

Chapter 8 – Journal and Ledger

Question 1.

Journalise the following transactions:

2016		₹
June 03	Received cash from Ram	5,000
June 04	Purchased goods for cash	1,500
June 11	Sold goods to Hari	1,200
June 13	Paid to Ramavtar	400
June 17	Received from Hari	100
June 20	Bought furniture from Ram	200
June 27	Paid rent	280
June 30	Paid salary	500

Solution:

Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 June 03	Cash A/c To Ram (Being cash received from Ram)	Dr.	5,000	5,000
June 04	Purchase A/c To Cash A/c (Being purchased goods for cash)	Dr.	1,500	1,500
June 11	Hari A/c To Sales A/c (Being sold goods to Hari)	Dr.	1,200	1,200
June 13	Ramavtar A/c To Cash A/c (Being paid Ramavtar)	Dr.	400	400
June 17	Cash A/c To Hari A/c (Being received from Hari)	Dr.	100	100
June 20	Furniture A/c To Ram A/c (Being bought furniture from Ram)	Dr.	200	200
June 27	Rent A/c To Cash A/c (Being paid rent)	Dr.	280	280
June 30	Salary A/c To Cash A/c (Being paid salary)	Dr.	500	500

Question 2.

Journalise the following transactions in the books of Mr. Sohan:

2016		₹
Jan. 01	Sohan commenced business with cash	50,000
Jan. 02	Purchased goods for cash	10,000
Jan. 05	Purchased goods from Mohan on credit	6,000
Jan. 07	Paid into bank	5,000
Jan. 10	Purchased furniture	2,000
Jan. 15	Sold goods for cash	7,000
Jan. 20	Sold goods to ram on credit	5,000
Jan. 25	Cash sales	3,500
Jan. 27	Paid to Mohan on credit	3,000
Jan. 28	Paid wages	100
Jan. 30	Paid rent	1,200
Jan. 31	Paid salaries	2,800
Jan. 31	Rejected and returned 10% of goods supplied by Mohan	

Solution:

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 Jan 01	Cash A/c To Capital A/c (Being Sohan commenced business with cash)	Dr.	50,000	50,000
Jan 02	Purchase A/c To Cash A/c (Being purchased goods for cash)	Dr.	10,000	10,000
Jan 05	Purchase A/c To Mohan A/c (Being purchased goods from Mohan)	Dr.	6,000	6,000
Jan 07	Bank A/c To Cash A/c (Being paid into Bank)	Dr.	5,000	5,000
Jan 10	Furniture A/c To Cash A/c (Being purchased furniture)	Dr.	2,000	2,000
Jan 15	Cash A/c To Sales A/c (Being sold goods for cash)	Dr	7,000	7,000
Jan 20	Ram A/c To Sales A/c (Being sold goods to Ram)	Dr.	5,000	5,000
Jan 25	Cash A/c To Sales A/c (Being sold goods for cash)	Dr.	3,500	3,500
Jan 27	Mohan A/c To Sales A/c (Being paid to Mohan on account)	Dr.	3,000	3,000
Jan 28	Wages A/c To Cash A/c (Being paid wages)	Dr.	100	100
Jan 30	Rent A/c To Cash A/c (Being sold goods to Ram)	Dr	1,200	1,200
Jan 31	Salaries A/c To Cash A/c (Being paid salaries)	Dr.	2,800	2,800
Jan 31	Mohan A/c To Purchase Return A/c (Being returned goods to Mohan)	Dr	600	600

Question 3.

Journalise the following transactions:

2016		₹
Jan. 01	Ram commenced business with cash	30,000
Jan. 02	Paid into bank	21,000
Jan. 03	Purchased goods	1,500
Jan. 07	Drew cash from bank for office use	3,000
Jan. 10	Sold goods to Hari on credit	1,000
Jan. 15	Purchased goods from Shyam	1,500
Jan. 20	Cash sales	3,000
Jan. 25	Paid to Shyam Discount received	1,475 25
Jan. 30	Paid rent	500
Jan. 31	Paid salaries	1,000
Jan. 31	Goods (cost ₹200, sale price ₹250) taken by the proprietor for his personal use	

Solution:

Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 Jan 01	Cash A/c Dr. To Capital A/c (Being Ram commenced business with cash)		30,000	30,000
Jan 02	Bank A/c Dr. To Cash A/c (Being paid into bank)		21,000	21,000
Jan 03	Purchase A/c Dr. To Cash A/c (Being purchased goods)		1,500	1,500
Jan 07	Cash A/c Dr. To Bank A/c (Being withdrew cash from bank for office use)		3,000	3,000
Jan 10	Hari A/c Dr. To Sales A/c (Being sold goods to Hari)		1,000	1,000
Jan 15	Purchase A/ Dr. To Shyam A/c (Being purchased goods from Shyam)		1,500	1,500
Jan 20	Cash A/c Dr. To Sales A/c (Being cash Sales)		3,000	3,000
Jan 25	Shyam A/c Dr. To Cash A/c To Discount Received A/c (Being paid to Shyam and received discount from him)		1,500	1,475 25
Jan 30	Rent A/c Dr. To Cash A/c (Being rent paid)		500	500
Jan 31	Salaries A/c Dr. To Cash A/c (Being salaries paid)		1,000	1,000
Jan 31	Drawings A/c Dr. To Purchase A/c (Being goods drawn by proprietor for personal use)		200	200

Question 4.

Following transactions of Ramesh for April, 2016 are given below, Journalise them.

2016		₹
April 01	Ramesh started business with cash	1,00,000
April 02	Paid into bank	70,000
April 03	Bought goods for cash	5,000
April 04	Drew cash from bank for office use	1,000
April 13	Sold goods to Krishna on credit	1,500
April 20	Bought goods from Shyam on credit	2,250
April 24	Received from Krishna Allowed him discount	1,450 50
April 28	Paid cash to Shyam Discount received	2,150 100
April 30	Cash sales for the month	8,000
April 30	Paid rent	500
April 30	Paid salary	1,000

Solution:

Book of Ramesh
Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 April 01	Cash A/c Dr. To capital A/c (Being Ramesh started business with cash)		1,00,000	1,00,000
April 02	Bank A/c Dr. To Cash A/c (Being cash paid into bank)		70,000	70,000
April 03	Purchase A/c Dr. To Cash A/c (Being purchased goods for cash)		5,000	5,000
April 04	Cash A/c Dr. To Bank A/c (Being drew cash from bank for office use)		1,000	1,000
April 13	Krishna A/c Dr. To Sales A/c (Being sold goods to Krishna on credit)		1,500	1,500
April 20	Purchase A/c Dr. To Shyam A/c (Being bought goods from Shyam on credit)		2,250	2,250
April 24	Cash A/c Dr. Discount Allowed A/c Dr. To Krishna A/c (Being received cash from Krishna and discount allowed)		1450 50	1,500

April 28	Shyam A/c To Cash A/c To Discount received A/c (Being paid to Shyam and discount received)	Dr.		2,250	2,150 100
April 30	Cash A/c To Sales A/c (Being sold goods for cash)	Dr.		8,000	8,000
April 30	Rent A/c Salary A/c To Cash A/c (Being rent and salary were paid)	Dr. Dr.		500 1000	1,500

Question 5.

Journalise the following transactions of Mr. Rahul.

2016		₹
Jan. 1	Rahul started business with cash	1,00,000
Jan. 2	Paid into bank	60,000
Jan. 3	Bought goods from M/s S. Singh and Co. on credit	20,000
Jan. 4	Purchased furniture	2,000
Jan. 4	Purchased adding machine	8,000
Jan. 4	Purchased typewriter (Payment in all cases made by cheque)	6,000
Jan. 6	Paid for postage	150
Jan. 8	Sold goods for cash	4,000
Jan. 9	Sold goods on credit to M/s S. Sharda and co.	10,000
Jan. 15	Paid to M/s S. Singh and Co. Discount allowed by them	19,500 500
Jan. 25	Sold goods to M/s. Ray and Co.	5,600
Jan. 27	Received cheque from M/s S. Sharda and Co. in Full settlement of amount due from them	9,750
Jan. 31	Paid for electricity charges	100
Jan. 31	Paid salary	1,500
Jan. 31	Paid rent of building by cheque, half of the building is used by the proprietor for residential use	5,000
Jan. 31	Drew for private use	3,500

Solution:

