

**BCM SCHOOL, BASANT AVENUE,  
DUGRI ROAD, LUDHIANA  
ASSIGNMENT  
ACCOUNTANCY (XI)  
Final Accounts (with adjustments)**

- If the manager is entitled to a commission of 5% on profits after deduction this commission, he will get a commission of \_\_\_\_ on a profit of Rs 8400  
 (a) Rs 400                      (b) Rs 442.11                      (c) Rs 420                      (d) Rs 410
- If the rent of one month is still to be paid, the adjustment entry will be \_\_\_\_\_.  
 (a) Debit outstanding rent account and Credit rent account  
 (b) Debit profit and loss account and Credit rent account  
 (c) Debit rent account and Credit profit and loss account  
 (d) Debit rent account and Credit outstanding rent account
- Following is the extract is taken from the trial balance of Amit as on 31<sup>st</sup> March, 2024

Particular	L.F	Debit	Credit
Purchase		4,50,000	
Sales			3,75,000

A fire is broke out on 31<sup>st</sup> March, 2024 and stock of value of Rs 28,000 was destroyed. It was fully insured and the insurance company admitted the claim in full. Show treatment in the final accounts.

- Following is the extract is taken from the trial balance of Kabir as on 31<sup>st</sup> March, 2024

Particular	L.F	Debit	Credit
Sundry Debtor		1,00,000	
Bad debts		6,000	
Provision for doubtful debts			7,000

Sundry debtors include Rs 10,000 receivable from a customer who has become insolvent. Official receiver has declared a dividend of 50 paise in a rupee. Maintain a provision for doubtful debts @ 5% on debtors.

Show treatment in the final accounts

- Give the journal entries for the following adjustments in final accounts.  
 (a) Salaries Rs 5,000 were outstanding.  
 (b) Interest on capital Rs 40,000

- (c) Commission earned but not received Rs 1,000  
 (d) Insurance amounting to Rs 2,000 is paid in advance.

**6. From the following Trial Balance extracted from the books of A, prepare Trading and Profit & Loss Account for the year ending 31st March, 2008 and a Balance Sheet as at that date:-**

	Dr. (₹)	Cr. (₹)
Furniture	640	
Loose Tools	6,250	
Buildings	7,500	
Capital Account		12,500
Bad-debts	125	
Provision for Bad-debts		200
Sundry Debtors and Creditors	3,800	2,500
Stock on 1st April, 2007	3,460	
Purchases and Sales	5,475	15,450
Bank Overdraft		2,850
Sales Return and Purchases Return	200	125
Stationery	450	
Interest Account	118	
Commission		375
Cash in hand	650	
Taxes and Insurance	1,250	
General Expenses	782	
Salaries	3,300	
	34,000	34,000

**The following adjustments are to be made:**

- (i) Stock in hand on 31st March, 2008 was ₹ 3,250.  
 (ii) Depreciate Building at 5% and Furniture at 10%. Loss Tools are revalued at ₹ 5,000 at the end of the year.  
 (iii) Salaries ₹ 300 and taxes ₹ 120 are outstanding.  
 (iv) Insurance amounting to ₹ 100 is prepaid.  
 (v) Write off a further ₹ 100 as Bad-Debts and provision for Doubtful Debts is to be made equal to 5% on Sundry Debtors.  
 (vi) Half of the stationery was used by the proprietor for his personal purposes.