1.	(i) Drawer :- The party who issue the bill. Drawer is the maker of the bill of exchange. A seller/creditor who is entitled to receive money from the debtor can draw a bill of exchange upon the buyer/debtor (ii) Drawee :- The party, on whom the bill is being issued. Drawee is the person upon whom the bill of exchange is drawn. Drawee is the purchaser or debtor of the goods upon whom the bill of exchange is drawn. Or (i) Payee: - Payee is the person to whom the payment is to be made. The drawer of the bill himself will be the payee if he keeps the bill with him till the date of its payment. The payee can be bank if the bill is discounted with the bank. (ii) Days of grace: - number of days, usually three, allowed by law or custom for payment after a bill or note falls due.	1+1 =2

2.

		2

<div align="center">Statement of Profit or Loss</div>

Particulars	Amount (₹)
Closing Capital	3,80,000
Add :- Drawings (5,000 x 9)	45,000
Less:- Additional Capital	(1,00,000)
Less:- Opening Capital	(2,50,000)
Profit during the year	75,000

<div align="center">Or</div>

Particulars	Amount (₹)
Opening Capital	3,50,000
Add :- Additional Capital	2,00,000
Less :- Drawings	(80,000)
Add :- Profits during the year	1,00,000
Closing Capital	5,70,000

3.	Amount of Bill :- 20,000 – 2,000 = ₹ 18,000 Due Date :- 15th December + 3 days = 18 December, 2021	1+1 =2

4.

		1x2 =2

Difference between Statement of Affairs and Balance Sheet (any two)

Basis of Difference	Statement of Affairs	Balance Sheet
Reliability	Less reliable as it is prepared from incomplete records.	More reliable as it is prepared from double entry records.
Objective	The objective of preparing	The objective of preparing

		statement of affairs is to determine capital balance on a particular date.	balance sheet is to show the true financial position of an entity on a particular date.	
	Omission	Omission of Assets and Liabilities cannot be discovered easily.	Omission of Assets and Liabilities can be discovered easily and can be traced from accounting records.	

| 5. | Trading Account | | | | 3 |

Trading Account
for the year ended March 31, 2021

Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	30,000	Sales	12,00, 00
Purchases	5,00,000		
Wages	60,000	Closing Stock	40,000
Carriage Inwards	50,000		
Gross Profit (b/f)	6,00,000		
	12,40,000		**12,40,000**

Or

Determine the amount of Net Profit/Loss from the following information for the year ended March 31, 2021:-

Profit and Loss Account
for the year ended March 31, 2021

Particulars	Amount (₹)	Particulars	Amount (₹)
Salaries	1,40,000	Gross Profit	10,00,000
Discount allowed	10,000	Discount received	30,000
Repairs and Maintenance	20,000	Interest Received	20,000
Depreciation	40,000		
Rent paid	60,000		
Net Profit (b/f)	7,80,000		
	10,50,000		**10,50,000**

| 6. | Journal in the books of Sumit | | | | | 3 |

Date	Particulars	L.f	Debit (₹)	Credit (₹)
1 July 2021	Amit Dr. To Sales (Being goods sold to Amit)		20,000	20,000
1 July 2021	Bills Receivable A/c Dr. To Amit (Being bill accepted by Amit)		20,000	20,000
4 Oct. 2021	Cash A/c Dr. To Bills Receivable A/c (Being bill amount received on due date)		20,000	20,000

| 7. | Statement of Affairs | | | | | 3 |

Statement of Affairs
as on March 31, 2021

Liabilities	Amount (₹)	Assets	Amount (₹)

Loan from Riya	1,00,000	Equipments		50,000	
Other Liabilities	10,000	Cash in hand		30,000	
Capital (b/f)	1,90,000	Bank Balance		1,30,000	
		Stock of Raw Materials		20,000	
		Other Assets		70,000	
	3,00,000			**3,00,000**	

