

CLASS XI
ACCOUNTING EQUATION
WORKSHEET 1

1	Give one transaction for each of the following that will: 1. Increase an asset and Increase in liability 2. Decrease in asset and decrease in liability 3. Decrease an asset and decrease capital
2	How will you deal with the following items in Accounting Equation: 1. Interest on Capital 2. Interest on Drawings 3. Accrued Income 4. Unearned Income ₹ 5. Prepaid Expenses 6. Outstanding Expenses
3	Calculate total assets if Capital is ₹40,000, Creditors ₹30,000, Revenue earned during the period ₹75,000, Expenses incurred during the period ₹20,000. Value of Stock unsold ₹20,000.
4	Peter has the following assets and liabilities as on 31st December 2014. Ascertain his capital: Cash ₹2,500; Bank ₹4,750; Debtor ₹1,800; Creditor ₹2,200; Plant and Machinery ₹8,000; Building ₹20,000; Furniture ₹2,400; Bills receivable ₹5,650; Bills Payable ₹2,350.
5	Prepare an Accounting Equation from the following: 1. Started business with Cash ₹50,000. 2. Paid Salary ₹5,000. 3. Rent Outstanding ₹1,000. 4. Accrued Interest ₹1,500 5. Interest on Capital ₹2,500. 6. Bought goods for cash ₹30,000 and on Credit for ₹50,000. 7. Goods costing ₹10,000 sold at a profit of 25%, out of which ₹7,000 received in cash. 8. Purchased a Television for personal use ₹2,500.
6	Prepare Accounting Equation from the following: 1. Nitin started business with cash ₹75,000; goods ₹30,000; Machinery ₹50,000 and

	Furniture ₹25,000. 2. 1/3rd of the above goods sold at a profit of 10% on cost and half of the payment is received In cash. 3. Depreciation on Machinery provided at 10%. 4. Cash withdrawn for personal use ₹10,000. 5. Interest on drawing charged @ 5%. 6. Goods sold to Jacob for ₹5,000 and received a Bill Receivable for the same amount for three Months. 7. Received ₹5,000 from Jacob against the Bill Receivable on its maturity.
7	Show the accounting equation on the basis of the following transactions & also show the Balance Sheet. 1. Started the business with Cash ₹80,000; Goods ₹30,000; Furniture ₹40,000. 2. Purchased goods on credit from Nidi, ₹15,000 and on cash from Meera ₹10,000. 3. Bought a refrigerator for personal use ₹5,000. 4. Goods costing ₹6,000 sold at the loss of 10% out of which ₹2,000 received in cash. 5. Received cash from debtor ₹3,200 in full settlement . 6. Sold goods for cash ₹5,000. 7. Introduced fresh capital ₹1,00,000. 8. Rent outstanding ₹5,000. 9. Accrued interest ₹10,000.
8	Prepare an Accounting Equation from the following: 1. Started the business with Cash ₹1,00,000; goods ₹50,000 and loan ₹15,000. 2. Goods costing ₹24,000 sold at a profit of $33\frac{1}{3}\%$ and $\frac{3}{4}$th payment received in Cash. 3. Paid three months rent in advance for office ₹6,000. 4. Goods withdrawn for personal use ₹10,000. 5. Interest on drawings at the rate of ₹55. 6. Goods given as charity ₹1,000. 7. Loss of Cash by theft ₹1,000. 8. Loan taken was repaid with interest ₹150. 9. Purchased Securities ₹10,000. 10. Sold Securities costing ₹3000 for ₹3,500.
9	Prepare an Accounting Equation from the following information:

	Jacob Started business with ₹15,00,000. 1. Opened a bank account in State Bank Of India with ₹4,80,000. 2. Bought Furniture for ₹60,000 and a cheque was issued on the same day. 3. Bought Plant and Machinery for business for ₹1,25,000 and advance of ₹10,000 in cash is paid to M/s Ramjee Lal. 4. Goods purchased from M/s Sunil Trade ₹ for ₹55,000. 5. Goods costing ₹25,000 sold to Rajani Enterprises for ₹35,000. 6. Paid Salary ₹2,500 and Salary outstanding ₹1,000. 7. Depreciation on Plant and Machinery ₹1,200.
10	Prepare an Accounting Equation from the following information: 1-4-2011 Business started with Cash ₹1,50,000. 1-4-2011 Goods purchased from Manisha ₹36,000. 1-4-2011 Stationery purchased for cash ₹2,200. 2-4-2011 Opened a bank account with SBI for ₹32,000. 3-4-2011 Goods sold to Priya for ₹16,000. 5-4-2011 Purchased goods from Namita for ₹20,000. 10-4-2011 Insurance paid by cheque ₹2,250. 11-4-2011 Cash withdrawn for household purpose ₹5,000. 13-4-2011 Interest received ₹250 in cash. 14-4-2011 Rent paid in advance ₹550.
11	Calculate the capital as on 1-1-2012 in each of the following cases 1. On 31-12-2012 the total assets and external liabilities were ₹30,000 and ₹900 respectively. During the year the proprietor earned ₹3,000. 2. If in the preceding case the proprietor had introduced additional capital ₹3,000 and had withdrawn ₹1,800 for personal use.
12	Calculate total equity and owner equity if: 1. Owner's equity in the beginning ₹36,000. 2. Equity of Creditor at the end ₹30,000. 3. Revenue during the period is ₹42,000. 4. Expenses during the same period are ₹39,000.
13	Show the effect of the following transactions on Accounting Equation and also prepare a Balance Sheet. 1. Started business with cash amounting to ₹35,000 and goods ₹15,000.