Books of Rahul
Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 Jan. 01	Cash A/c To Capital A/c (Being Rahul started business with cash)	Dr.	1,00,000	1,00,000
Jan. 02	Bank A/c To Cash A/c (Being paid into Bank)	Dr.	60,000	60,000
Jan. 03	Purchase A/c To M/s. S. Singh of Co. A/c (Being purchased goods from M/s S. Singh and Co)	Dr.	20,000	20,000
Jan. 04	Furniture A/c Adding Machine A/c Typewriter A/c To Bank A/c (Being furniture, adding Machine and typewriter purchased through cheque)	Dr. Dr. Dr.	2,000 8,000 6,000	16,000
Jan. 06	Postage A/c To Cash A/c (Being paid for postage)	Dr.	150	150
Jan. 08	Cash A/c To Sales A/c (Being sold goods for Cash)	Dr.	4,000	4,000
Jan. 09	M/s. S. Sharda and Co. A/c To Sales A/c (Being sold goods to M/s. S. Sharda and Co.)	Dr.	10,000	10,000

Jan. 15	M/s S. Singh and Co. A/c To Cash A/c To Discount Received A/c (Being paid to M/s S. Singh and Co and discount received)	Dr.	20,000	19,500 500
Jan. 25	M/s. Ray and Co. A/c To Sales A/c (Being sold goods to M/s. Ray and Co)	Dr.	5,600	5,600
Jan. 27	Bank A/c Discount Allowed A/c To M/s S. Sharda and Co A/c (Being cash received from M/s S. Sharda and Co. and discount allowed)	Dr.	9,750 250	10,000
Jan. 31	Electricity Charges A/c Salary A/c To Cash A/c (Being electricity charges and salary paid)	Dr. Dr.	100 1,500	1,600
Jan. 31	Rent A/c Drawings A/c To Bank A/c (Being rent paid half of which related to personal use)	Dr. Dr.	2,500 2,500	5,000
Jan. 31	Drawings A/c To Cash A/c (Being withdrew for private use)	Dr.	3,500	3,500

Question 6.

The following transaction of R. Singh and Co. for the month of July. You are required to Journalize them.

2016		₹
July 1	Started business with cash	80,000
July 1	Cash paid into bank	50,000
July 1	Bought stationary for cash	300
July 2	Bought goods for cash	21,000
July 3	Bought postage stamps	100
July 5	Sold goods for cash	7,500
July 6	Bought office furniture from Banerjee Bros.	5,000
July 11	Sold goods to Mahendra	10,000
July 12	Received cheque from Mahendra	10,000
July 14	Paid Bannerjee Bros. by cheque	5,000
July 16	Sold goods to Ramesh and Co.	5,000
July 20	Bought goods from S. Seth and Bros.	7,000
July 23	Bought goods for cash from S. Narain and Co.	2,250
July 24	Sold goods to P. Prakash	3,500
July 26	Ramesh and Co. Paid on account	2,500
July 28	Paid S. Seth and Bros. by cheque in full settlement	6,850
July 31	Paid salaries	2,500
July 31	Rent is due to S. Sharma but not yet paid	1,000

Solution:

Journal

Date	Particular	L.F.	Dr. ₹	Cr. ₹
2016 July 01	Cash A/c To Capital A/c (Being started business with cash)	Dr.	80,000	80,000
July 01	Bank A/c To Cash A/c (Being cash paid into bank)	Dr.	50,000	50,000
July 01	Stationary A/c To Cash A/c (Being stationary purchased for cash)	Dr.	300	300
July 02	Purchase A/c To Cash A/c (Being goods bought for cash)	Dr.	21,000	21,000
July 03	Postage Stamps A/c To Cash A/c (Being paid for postage stamps)	Dr.	100	100
July 05	Cash A/c To Sales A/c (Being goods sold for cash)	Dr.	7,500	7,500
July 06	Furniture A/c To Bannerjee Bros. A/c (Being office furniture bought from Banerjee Bros.)	Dr.	5,000	5,000
July 11	Mahendra A/c To Sales A/c (Being goods sold to Mahendra)	Dr.	10,000	10,000
July 12	Bank A/c To Mahendra A/c (Being received cheque from Mahendra)	Dr.	10,000	10,000
July 14	Banerjee Bros A/c To Bank A/c (Being paid to Bannerjee Bros by cheque)	Dr.	5,000	5,000
July 16	Ramesh and Co A/c To Bank A/c (Being sold goods to Ramesh and Co)	Dr.	5,000	5,000
July 20	Purchase A/c To S. Seth and Bros. A/c (Being bought goods from S. Seth and Bros)	Dr.	7,000	7,000
July 23	Purchase A/c To Cash A/c (Being purchase of goods in cash)	Dr.	2,250	2,250
July 24	P. Prakash A/c To Sales A/c (Being sold goods to P. Prakash)	Dr.	3,500	3,500
July 26	Cash A/c To Ramesh and Co (Being cash received from Ramesh and Co)	Dr.	2,500	2,500
July 28	S. Seth and Bros A/c To Bank A/c To Discount Received A/c (Being paid to S. Seth andBros. and discount received)	Dr.	7,000	6,850 150

July 31	Salaries A/c To Cash A/c (Being paid salaries)	Dr.		2,500	2,500
July 31	Rent A/c To Rent Outstanding A/c (Being rent due to S. Sharma)	Dr.		1,000	1,000

Question 7.

D. Chadha commenced business on 1st January, 2016. His transactions for the month are given below. Journalise them.

2016		₹
Jan. 1	Commenced business with	2,50,000
Jan. 2	Paid into bank	2,35,000
Jan. 3	Bought goods from Ramesh and Co.	54,000
Jan. 3	Sold goods to Rajesh	48,000
Jan. 7	Bought goods from Ram Chand	64,500
Jan. 8	Paid wages in cash	800
Jan. 8	Sold goods to Mahesh Chand	53,500
Jan. 10	Received cheque from Rajesh (discount allowed ₹1,200)	46,800
Jan. 10	Paid into bank	46,800
Jan. 11	Paid to Ramesh and Co. (discount received ₹2,700)	51,300
Jan. 12	Paid rent for three months up to March	4,000
Jan. 13	Bought from C. Khare	74,000
Jan. 15	Paid wages in cash	800
Jan. 15	Paid office expenses in cash	700
Jan. 16	Sold goods to Jagdish	32,000
Jan. 17	Sold goods to Rajesh	16,000
Jan. 21	Sold goods to Mahesh Chand	25,000
Jan. 21	Payment received by cheque from Jagdish	32,000
Jan. 22	Paid wages in cash	800
Jan. 22	Paid office expenses in cash	500
Jan. 22	Paid Ram Chand by cheque (discount ₹3,200)	61,300
Jan. 25	Received cheque from Mahesh Chand (discount ₹1,500)	52,000
Jan. 27	Mahesh Chand returned goods (not up to sample)	2,000
Jan. 29	Paid wages in cash	800
Jan. 31	Paid office expenses in cash	400
Jan. 31	Paid salaries for the month	20,000
Jan. 31	Received ₹20,000 for a Bill receivable (B/R) from Hari and deposited the same into the bank.	

Solution:

Book of D. Chadha
Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 Jan. 01	Cash A/c Dr. To Capital A/c (Being started business with cash)		2,50,000	2,50,000
Jan. 02	Bank A/c Dr. To Cash A/c (Being paid into Bank)		2,35,000	2,35,000
Jan. 03	Purchase A/c Dr. To Ramesh and Co. A/c (Being bought goods from Ramesh and Co)		54,000	54,000
Jan. 03	Rajesh A/c Dr. To Sales A/c (Being Sold goods to Rajesh)		48,000	48,000
Jan. 07	Purchase A/c Dr. To Ram Chand A/c (Being goods bought from Ram Chand)		64,500	64,500
Jan. 08	Wages A/c Dr. To Cash A/c (Being paid wages)		800	800
Jan. 08	Mahesh Chand A/c Dr. To Sales A/c (Being Sold goods to Mahesh Chand)		53,500	53,500
Jan. 10	Cash A/c Dr. Discount Allowed A/c To Rajesh A/c (Being received cheque from Rajesh and discount allowed)		46,800 1,200	48,000
Jan. 10	Bank A/c Dr. To Cash A/c (Being paid into Bank)		46,800	46,800
Jan. 11	Ramesh and Co A/c Dr. To Cash A/c To Discount Received A/c (Being paid to Ramesh and Co and discount Received)		54,000	51,300 2,700
Jan. 12	Prepaid Rent A/c Dr. To Cash A/c (Being paid rent in advance upto March)		4000	4,000
Jan. 13	Purchase A/c Dr. To C. Khare A/c (Being purchases from C. Khare)		74,000	74,000
Jan. 15	Wages A/c Dr. Expenses A/c Dr. To Cash A/c (Being paid wages and office expenses in cash)		800 700	1,500
Jan. 16	Jagdish A/c Dr. To Sales A/c (Being sold goods to Jagdish)		32,000	32,000