8. Journal in the books of Amar   1×3 =3

Date	Particulars	L.f	Debit (₹)	Credit (₹)
12 Mar. 2021	Purchase A/c Dr. To Bimal (Being goods purchased from Bimal)		30,000	30,000
12 Mar. 2021	Bimal Dr. To Bills Payable A/c (Being bill accepted in favour of Bimal)		30,000	30,000
15 July 2021	Bills Payable A/c Dr. To Cash A/c (Being bill met on due date)		30,000	30,000

9. Books of M/S Chadha Bakers   2+3 =5

Profit and Loss Account

for the year ended March 31, 2021

Particulars	Amount (₹)	Particulars	Amount (₹)
Salaries	30,000	Gross Profit	1,60,000
Bad Debts	5,000	Rent Received	25,000
Net Profit (b/f)	1,50,000		
	1,85,000		**1,85,000**

Balance Sheet

as on March 31, 2021

Liabilities		Amount (₹)	Assets	Amount (₹)
Creditors		80,000	Closing Stock	20,000
Capital	3,00,000		Debtors	1,20,000
+ Net Profit	1,50,000	4,50,000	Trademarks	1,30,000
Bank Loan		1,00,000	Machinery	2,00,000
			Furniture	1,20,000
			Cash in Hand	40,000
		6,30,000		**6,30,000**

10.   2+3 =5

Trading Account

for the year ended March 31, 2021

Particulars	Amount (₹)	Particulars	Amount (₹)
urchases	1,50,000	Sales	2,60,000
Wages	30,000		
Carriage Inwards	10,000	Closing Stock	50,000
Gross Profit (b/f)	1,20,000		
	3,10,000		**3,10,000**

Profit and Loss Account
for the year ended March 31, 2021

Particulars	Amount (₹)	Particulars	Amount (₹)
Salaries	50,000	Gross Profit	1,20,000
Rent paid	40,000		
Carriage Outward	15,000		
Net Profit (b/f)	15,000		
	1,20,000		**1,20,000**

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Statement of Affairs
as on March 31, 2020

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	20,000	Cash in Hand	30,000
Bills Payable	15,000	Debtors	80,000
Bank Loan	40,000	Stock in Trade	30,000
Capital (b/f)	2,90,000	Land and Building	2,00,000
		Bills Receivable	25,000
	3,65,000		**3,65,000**

Statement of Affairs
as on March 31, 2021

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	30,000	Cash in Hand	25,000
Bills Payable	10,000	Debtors	1,00,000
Capital (b/f)	4,90,000	Stock in Trade	50,000
		Land and Building	3,00,000
		Bills Receivable	15,000
		Investments	40,000
	5,30,000		**5,30,000**

Statement of Profit or Loss

Particulars	Amount (₹)
Closing Capital	4,90,000
Add :- Drawings (5,000 x 12)	60,000
Less:- Additional Capital	(1,00,000)
Less:- Opening Capital	(2,90,000)
Profit during the year	1,60,000

1+1+3 =5

OR

Accounting records, which are not strictly kept according to double entry system are known as incomplete records. It is a mechanism of maintaining records whereby some transactions are recorded with proper debits and credits while in case of others, either one sided or no entry is made. Normally, under this system records of cash and personal accounts of debtors and creditors are properly maintained, while the information relating to assets, liabilities, expenses and revenues is partially recorded. Hence, these are usually referred

1+4 =5

as incomplete records.

The features of incomplete records are as under (Any 4) :

    (a) It is an unsystematic method of recording transactions.

    (b) Generally, records for cash transactions and personal accounts are properly maintained and there is no information regarding revenue and/ or gains, expenses and/or losses, assets and liabilities.

    (c) Personal transactions of owners may also be recorded in the cash book.

    (d) Different organisations maintain records according to their convenience and needs, and their accounts are not comparable due to lack of uniformity.

    (e) To ascertain profit or loss or for obtaining any other information, necessary figures can be collected only from the original vouchers such as sales invoice or purchase invoice, etc. Thus, dependence on original vouchers is inevitable.

    (f) The profit or loss for the year cannot be ascertained under this system with high degree of accuracy as only an estimate of the profit earned or loss incurred can be made. The balance sheet also may not reflect the complete and true position of assets and liabilities.