

EXAM-DAY · 90-MIN REVISION CARD

Recording of Transactions – I

Print this · Fold it · Carry to the exam-hall gate · Revise once · Then walk in.

FORMULAS & KEY RESULTS

Accounting equation: Assets = Liabilities + Capital (must balance after EVERY transaction)

Capital form: Capital = Assets – Liabilities ; Closing Capital = Opening Capital + Fresh Capital + Profit – Drawings – Loss

Modern rule — ASSETS & EXPENSES/LOSSES: increase = DEBIT, decrease = CREDIT

Modern rule — LIABILITIES, CAPITAL & INCOMES/GAINS: increase = CREDIT, decrease = DEBIT

Traditional — PERSONAL A/c: Debit the receiver, Credit the giver

Traditional — REAL A/c: Debit what comes IN, Credit what goes OUT

Traditional — NOMINAL A/c: Debit all expenses & losses, Credit all incomes & gains

Every entry: total DEBIT = total CREDIT (dual aspect)

Net amount journalised = List price – Trade discount (trade discount = NO separate entry)

Cash discount IS recorded:
Discount Allowed (Dr) /
Discount Received (Cr)

TOP 5 PYQ PATTERNS

1 Effect of transactions on the accounting equation (table)

4 marks · 80% of years

Three-head table, show two signed effects per line, total and prove Assets = Liabilities + Capital.

2 Journalise a block of 5-8 transactions

6 marks · 90% of years

Correct format + apply Dr/Cr rule per account type + narration + verify Dr=Cr each entry. Net off trade discount.

3 State the rules of debit and credit (modern / traditional)

3 marks · 70% of years

Name approach, give rule per class, one example each. Assets & expenses behave alike (Dr=increase).

4 Pass the opening / a compound journal entry

3 marks · 60% of years

Opening: all assets Dr, all liabilities + capital Cr (capital is balancing figure). Compound: many Dr or Cr, one entry.

5 Source documents and vouchers (types / accounting voucher)

3 marks · 55% of years

Name cash memo, invoice/bill, receipt, pay-in-slip, cheque, debit/credit note; voucher = written evidence prepared from the source doc.

90-MIN REVISION FLOW

0-15 min

Recite the modern rules: assets & expenses increase = Dr; liabilities, capital & incomes increase = Cr. Then the three traditional rules out loud.

15-35 min

Journalise 8 standard transactions from memory: capital introduced, cash purchase, credit purchase, cash sale, credit sale, rent paid, goods drawn by owner, cash discount allowed. Check Dr=Cr each.

35-55 min

Build one full accounting-equation table from 6 transactions; prove both sides equal. Re-do the trade-discount netting and the opening entry.

55-70 min

Take the 15-MCQ Quick Drill under a 20-min timer.

70-85 min

Review wrong answers. Re-write any reversed entry (capital, drawings, asset-vs-purchases) correctly.

85-90 min

Final flash: debit ≠ decrease; capital increase = credit; drawings → Drawings A/c; trade discount → no entry; every entry Dr = Cr.

Confidence, not anxiety. You've practised this all year. Trust your steps. Don't change strategy on exam morning.
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