Jan. 17	Rajesh A/c To Sales A/c (Being sold goods to Rajesh)	Dr.		16,000	16,000
Jan. 21	Mahesh Chand A/c To Sales A/c (Being sold goods to Mahesh Chand)	Dr.		25,000	25,000
Jan. 21	Bank A/c To Jagdish A/c (Being cheque received from Jagdish)	Dr.		32,000	32,000
Jan. 22	Wages A/c Expenses A/c To Cash A/c (Being paid wages and office expenses)	Dr. Dr.		800 500	1,300
Jan. 22	Ram Chand A/c To Bank A/c To Discount Received A/c (Being paid Ram Chand and discount received)	Dr.		64,500	61,300 3,200
Jan. 25	Bank A/c Discount Allowed A/c To Mahesh Chand A/c (Being received cheque from Mahesh Chand and discount allowed)	Dr.		52,000 1,500	53,500
Jan. 27	Sales Return A/c To Mahesh Chand A/c (Being goods returned by Mahesh Chand)	Dr.		2,000	2,000
Jan. 29	Wages A/c To Cash A/c (Being paid wages in cash)	Dr.		800	800
Jan. 31	Office Expenses A/c Salaries A/c To Cash A/c (Being paid office expenses and salaries in cash)	Dr. Dr.		400 20,000	20,400
Jan. 31	Cash A/c To Bills Receivable A/c (Being received for Bill Receivable)	Dr.		20,000	20,000
Jan. 31	Bank A/c To Cash A/c (Being paid into bank)	Dr.		20,000	20,000

Question 8.

Enter the following transactions in the Journal of Suresh who trades in Readymade garments:

2016		₹
April 1	Suresh paid into bank as capital	60,000
April 2	He bought goods for cheque	24,000
April 3	Sold to Mukand and Co.	6,700
April 4	Sold goods for cash	10,900
April 5	Paid sundry expenses in cash	3,000
April 6	Cash sent to bank	15,000
April 7	Received cheque from Mukand and Co. Discount allowed	6,500 200
April 8	Paid wages in cash	1,000
April 8	Paid for office furniture and fittings by cheque	4,000
April 9	Bought goods from Ramesh and Bros.	10,800
April 10	Sold to Mahendra	18,700
April 11	Returned goods to Ramesh and Bros.	1,500
April 12	Sent cheque to Ramesh and Bros. in full settlement	9,000
April 14	Sold goods for cash	4,900
April 14	Paid into bank	4,000
April 15	Drew cash from office for personal use	500
April 30	Bank charged interest	200
April 30	Paid cash for stationary	300
April 30	Bought goods from Mohan and Co. Ltd.	10,000
April 30	Received from Mahendra on account	6,000
April 30	Sold household furniture for ₹20,000 and paid the money into Business	
April 30	Sold goods costing ₹50,000 to Anita for cash at a profit of 20% on cost less 20% trade Discount.	

Solution:

Book of Suresh
Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 April 01	Bank A/c Dr. To Capital A/c (Being paid into bank as capital)		60,000	60,000
April 02	Purchase A/c Dr. To Bank A/c (Being bought goods for cheque)		24,000	24,000
April 03	Mukand and Co. A/c Dr. To Sales A/c (Being sold goods to Mukand and Co.)		6,700	6,700
April 04	Cash A/c Dr. To Sales A/c (Being sold goods for cash)		10,900	10,900
April 05	Sundry Expenses A/c Dr. To Cash A/c (Being sundry Expenses)		3,000	3,000
April 06	Bank A/c Dr. To Cash A/c (Being send cash to bank)		15,000	15,000
April 07	Bank A/c Dr. Discount Allowed A/c Dr. To Mukand and Co. A/c (Being received cheque from Mukand and Co and discount allowed)		6,500 200	6,700
April 08	Wages A/c Dr. To Cash A/c (Being paid wages in cash)		1,000	1,000
April 08	Furniture A/c Dr. To Bank A/c (Being bought office furniture by cheque)		4,000	4,000
April 09	Purchase A/c Dr. To Ramesh and Bros. A/c (Being bought goods from Ramesh and Bros.)		10,600	10,600
April 10	Mahendra A/c Dr. To Sales A/c (Being sold goods to Mahendra)		18,700	18,700
April 11	Ramesh and Bros. A/c Dr. To Purchase Return A/c (Being goods returned to Ramesh and Bros)		1,500	1,500
April 12	Ramesh Bros. A/c Dr. To Bank A/c To Discount Received A/c (Being cheque sent to Ramesh and Bros. and discount received)		9,100	9,000 100
April 14	Cash A/c Dr. To Sales A/c (Being sold goods for cash)		4,900	4,900
April 14	Bank A/c Dr. To Cash A/c (Being paid into bank)		4,000	4,000

April 15	Drawings A/c To Cash A/c (Being withdrew cash for personal use)	Dr.	500	500
April 30	Interest A/c To Bank A/c (Being bank charged interest)	Dr.	200	200
April 30	Stationery A/c To Cash A/c (Being cash paid for stationery)	Dr.	300	300
April 30	Purchase A/c To Mohan and Co. Ltd A/c (Being bought goods from Mohan and Co. Ltd)	Dr.	10,000	10,000
April 30	Cash A/c To Mahendra A/c (Being cash received from Mahendra)	Dr.	6,000	6,000
April 30	Cash A/c To Capital A/c (Being sold household furniture and transferred money into business)	Dr.	20,000	20,000
April 30	Cash A/c To Sales A/c (Being sold goods for cash)	Dr.	48,000	48,000

Question 9.

Record the following transactions in the journal of Ashoka furniture Traders:

2016		₹
Jan. 1	Started business with cash	4,00,000
Jan. 2	Deposited into bank	3,50,000
Jan. 10	Purchased Machinery (issued cheque for the same)	1,00,000
Jan. 15	Paid installation charges for Machinery	2,000
Jan. 20	Purchased timber from Singh and Co. at the list price of ₹20,000 He allowed 10% Trade Discount	
Jan. 25	Timber costing ₹5,000 was used for furnishing the office	
Jan. 31	Sold furniture to Rakesh on the list price of ₹10,000 and allowed him 10% Trade Discount	
Feb. 10	Sent cheque to Singh and Co. in full Settlement	17,500
Feb. 15	Received from Rakesh in full and final settlement	8,750
Feb. 20	Paid wages	15,000
Feb. 25	Issued a cheque for ₹5,000 in favour of the landlord for rent of February	

Solution:

Journal
Book of Ashoka Furniture Traders

Date	Particular	L.F.	Dr. ₹	Cr. ₹
2016 Jan. 01	Cash A/c To Capital A/c (Being started business with cash)	Dr.	4,00,000	4,00,000
Jan. 02	Bank A/c To Cash A/c (Being deposited cash into bank)	Dr.	3,50,000	3,50,000
Jan. 10	Machinery A/c To Cash A/c (Being bought Machinery)	Dr.	1,00,000	1,00,000
Jan. 15	Machinery A/c To Cash A/c (Being paid installation charges)	Dr.	2,000	2,000
Jan. 20	Purchase A/c To Singh and Co. A/c (Being purchased timber from Singh and Co.@ 10% trade discount)	Dr.	18,000	18,000
Jan. 25	Furniture A/c To Purchase A/c (Being timber used for office furniture)	Dr.	5,000	5,000
Jan. 31	Rakesh A/c To Sales A/c (Being sold goods Rakesh @ 10% trade discount)	Dr.	9,000	9,000
Feb.10	Singh and Co. A/c To Bank A/c To Discount Received A/c (Being sent cheque to Singh and Co. and discount received)	Dr.	18,000	17,500 500
Feb.15	Cash A/c Discount Allowed A/c To Rakesh A/c (Being received cash from Rakesh and discount allowed)	Dr.	8,750 250	9,000
Feb. 20	Wages A/c To Cash A/c (Being paid wages)	Dr.	15,000	15,000
Feb. 25	Rent A/c To Bank A/c (Being paid rent)	Dr.	5,000	5,000

Question 10.

Journalise the following transactions :

- Paid Rs.2,000 in cash as wages on installation of a machine.
- Sold goods to Manohar, list price Rs.4,000, Trade Discount 10% and cash Discount 5% he paid the amount on the same day and availed the cash discount.
- Received as order from Shyam for supply of goods of the list price Rs.1,00,000 with an advance of 10% of list price.
- Received commission Rs.5,000 half of which is in advance.

