



Furniture	5,000	–
Debtors and Creditors	16,200	12,000
Cash	9,900	–
Capital	–	50,000
Drawings	10,000	–
Total	2,34,000	2,34,000

Adjustments :

- i) Outstanding expenses : Wages ₹ 400, Salaries ₹ 1,000.
- ii) Unexpired Insurance ₹ 300.
- iii) Write off ₹ 200 as bad debts and make a provision for doubtful debts at 5% on debtors.
- iv) Depreciate machinery at 5%.
- v) Closing stock on 31-03-2022 ₹ 18,000.

11. What are the advantages and disadvantages of Tally Software ?

SECTION – D

12. From the following answer **any one** carrying **11** marks. **(1×11=11)**

a) Mr. Subbu started his Mini Veg restaurant “Subbu’s Full Meals” in Kolar during 2020-21. His business transactions for the first year were as follows :

- i) On 1st July 2020 he purchased Kitchen equipment for ₹ 2,40,000, by paying cash.
- ii) His business had one main Chef and Four assistants. Main Chef was paid a salary of ₹ 20,000 P.M. and four assistants were paid ₹ 15,000 P.M. They were paid for whole year.
- iii) The grocery for the whole year amounted to ₹ 3,00,000 which was paid in cash.
- iv) Commercial Gas Cylinders of 120 were purchased at a cost of ₹ 900 each during the year.

Journalise the above transactions and prepare Ledger Accounts.

OR

- b) What is Profit and Loss Account ? Identify ten items to be recorded in Profit and Loss Account. Also prepare a Profit and Loss Account with imaginary figures with the recognised items.