	2. Salaries paid ₹2,000. 3. Wages Outstanding ₹200. 4. Prepaid Insurance ₹700. 5. Interest due but not paid ₹100. 6. Rent paid in advance ₹150.
14	Show the accounting equation on the basis of the following transactions 1. Started business with Cash ₹60,000. 2. Rent received ₹2,000. 3. Accrued Interest ₹500. 4. Commission received in advance ₹1,000.
15	Mr. Pai started a business with a cash investment of ₹21,00,000. The following business transactions have been recorded: 1. Paid three months advance rent for office accommodation ₹2,520. 2. Bought Car for Office ₹12,00,000. 3. Purchased furniture ₹42,250. 4. Bought Computer from Computer Visions ₹25,000. 5. Sold furniture at cost to Peter for ₹21,000. 6. Peter paid ₹15,000 in Cash and accepted a bill at three months for the balance. 7. Paid telephone bill ₹2,500 and electricity bill of ₹4,500. 8. Peter paid the amount of the bill due on maturity. 9. Collected ₹3,500 as Commission and Commission received in advance ₹2,500. 10. Purchased goods for ₹11,250 at a trade discount of 10%.
16	Amit had the following transactions. Use accounting equation to show the effect on his assets liabilities and Capital. 1. Commenced business with Cash ₹12,50,000. 2. Purchased securities for ₹15,000 in cash. 3. Purchased goods for 1,00,000 at a trade discount of 10% and cash discount of 5% from Mahek. Paid the cash on the same day and availed the cash discount. 4. Sold goods costing ₹1000 for 1,200. 5. Received dividend on securities ₹250. 6. Goods lost by fire ₹1000. 7. Purchased goods for cash ₹12,000 and on credit ₹15,000.

	8. Mr.White sold goods to us ₹23,500. 9. Settled White's account by paying ₹23,000. 10. Mr.Black purchased goods from us ₹ 10,000 and accepted a bill of exchange. 11. Settled the Creditor account by paying 14,500.
17	Show the Accounting equation on the basis of the following transactions and prepare a Balance Sheet. 1. Shyam commenced business with cash ₹35,00,000; Goods ₹80,000; Furniture ₹2,00,000. 2. Sold goods costing ₹24,000 for cash to Ramesh ₹26,500. 3. Commission received in advance ₹2,500. 4. Depreciation on furniture ₹4050. 5. Deposited in the bank ₹2,50,000. 6. Purchased household goods for ₹15,000 giving ₹5,000 in cash and balance through a loan. 7. Paid ₹7500 for loan and ₹250 as interest. 8. Accrued interest ₹250. 9. Goods destroyed by fire (Cost ₹500, Sale price ₹600) 10. Withdrew ₹550 for personal use.
18	Show the accounting equation on the basis of the following transactions: 1) Shri Ganesh commenced business with cash ₹35,000, goods ₹8,000 and furniture ₹7,000. 2) Bought furniture from M/s Mohan Furnitures on credit for ₹3,000. 3) Purchased goods from Sohan for cash ₹35,000. 4) Sold goods to Shyam for cash ₹40,000(costing ₹30,000). 5) Bought goods from Ramesh ₹30,000. 6) Sold goods to Shyam costing ₹30,000 for ₹50,000. 7) Received ₹49,500 from Shyam in full settlement. 8) Paid ₹29,700 to Ramesh in full settlement. 9) Paid half the amount owed to M/s Mohan. 10) Withdrew ₹1,000 for personal use. 11) Withdrew goods for personal use(cost ₹500, sale price ₹600). 12) Purchased household goods for ₹15,000 giving ₹5,000 in cash and the balance through a loan. 13) Paid cash ₹500 for loan and ₹300 for interest. 14) Goods destroyed by fire (cost ₹500, sale price ₹600) 15) Paid salary ₹500 and salary outstanding ₹100. 16) Paid rent in advance ₹2,000. 17) Accrued interest ₹ 500. 18) Commission received in advance ₹ 1,000. 19) Charged depreciation of ₹ 400 on furniture.