- v. Rajanikant is declared insolvent. A final compensation of 25 paise in the rupee is received from his estate out of Rs.5,000.
vi. Cash embezzled by an employee Rs.1,000.

Solution:

Journal				
Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Machinery A/c Dr. To Cash A/c (Being paid wages for installation of machinery)		2,000	2,000
ii.	Cash A/c Dr. Discount allowed A/c Dr. To Sales A/c (Being sold goods and discount allowed)		3,420 180	3,600
iii.	Cash A/c Dr. To Advance from ShyamA/c (Being received advance against for supply of goods)		10,000	10,000
iv.	Cash A/c Dr. To Commission A/c To Commission in Advance A/c (Being received commission half of which is advance)		5,000	2,500 2,500
v.	Cash A/c Dr. Bad Debts A/c Dr. To Rajanikant A/c (Being received 25 paise in arrives from Rajanikant for settlement of his account)		1,250 3,750	5,000
vi.	Loss by Theft A/c Dr. To Cash A/c (Being cash embezzled by employee)		1,000	1,000

Question 11.

Journalise the following :

- i. Isha invested Rs.2,00,000 in business.
ii. Opened a current account in bank Rs.1,20,000.
iii. Purchased goods for Rs.60,000 and paid Rs.2,000 for arrange.
iv. Purchased goods for Rs.1,00,000 from Rashmi.

Solution:

Journal				
Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Cash A/c Dr. To Capital A/c (Being Isha invested cash in business)		2,00,000	2,00,000
ii.	Bank A/c Dr. To Cash A/c (Being opened a current account by depositing cash)		1,20,000	1,20,000
iii.	Purchase A/c Dr. Carriage A/c To Cash A/c (Being bought goods and paid carriage)		60,000 2,000	62,000
iv.	Purchase A/c Dr. To Rashmi A/c (Being purchased goods from Rashmi)		1,00,000	1,00,000

Question 12.

Journalise the following transactions in the books of Akash :

- Goods given as charity Rs.5,000.
- Salary for the month is outstanding Rs.2,000.
- Goods sold for a list price of Rs.50,000; trade discount allowed 10%, cash discount allowed 10%.

Solution:

Books of Akash Journal				
Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Charity A/c Dr. To Purchase A/c (Being goods given as charity)		5,000	5,000
ii.	Salary A/c Dr. To Salary outstanding A/c (Being for the month is outstanding)		2,000	2,000
iii.	Cash A/c Dr. Discount allowed A/c Dr. To Sales A/c (Being sold goods list price ₹50,000 at 10% trade discount and 10% cash discount)		40,500 4,500	45,000

Question 13.

Give journal entries for the following transactions giving in each case the nature of account (whether asset, liability, capital, expenses or revenue) and the rule applicable:

- Ajit started business by investing cash Rs.50,00,000. He bought goods old Rs.4,00,000 and furniture of Rs.5,00,000.
- Purchased building for Rs.10,00,000.
- Purchased goods for cash Rs.3,00,000.
- Purchased goods on credit from Chandler Rs.25,000.
- Paid cartage Rs.2,000.
- Sold goods for cash Rs.2,55,000.
- Sold goods for cash to Rs.24,000.
- Sold goods to Mahendra on credit Rs.46,500.

ix. Cash withdrawn by Ajit for personal use Rs.5,000.

Solution:

Book of Ajit
Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹	Nature of Account	Rule
i.	Cash A/c Dr. To Capital A/c (Being started business with cash)		50,00,000	50,00,000	Asset Capital	↑ In Asset ↑ In Capital
	Purchase A/c Dr. Furniture A/c Dr. To Cash A/c (Being goods and furniture)		4,00,000 5,00,000	9,00,000	Expense Asset Asset	↑ In Expense ↑ In Asset ↓ In Asset
ii.	Building A/c Dr. To Cash A/c (Being brought building)		10,00,000	10,00,000	Asset Asset	↑ In asset ↓ In asset
iii.	Purchase A/c Dr. To Cash A/c (Being cash purchases)		3,00,000	3,00,000	Expense Asset	↑ In expense ↓ In asset
iv.	Purchase A/c Dr. To Creditors A/c (Being purchases on credit)		25,000	25,000	Expense Liability	↑ In expense ↑ In liability
v.	Cartage A/c Dr. To Sales A/c (Being paid cartage)		2,000	2,000	Expense Asset	↑ In expense ↓ In asset
vi.	Cash A/c Dr. To Sales A/c (Being sold goods for cash)		2,55,000	2,55,000	Asset Revenue	↑ In asset ↑ In revenue
vii.	Cash A/c Dr. To Sales A/c (Being sold goods to cash)		24,000	24,000	Asset Revenue	↑ In asset ↑ In revenue
viii.	Mahendra A/c Dr. To Sales A/c (Being sold goods to Mahendra)		46,500	46,500	Asset Revenue	↑ In asset ↑ In revenue
ix.	Drawings A/c Dr. To Cash A/c (Being withdrawal of cash for personal use)		5,000	5,000	Capital Asset	↓ In capital ↓ In asset

Question 14.

Journalise the following transactions :

- i. Deposited cash into bank Rs.80,000.
- ii. Paid salary Rs.46,000.
- iii. Withdrew from the bank Rs.50,000 for office use.
- iv. Withdrew from the bank Rs.30, 000 for private use.
- v. Charged interest on capital Rs.1,25,000.
- vi. Mahendra became insolvent. Only Rs.30,000 could be realised from him.

Solution:

Journal				
Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Bank A/c Dr. To Cash A/c (Being cash paid into bank)		80,000	80,000
ii.	Salary A/c Dr. To Cash A/c (Being paid salary)		46,000	46,000
iii.	Cash A/c Dr. To Bank A/c (Being withdrawn from bank)		50,000	50,000
iv.	Drawings A/c Dr. To Bank A/c (Being withdrawn from bank for personal use)		30,000	30,000
v.	Interest on Capital A/c Dr. To Capital A/c (Being charged interest in capital)		1,25,000	1,25,000
vi.	Cash A/c Dr. Bad Debts A/c Dr. To Mahendra A/c (Being Mahendra became insolvent and ₹30,000 received from him in full settlement)		30,000 20,000	50,000

Here, as the total amount due from Mahendra is not given we assume that the amount due from Mahendra is ₹50,000

Question 15.

Journalise the following transactions:

- Tarun introduced capital by cheque Rs.25,000.
- Purchased goods for Rs.20,000 and availed discount Rs.1,000.
- Sold goods to Puneet for Rs.5,000.
- Puneet paid cash and availed discount Rs.100

Solution:

Journal				
Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Bank A/c Dr. To Capital A/c (Being capital introduced through cheque)		25,000	25,000
ii.	Purchase A/c Dr. To Discount Received A/c To Cash A/c (Being goods purchased for cash and discount received)		20,000	1,000 19,000
iii.	Puneet A/c Dr. To Sales A/c (Being goods sold to Puneet)		5,000	5,000
iv.	Cash A/c Dr. Discount Allowed A/c Dr. To Puneet A/c (Being payment received from Puneet and discount allowed)		4,900 100	5,000

Question 16.

Journalise the following transactions:

Gaurav commenced business by introducing capital in cash Rs.21,000 and by cheque Rs.50,000.

Gaurav purchased goods from Saurab for Rs.30,000 and Saurab allowed him Trade Discount of Rs.3,000.

He sold goods to Ramesh against cash Rs.20,000 and allowed him Cash Discount of Rs.400.

Paid salary to Suresh Rs.3,000.

Solution:

**Book of Gaurav
Journal**

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Bank A/c Dr. Cash A/c Dr. To Capital A/c (Being capital introduced in cash and by cheque)		50,000 21,000	71,000
ii.	Purchase A/c Dr. To Saurabh's A/c (Being goods purchased from Saurabh at a trade discount)		27,000	27,000
iii.	Cash A/c Dr. Discount Allowed A/c Dr. To Sales A/c (Being goods sold for cash and discount allowed)		19,600 400	20,000
iv.	Salary A/c Dr. To Cash A/c (Being salary paid to Suresh)		3,000	3,000

Question 17.

Journalise the following transactions:

Rajan commenced business by introducing capital in cash Rs.11,000 and by cheque Rs.1,50,000.

Purchased car for Rs.3,00,000 by taking loan of Rs.2,50,000 from bank.

Purchased goods for Rs.1,00,000 and availed Trade Discount of Rs.10,000.

Paid Rs.5,000 to bank as installment, Rs.2,000 towards principal and Rs.3,000 as interest.

