Rs. 35,000 to Devendra and drew up to the latter three bills of exchanges. The first bill was for Rs. 5,000 payable after one month, the second bill was for Rs. 20,000 payable after three months and third bill for balance amount for 4 months. Raghu endorsed the first bill in favor of his creditor Dewan in full settlement of a debt of Rs. 5,200. The second bill was discounted by Ragu @ 6% p.a. and the third bill was retained by Raghu till the date of maturity. Devendra dishonored the bill on maturity and the bank paid Rs. 30 as noting charges. Four days before the maturity of the third bill Raghu sent the same for collection to his bank. The third bill was also dishonored by Devendra and the bank paid Rs 200 as noting charges. Five days after the dishonor of the bill Devendra paid the entire amount to Raghu along with the interest of Rs. 1000

You are requested to record the necessary journal entries in the books of Raghu, Devendra and Dewan.

**BUSINESS STUDIES**

The students are suppose to take up the project work as delegated by their teachers according to the guidelines given/discussed in the class.

**ECONOMICS**

The students are suppose to take up the project work as delegated by their teachers according to the guidelines given/discussed in the class.

**ENTREPRENEURSHIP**

The students are suppose to submit the fair project work as completed by them on the following topics:

1. Profile of an Entrepreneur
2. Preparation of Business Plan