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शक्तिउत्थानआश्रमलखीसरायबिहार

Class 11 commerce Sub. ACT Date 23.11.2020

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Recording of Transactions-II

Question 11:

What do you understand by Imprest amount in petty cash book?

ANSWER:

Imprest amount is an amount of money given by the main cashier to the petty cashier in the beginning of a period. At the end of the period, the amount spent by the petty cashier gets reimbursed in such a manner, that he has the same amount of cash in hand in the beginning of next period. For example, if the main cashier gives an imprest amount of Rs 1,000 to the petty cashier on April 01, 2011 and at the end of the month the petty expenses amount to be Rs 850, which is spent by the petty cashier during the month. In this case, Rs 850 will be reimbursed, so, that on May 01, 2011, the petty cashier will have Rs 1,000 at his disposable to meet petty expenses for the next month.

Question 12

Explain the need for drawing up the special purpose books.

ANSWER:

The needs for drawing up the special purpose book are given below.

1. **Quick and efficient recording:** It is a time consuming process to record all the transactions in a journal. If there are separate books, then recording of transactions can be done more efficiently and timely. So, the need of special purpose book arises.
 2. **Repetitive nature:** In every business, some transactions are similar and repetitive in nature. It will be more convenient to record all similar transactions at one place. For example, all credit sales transactions are recorded in the Sales Book.
 3. **Economical:** It is more economical as recording through the special purpose books saves time and also enhances the efficiency of accountants and clerks.
 4. **Easy posting:** If similar transactions are recorded at one place, posting becomes easier.
 5. **Complete information at one place:** All information related to purchases, sales, cash receipts, payments, etc. are easily and hassle-free available.
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