Solution:

**Books of Rajan
Journal**

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Bank A/c Dr. Cash A/c Dr. To Capital A/c (Being cash paid into bank)		1,50,000 11,000	1,61,000
ii.	Salary A/c Dr. To Cash A/c To Bank Loan A/c (Being car purchased with help of bank loan)		3,00,000	50,000 2,50,000
iii.	Purchase A/c Dr. To Cash A/c (Being goods purchased and trade discount received)		90,000	90,000
iv.	Bank Loan A/c Dr. Interest on loan A/c Dr. To Cash A/c (Being amount paid against loan and interest)		2,000 3,000	5,000

Question 18.

Journalise the following transactions in the books of Ajay:

Ajay returned goods purchased from Manoj Rs.22,000. He had availed Trade Discount of Rs.2,200 on the goods returned.

Ajay received Rs.5,000 from Abhay which he had earlier written off as Bad Debts.

A fire occurred in the godown of Ajay and he lost goods worth Rs.10,000. The stock was not insured.

Ajay took goods worth Rs.2,500 (Cost) for his personal use.

Solution:

**Book of Ajay
Journal**

Date	Particular	L.F.	Dr. ₹	Cr. ₹
i.	Manoj A/c Dr. To purchase Return A/c (Being goods returned to Manoj)		19,800	19,800
ii.	Cash A/c Dr. To Bad debts Recovered A/c (Being amount received from Abhay earlier written off as bad debts)		5,000	5,000
iii.	Loss by Fire A/c Dr. To Purchase A/c (Being loss of goods by fire)		10,000	10,000
iv.	Drawings A/c Dr. To Purchase A/c (Being goods withdrawn for personal use)		2,500	2,500

Question 19.

Journalise the following transactions in our books:

i. Amount due from Sushil Rs.2,000 is not recoverable.

ii. Goods purchased for Rs.1,000 given as charity.

iii. Cheque of Jatinder of Rs.10,000 deposited, returned unpaid.

iv. Bank charges charged by bank Rs.250.

Solution:

Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Bad Debts A/c Dr. To Sushil A/c (Being amount due from Sushil considered to be bad debts)		2,000	2,000
ii.	Charity A/c Dr. To Purchase A/c (Being good given as charity)		1,000	1,000
iii.	Jatinder A/c Dr. To Bank A/c (Being cheque from Jatinder's deposited into bank returned unpaid)		10,000	10,000
iv.	Bank Charges A/c Dr. To Bank A/c (Being bank charges charged by bank)		250	250

Question 20.

Journalise the following transactions:

i.	Shyam became insolvent. A first and final compensation of 75 paise in a rupee was received from his Official Receiver. He owed us	₹ 1,000
ii.	Received cash for a bad debt written off last year	500
iii.	Rent due to landlord.	800
iv.	Salaries due to clerks.	1,000
v.	Placed an order with Rakesh Mohan for the supply of goods of the list price of ₹1,00,000. In this connection, we paid 10% of the list price as an advance by cheque.	

Solution:

Journal

Date	Particular	L.F.	Dr. ₹	Cr. ₹
i.	Cash A/c Dr. Bad Debt A/c Dr. To Shyam's A/c (Being insolvency of Shyam with 75 paise in a rupee recoverable)		750 250	1,000
ii.	Cash A/c Dr. To Bad Debts Recovered A/c (Being amount written off as bad debts recovered)		500	500
iii.	Rent A/c Dr. To Outstanding Rent A/c (Being rent due to landlord)		800	800
iv.	Salary A/c Dr. To Outstanding Salary A/c (Being salary due to clerk)		1,000	1,000
v.	Advance to Rakesh Mohan A/c Dr. To Bank A/c (Being advance paid to Rakesh Mohan for a future order)		10,000	10,000

Question 21.

Journalise the following entries:

Goods worth Rs.500 given as charity.

Received Rs.975 from Harikrishna in full settlement of his account for Rs.1,000.

Received a first and final dividend of 60 paise in a rupee from the Official Receiver Rajan, who owed us Rs.1,000.

Charged depreciation on plant Rs.1,000.

Solution:

Journal				
Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Charity A/c To Purchase A/c (Being goods given as charity)	Dr.	500	500
ii.	Cash A/c Discount Allowed A/c To Harikrishna A/c (Being cash received from Harikrishna in full and final settlement)	Dr. Dr.	975 25	1000
iii.	Cash A/c Bad Debts A/c To Rajan A/c (Being first and final dividend received from Rajan in full settlement of his debt)	Dr. Dr.	600 400	1,000
iv.	Depreciation A/c To Plant A/c (Being depreciation charged on plant)	Dr.	1,000	1,000

Question 22.

Journalise the following transactions with narration:

- i. Paid Income Tax Rs.3,000.
- ii. Interest on Capital Rs.300.
- iii. Goods worth Rs.500 given as charity.

Solution:

Journal				
Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Income Tax A/c To Cash A/c (Being income tax paid)	Dr.	3,000	3,000
ii.	Interest on capital A/c To Capital A/c (Being interest on capital allowed)	Dr.	300	300
iii.	Charity A/c To Purchase A/c (Being goods given as charity)	Dr.	500	500

Question 23.

Journalise the following:

- i. Goods worth Rs.500 were used by the proprietor for domestic purposes.
- ii. Goods uninsured worth Rs.3,000 were destroyed by fire.
- iii. Paid Rs.250 as wages on installation of a new machine.
- iv. Supplied goods costing Rs.600 to Mohan issued at 10% above cost less 5% Trade Discount.

Solution:

Journal				
Date	Particular	L.F.	Dr. ₹	Cr. ₹
i.	Drawing A/c To Purchase A/c (Being goods used for domestic purpose)	Dr.	500	500
ii.	Loss by Fire A/c To Purchase A/c (Being loss of goods by fire)	Dr.	3,000	3,000
iii.	Machinery A/c To Cash A/c (Being wages paid for installation of new machine)	Dr.	250	250
iv.	Mohan A/c To Sales A/c (Being goods supplied to Mohan)	Dr.	627	627

Working Notes :-

Cost of goods supplied	₹600
Add: profit (10% of 600)	₹60
List price	₹660
Less: trade discount (5% of 660)	₹33
Invoice value	₹627

Question 24.

Journalise the following transactions:

Goods destroyed by fire Rs.500.

Paid Rs.2,500 in cash as wages on installation of a machinery.

Issued a cheque in favour of M/s. Parmatma Singh and Sons on account of purchase goods worth Rs.7,500.

Goods sold costing Rs.6,000 to M/s Kalu Sons at an invoice price 25% above cost less 5% Trade Discount.

Solution:

Journal				
Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Loss by fire A/c To Purchase A/c (Being goods destroyed by fire)	Dr.	500	500
ii.	Machinery A/c To Cash A/c (Being wages paid for installation of machine)	Dr.	2,500	2,500
iii.	Purchase A/c To Bank A/c (Being issue of cheque against purchase of goods)	Dr.	7,500	7,500
iv.	Kalu and Sons A/c To Sales A/c (Being goods supplied to Kalu and sons)	Dr.	7,125	7,125

Working Notes :-

Cost of goods supplied	₹6,000
Add: profit (25% of 6,000)	₹1,500
List price	₹7,500
Less: trade discount (5% of 7,500)	₹375
Invoice value	₹7,125

Question 25.

Prepare the journal from the transactions given below:

- Rent outstanding Rs.5,000.
- Received interest on loan from the debtor Rs.25,000.
- Provided interest on capital (Rs.50,000) at 6% for six months.
- Received Rs.780 from Surinder in full settlement of debt to his account for Rs.800.

Solution:

Question 26.

At the end of an accounting year, a trader finds that no entry has been passed in the books of account in respect of the following transactions:

	₹
i. Outstanding salary at the end of the year	2,200
ii. Goods given as charity during the year	300
iii. Stock in hand at the end of the year	20,000

Solution:

Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Salary A/c Dr. To Outstanding salary A/c (Being salary outstanding)		2,200	2,200
ii.	Charity A/c Dr. To Purchase A/c (Being goods given as charity)		300	300
iii.	Closing stock Dr. To trading A/c (Being closing stock recorded)		20,000	20,000

Question 27.

Journalise the following transactions in the books of Harpreet Bros:

- Goods worth Rs.50,000 and Cash Rs.20,000 were stolen by an employee.
 - Goods costing Rs.10,000 were returned to Ram Bros. as the goods were hazardous for the health of the consumers.
- Also give value affected in each of the above case.

Solution:

Book of Harpreet Bros.
Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Loss by Theft A/c Dr. To Purchase A/c To Cash A/c (Being goods and cash stolen) Value Affected: Honesty		70,000	50,000 20,000
ii.	Ram Bros. A/c Dr. To Purchase Return A/c (Being goods returned to Ram Bros.) Value Affected: Consumer Protection		10,000	10,000

Question 28.

Journalise the following:

- Received a cheque from J. Peterson Rs.5,450. Allowed him discount of Rs.150.
- Returned goods to Sudershan of the value of Rs.350.
- Issued a cheque in flavor of M/s Karanvir Timber Company on account of the purchase of timber worth Rs.7,500.
- Paid Rs.250 in cash as wages on installation of a machine.

Solution:

Journal				
Date	Particular	L.F.	Dr. ₹	Cr. ₹
i.	Bank A/c Discount Allowed A/c To J. Peterson A/c (Being cheque received and discount allowed)	Dr. Dr.	5,450 150	5,600
ii.	Sudershan A/c To Purchase Return A/c (Being goods return to Sudershan)	Dr.	350	350
iii.	Purchase A/c To Bank A/c (Being cheque issued for purchase of timber)	Dr.	7,500	7,500
iv.	Machine A/c To Cash A/c (Being wages paid on installation of machine)	Dr.	250	250

Question 29.

Journalise the following transactions in the books of M/s. Hari Ram:

- Rahul who owned Rs.5,000 was declared insolvent and 60 paise in a rupee are received as final compensation.
- Out of insurance paid this year, Rs.3,000 is related to next year.
- Provide depreciation @10% on furniture costing Rs.10,000 for 9 months.

Solution:**Question 30.**

Journalise the following transactions:

- Paid customs duty Rs.11,000 in cash on import of a new machinery.
- Goods sold costing Rs.10,000 to M/s Abbas and sons at an invoice price 10% above cost less 10% trade discount.

Solution:

Journal				
Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Machinery A/c To Cash A/c (Being paid custom duty on import of new machinery)	Dr.	11,000	11,000
ii.	M/s Abbas and Sons A/c To Sales A/c (Being goods sold on credit)	Dr.	9,900	9,900

Working Note:

Particulars	₹
Cost of goods	10,000
Add: 10% of 10,000	1,000
List Price	11,000
Less: Trade discount (10% of 11,000)	1,100
Sales	9,900

Question 31.

Journalise the following transactions in the books of Gaurav:

- Received Rs.9,500 from Sohan in full settlement of his account for Rs.10,000.
- Received Rs.9,500 from Shyam on his account for Rs.10,000.

iii. Paid Rs.4,800 to Mohan in full settlement of his account for Rs.5,000.

iv. Paid Rs.4,800 to Ashok on his account for Rs.5,000.

Solution:

Journal				
Date	Particular	L.F.	Dr. ₹	Cr. ₹
i.	Cash A/c Dr. Discount Allowed A/c Dr. To Sohan A/c (Being cash received and discount allowed)		9,500 500	10,000
ii.	Cash A/c Dr. Discount Allowed A/c Dr. To Shyam's A/c (Being cash received and discount allowed)		9,500 500	10,000
iii.	Mohan's A/c Dr. To Cash A/c To Discount Received A/c (Being cash paid and discount received)		5,000	4,800 200
iv.	Ashok A/c Dr. To Cash A/c To Discount Received A/c (Being cash paid and discount received)		5,000	4,800 5,000

Question 32.

Journalise the following transactions in the books of Manoj Store:

i. Purchased goods from Ramesh Rs.20,000 less trade discount at 20% plus VAT @10%

ii. Sold goods costing Rs.7,000 to Krishna for Rs.9,000 plus VAT @10%

iii. Sold goods for Rs.10,000 and charged VAT @10% against cheque.

iv. VAT was deposited into government account on due date.

Solution:

Books of Manoj Store
Journal

Date	Particular	L.F.	Dr. ₹	Dr. ₹
i.	Purchase A/c Dr. VAT Paid A/c Dr. To Ramesh A/c (Being goods purchased from Ramesh at 20% trade discount plus VAT @10%)		16,000 1,600	17,600
ii.	Krishna A/c Dr. To Sales A/c To VAT Collected A/c (Being goods sold to Krishna for ₹9,000 plus VAT @10%)		9,900	9,000 900
iii.	Bank A/c Dr. To Sales A/c To VAT Collected A/c (Being goods worth ₹10,000 sold and VAT charged @10%)		11,000	10,000 1,000
iv.	VAT Collected A/c Dr. To VAT Paid A/c (Being VAT collected is adjusted against VAT paid)		1,600	1,600
	VAT Collected A/c Dr. To Cash A/c (Being VAT collected minus VAT paid is deposited into the government account)		300	300

Question 33.

Journalise the following transactions :

- i. Paid Rs.2,500 in cash as wages on installation of a machine.
- ii. Sold goods to kitty at a list price of Rs.20,000. Sales subject to 10% trade discount and 5% cash discount if payment is made immediately. Kitty availed cash discount.
- iii. Supplied goods costing Rs.60,000 to Shyam. Issued invoice at 10% above cost less 5% trade discount.

Solution:**Journal**

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Machinery A/c Dr. To Cash A/c (Being wages paid for installation of machinery)		2,500	2,500
ii.	Cash A/c Dr. Discount Allowed A/c To Sales A/c (Being goods sold at list price of ₹20,000, trade discount allowed @ 10% and cash discount @ 5%)		17,100 900	18,000
iii.	Shyam A/c Dr. To Sales A/c (Being goods worth ₹60,000 sold to Shyam at invoice 10% above costless trade discount @ 5%)		62,700	62,700

Working Notes:

Particulars	₹
Cost of goods	60,000
Add: 10% of 60,000	6,000
List Price	66,000
Less: trade discount (5% of 66,000)	3,300
Sales	62,700

Question 34.

Pass the opening entry from the following Balance sheet as at 31st March, 2016 of Vikas:

Liabilities		₹	Asset		₹
Capital A/c:			Land and Building		1,50,000
Opening balance	5,05,115		Plant and Machinery		2,50,750
Add: profit for the year	1,20,115		Chandra and Sons		71,270
Less: drawings	60,000	5,65,230	Closing Stock		56,250
Salary payable		15,000	Cash in Hand		15,700
Magic trades		27,220	Cash at Bank		75,250
Babbar and co.		11,770			
		6,19,220			6,19,220

Solution:**Books of Vikas****Journal**

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 April 01	Land and Building A/c Dr. Plant and Machinery A/c Dr. Chandra and Sons A/c Dr. Closing stock A/c Dr. Cash A/c Dr. Bank A/c Dr. To Salary Payable A/c To Magic traders A/c To Babbar and Co. Ltd's A/c To Capital A/c (Balancing amount) (Being opening entry made)		1,50,00 2,50,750 71,270 56,250 15,700 75,250	15,000 27,220 11,770 5,65,230

Question 35.

Pass the journal entries of M/s. Bhanu Traders. Post them to the ledger from the following transactions.

2016		₹
April 01	Commenced business with cash	1,50,000
April 02	Opened bank account with PNB	50,000
April 03	Purchased furniture	20,000
April 07	Bought goods for cash from M/s. Rupa traders	30,000
April 08	Purchased goods from M/s. Hema traders	42,000
April 10	Cash sales	30,000
April 14	Sold goods on credit to M/s. Gupta traders	12,000
April 16	Rent paid	4,000
April 18	Paid trade expenses	1,000
April 20	Received cash from M/s. Gupta traders	12,000
April 22	Goods returned to M/s Hema traders	2,000
April 23	Cash paid to M/s. Hema traders	40,000
April 25	Bought postage stamps	100
April 30	Paid salary to Mohan	4,000

Solution:

Books of M/s. Bhanu Traders

Journal

Date	Particular	L.F.	Dr. ₹	Cr. ₹
2016 April 01	Cash A/c To Capital A/c (Being commenced business with cash)	Dr.	1,50,000	1,50,000
April 02	Bank A/c To Cash A/c (Being bank account opened with PNB)	Dr.	50,000	50,000
April 03	Furniture A/c To Cash A/c (Being purchased furniture)	Dr.	20,000	20,000
April 07	Purchase A/c To Cash A/c (Being bought goods for cash)	Dr.	30,000	30,000
April 08	Purchase A/c To M/s Hema Traders A/c (Being purchased goods from M/s. Hema Traders)	Dr.	42,000	42,000
April 10	Cash A/c To Sales A/c (Being goods sold for cash)	Dr.	30,000	30,000
April 14	M/s. Gupta Traders A/c To Sales A/c (Being Sold goods to M/s. Gupta traders)	Dr.	12,000	12,000
April 16	Rent A/c To Cash A/c (Being rent paid)	Dr.	4,000	4,000

April 18	Trade Expenses A/c To Cash A/c (Being paid trade expenses)	Dr.	1,000	1,000
April 20	Cash A/c To M/s. Gupta Traders A/c (Being received cash from M/s. Gupta traders)	Dr.	12,000	12,000
April 22	M/s. Hema Traders A/c To Purchase Return A/c (Being goods return to M/s. Hema traders)	Dr.	2,000	2,000
April 23	M/s. Hema Traders To Cash A/c (Being cash paid to M/s. Hema Traders)	Dr.	40,000	40,000
April 25	Postage Stamps A/c To Cash A/c (Being bought postage stamps)	Dr.	100	100
April 30	Salary A/c To Cash A/c (Being paid salary to Mohan)	Dr.	4,000	4,000

Ledgers

Cash Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Capital A/c		1,50,000	April 02	By Bank A/c		50,000
April 10	To Sales A/c		30,000	April 03	By Furniture A/c		20,000
April 20	To M/s. Gupta traders		12,000	April 07	By Purchase A/c		30,000
				April 16	By Rent A/c		4,000
				April 18	By Trade Expenses		1,000
				April 23	By M/s. Hema Traders		40,000
				April 25	By Postage Stamps A/c		100
				April 30	By Salary A/c		4,000
				April 30	Balance c/d		42,900
			1,92,000				1,92,000

Capital Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		1,50,000	April 01	By Cash A/c		1,50,000
			1,50,000				1,50,000

Bank Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 25	To Cash A/c		50,000	April 01	By Balance c/d		50,000
			50,000				50,000

Furniture Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 03	To Cash A/c		20,000	April 30	By Balance c/d		20,000
			20,000				20,000

Purchase Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 07	To Cash A/c		30,000	April 30	By Balance c/d		72,000
April 08	To Cash A/c		42,000				
			72,000				72,000

Sales Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 03	To Balance c/d		42,000	April 10	By Cash A/c		30,000
				April 14	By M/s. Gupta Traders A/c		12,000
			42,000				42,000

M/s. Hema Traders Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 22	To Purchase Return A/c		2,000	April 08	By Purchase A/c		42,000
April 23	Cash A/c		40,000				
			42,000				42,000

M/s. Gupta Traders Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 14	To Sales A/c		12,000	April 20	By Cash A/c		12,000
			12,000				12,000

Purchase Return Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		2,000	April 22	By M/s Hema Traders A/c		2,000
			2,000				2,000

Postage Stamp Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 25	To Cash A/c		100	April 30	By Balance c/d		100
			100				100

Salary Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Cash A/c		4,000	April 30	By Balance c/d		4,000
			4,000				4,000

Rent Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 16	To Cash A/c		4,000	April 30	By Balance c/d		4,000
			4,000				4,000

Trade Expenses Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 18	To Cash A/c		1,000	April 30	By Balance c/d		1,000
			1,000				1,000

Question 36.

Following balances Appeared in the books of Ashok on 1st April, 2016:

Assets: Cash ₹50,000; Stock ₹30,000; Debtors ₹50,000; Machinery ₹60,000

Liabilities: Creditors - Rajesh ₹30,000

Following transaction took place in April, 2016:

2016		₹
April 04	Sold goods for cash	7,000
April 06	Goods returned by ram	1,000
April 10	Purchased goods from Rajesh list price ₹10,000 value at	9,000
April 15	Bought goods of the list price of ₹15,000 from Rakesh less 10% trade discount and 5% cash discount and paid 40% price immediately	
April 20	Paid to Rajesh in full settlement of his account	38,600
April 25	Paid for life insurance premium of the Proprietor	500
April 30	Received for commission	2,000

Pass the journal entries for the above transactions and post them into the ledger and balance the ledger accounts.

Hint: Capital = Assets - Liabilities = ₹1,60,000

Solution:

Books of Ashok
Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 April 01	Cash A/c Stock A/c Debtors A/c Machinery A/c To Rajesh A/c To Capital A/c (balancing amount) (Being balance brought forward)	Dr. Dr. Dr. Dr.	50,000 30,000 50,000 60,000	30,000 1,60,000
April 04	Cash A/c To Sales A/c (Being sold goods for cash)	Dr.	7,000	7,000
April 06	Sales Return A/c To Ram A/c (Being goods returned to Ram)	Dr.	1,000	1,000
April 10	Purchase A/c To Rajesh A/c (Being bought goods from Rajesh)	Dr.	9,000	9,000
April 15	Purchase A/c To Rakesh A/c To Cash A/c To Discount Received A/c (Being bought goods from Rakesh, 40% of price paid immediately and availed 5% cash discount on payment)	Dr.	13,500	8,100 5,130 270
April 20	Rajesh A/c To Cash A/c To Discount Received A/c (Being paid Rajesh and discount received)	Dr.	39,000	38,600 400

April 25	Drawings A/c To Cash A/c (Being paid life insurance premium of proprietor)	Dr.		500	500
April 30	Cash A/c To Commission A/c (Being received commission)	Dr.		2,000	2,000

Ledger
Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		50,000	April 15	By Purchase A/c		5,130
April 04	To Sales A/c		7,000	April 20	By Rajesh A/c		38,600
April 30	To Commission A/c		2,000	April 25	By Drawings A/c		500
				April 30	By Balance c/d		14,770
			59,000				59,000

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		1,60,000	April 01	By Balance b/d		1,60,000
			1,60,000				1,60,000

Rakesh Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		8,100	April 15	By Purchase A/c		8,100
			8,100				8,100

Stock Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		30,000	April 30	By Balance c/d		30,000
			30,000				30,000

Debtors (Ram, others) Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		50,000	April 06	By Sales Return A/c		1,000
				April 30	By Balance c/d		49,000
			50,000				50,000

Machinery Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		60,000	April 30	By Balance c/d		60,000
			60,000				60,000

Rajesh Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 20	To Cash A/c		38,600	April 01	By Balance b/d		30,000
April 20	To Discount Received A/c		400	April 10	By Purchase A/c		9,000
			39,000				39,000

Sales Return Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 06	To Ram Account		1,000	April 30	By Balance c/d		1,000
			1,000				1,000

Drawings Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 25	To Cash A/c		500	April 30	By Balance c/d		500
			500				5000

Commission Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		2,000	April 30	By Cash A/c		2,000
			2,000				2,000

Discount Received A/c

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To balance c/d		670	April 15	By Purchase A/c		270
				April 20	By Rajesh A/c		400
			670				670

Purchase Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 10	To Rajesh A/c		9,000	April 30	By Balance c/d		22,500
April 15	To Rakesh A/c		8,100				
April 15	To Cash A/c		5,130				
April 15	To Discount Received A/c		270				
			22,500				22,500

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance b/d		7,000	April 04	By Cash A/c		7,000
			7,000				7,000

Question 37.

Journalise the following transaction in the journal of M/s. Gupta brothers and post them to the ledger:

2016		₹
March 01	Started business with cash	2,00,000
March 02	Opened bank account in SBI	80,000
March 04	Goods purchased from Raj	22,000
March 05	Goods purchased for cash	30,000
March 08	Goods sold to Naman	12,000
March 10	Cash paid to Raj	22,000
March 15	Cash received from Naman	11,700
	Discount allowed	300
March 16	Paid wages	200
March 18	Furniture purchased for office use	5,000
March 20	Withdrawn from bank for personal use	4,000
March 22	Issued cheque for rent	3,000
March 23	Goods taken for household purpose	2,000
March 24	Drawn cash from bank for office use	6,000
March 26	Commission received	1,000
March 27	Bank charges	300
March 28	Cheque issued for insurance premium	3,000
March 29	Paid salary	10,000
March 30	Cash sales	20,000

Solution:

Books of M/s Gupta Brothers

Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 Mar 01	Cash A/c Dr. To Capital A/c (Being started business with cash)		2,00,000	2,00,000
Mar 02	Bank A/c Dr. To Cash A/c (Being opened bank account with SBI)		80,000	80,000
Mar 04	Purchase A/c Dr. To Raj A/c (Being goods from Raj)		22,000	22,000
Mar 05	Purchase A/c Dr. To Cash A/c (Being purchased goods for cash)		30,000	30,000
Mar 08	Naman A/c Dr. To Sales A/c (Being sold good to Naman)		12,000	12,000
Mar 10	Raj A/c Dr. To Cash A/c (Being cash paid to raj)		22,000	22,000
Mar 15	Cash A/c Dr. Discount Allowed A/c Dr. To Naman A/c (Being cash received from Naman and discount allowed)		11,700 300	12,000

Mar 16	Wages A/c To Cash A/c (Being paid wages)	Dr.		200	200
Mar 18	Furniture A/c To Cash A/c (Being purchased furniture for office use)	Dr.		5,000	5,000
Mar 20	Drawings A/c To Bank A/c (Being withdrawn from bank for personal use)	Dr.		4,000	4,000
Mar 22	Rent A/c To Bank A/c (Being paid rent through cheque)	Dr.		3,000	3,000
Mar 23	Drawings A/c To Purchase A/c (Being goods taken for personal use)	Dr.		2,000	2,000
Mar 24	Cash A/c To Bank A/c (Being cash withdrawn from bank)	Dr.		6,000	6,000
Mar 26	Cash A/c To Commission A/c (Being Cash received for commission)	Dr.		1,000	1,000
Mar 27	Bank Charges A/c To Bank A/c (Being bank charges paid)	Dr.		300	300
Mar 28	Insurance Premium A/c To Bank A/c (Being insurance premium paid)	Dr.		3,000	3,000
Mar 29	Salary A/c To Cash A/c (Being paid salary)	Dr.		10,000	10,000
Mar 30	Cash A/c To Sales A/c (Being sold goods for cash)	Dr.		20,000	20,000

Ledger
Cash Account

Dr.				Cr.			
Date	Particulars	L.F.	₹	Date	Particulars	L.F.	₹
2016				2016			
March 01	To Capital A/c		2,00,000	March 02	By Bank A/c		80,000
March 15	To Naman A/c		11,700	March 05	By Purchase A/c		30,000
March 24	To Bank A/c		6,000	March 10	By Raj A/c		22,000
March 26	To Commission A/c		1,000	March 16	By Wages A/c		200
March 30	To Sales A/c		20,000	March 18	By Furniture A/c		5,000
				March 29	By Salary A/c		10,000
				March 31	By Balance c/d		91,500
			2,38,700				2,38,700

Bank Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 02	To Cash A/c		80,000	March 20	By Drawings A/c		4,000
				March 22	By Rent A/c		3,000
				March 24	By Cash A/c		6,000
				March 27	By Bank Charges A/c		300
				March 28	By Insurance Premium A/c		3,000
				March 31	Balance c/d		63,700
			80,000				80,000

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 31	To Balance c/d		2,00,000	March 01	By Cash A/c		2,00,000
			2,00,000				2,00,000

Purchase Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 04	To Raj A/c		22,000	March 23	By Drawings A/c		2,000
March 05	To Cash A/c		30,000	March 31	By Balance c/d		50,000
			52,000				52,000

Raj Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 10	To Cash A/c		22,000	March 04	By Purchase A/c		22,000
			22,000				22,000

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 31	To Balance b/d		32,000	March 08	By Naman A/c		12,000
				March 30	By Cash A/c		20,000
			32,000				32,000

Naman Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 08	To Sales		12,000	March 15	By Cash A/c		11,700
					By Discount allowed		300
			<u>12,000</u>				<u>12,000</u>

Discount Allowed Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 15	To Naman A/c		300	March 31	By Balance c/d		300
			<u>300</u>				<u>300</u>

Wages Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 16	To Cash A/c		200	March 31	By Balance c/d		200
			<u>200</u>				<u>200</u>

Furniture Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 18	To Cash A/c		5,000	March 31	By Balance c/d		5,000
			5,000				5,000

Drawings Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 20	To Bank A/c		4,000	March 31	By Balance c/d		6,000
March 23	To Purchase A/c		2,000				
			6,000				6,000

Commission Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 31	To Balance c/d		1,000	March 26	By Cash A/c		1,000
			1,000				1,000

Bank Charges Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 22	To Bank A/c		300	March 31	By Balance c/d		300
			300				300

Rent Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 22	To Bank A/c		3000	March 22	By Balance c/d		3,000
			3,000				3,000

Insurance Premium Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 28	To Bank A/c		3000	March 31	By Balance c/d		3,000
			3,000				3,000

Salary Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
March 29	To Cash A/c		10,000	March 31	By Balance c/d		10,000
			10,000				10,000

Question 38.

On 1st April, 2016, following were Ledger balances of M/s. Ram Lal and Co.:

Cash in hand ₹300; Cash at bank ₹7000; Bills Payable ₹1,000; Zahir (Dr.) ₹800; Stock ₹4,000; Gobind (Cr.) ₹2,000; Sharma (Dr.) ₹1,500; Ram Lal (Cr.) ₹900; Capital ₹9,700.

Transactions during the month were :

2016		₹			₹
April 02	Bought goods from Gobind	900	April 18	Received from Sharma by cheque	2,000
April 03	Sold goods to Sharma	1,000		Allowed him discount	50
April 05	Bought goods from Ram Lal	1,200	April 20	Sold goods to Sharma	800
April 08	Sold goods to Zahir	500	April 20	Paid rent by cheque	150
April 15	Paid Gobind by Cheque	1500	April 25	Sold goods to Zahir	1,000
			April 30	Paid salaries in cash	300

Post the above transactions to the ledger and take out a trial balance on 30th April, 2016.

Solution:

Books of M/s. Ram Lal and Co.

Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 April 01	Cash A/c Bank A/c Zahir A/c Stock A/c Sharma A/c To Bill Payable A/c To Gobind A/c To Ram Lal A/c To Capital A/c (Being balance brought forwarded from last month)	Dr. Dr. Dr. Dr. Dr. Dr. Dr. Dr. Dr.	300 7,000 800 4,000 1,500	1,000 2,000 900 9,700
April 02	Purchase A/c To Gobind A/c (Being bought goods from Gobind)	Dr.	900	900
April 03	Sharma A/c To Sales A/c (Being sold goods to Sharma)	Dr.	1,000	1,000
April 05	Purchase A/c To Ram Lal A/c (Being bought goods from Ram Lal)	Dr.	1,200	1,200
April 08	Zahir A/c To Sales A/c (Being sold goods to Zahir)	Dr.	500	500
April 15	Gobind A/c To Bank A/c (Being paid to Gobind by cheque)	Dr.	1,500	1,500

April 18	Bank A/c Discount Allowed A/c To Sharma A/c (Being received from Sharma and discount allowed)	Dr.		2,000 50	2,050
April 20	Sharma A/c To Sales A/c (Being sold goods to Sharma)	Dr.		800	800
April 20	Rent A/c To Bank A/c (Being paid rent by cheque)	Dr.		150	150
April 25	Zahir A/c To Sales A/c (Being sold goods to Zahir)	Dr.		1,000	1,000
April 30	Salaries A/c To Cash A/c (Being paid salaries in cash)	Dr.		300	300

Ledgers
Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		300	April 30	By Salaries A/c		300
			300				300

Bank Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		7,000	April 15	By Gobind A/c		1,500
April 18	To Sharma A/c		2,000	April 20	By Rent A/c		150
				April 30	By Balance c/d		7,350
			9,000				9,000

Zahir Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		800	April 30	By Balance c/d		2,300
April 08	To Sales A/c		500				
April 25	To Sales A/c		1,000				
			2,300				2,300

Stock Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		4,000	April 30	By Balance c/d		4,000
			4,000				4,000

Purchase Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 02	To Gobind A/c		900				
April 05	To Ram Lal A/c		1,200	April 20	By Balance c/d		2,100
			2,100				2,100

Sales Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		3,300	April 03	By Sharma A/c		1,000
				April 08	By Zahir A/c		500
				April 20	By Sharma A/c		800
				April 25	By Zahir A/c		1,000
			3,300				3,300

Salaries Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Cash A/c		300	April 30	By Balance c/d		300
			300				300

Discount Allowed Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 18	To Sharma A/c		50	April 30	By Balance c/d		50
			50				50

Rent Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 20	To Bank A/c		150	April 30	By Balance c/d		150
			150				150

Sharma Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		1,500	April 18	By Bank A/c		2,000
April 03	To Sales A/c		1,000	April 18	By Discount Allowed A/c		50
April 23	To Sales A/c		800	April 30	By Balance c/d		1,250
			3,300				3,300

Bills Payable Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		1,000	April 01	By Balance b/d		1,000
			1,000				1,000

Gobind Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 15	To Bank A/c		1,500	April 01	By Balance b/d		2,000
April 30	To Balance c/d		1,400	April 02	By Purchase A/c		900
			2,900				2,900

Ram Lal Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Bank b/d		2,100	April 01	By Balance b/d		900
				April 05	By Purchase A/c		1,200
			2,100				2,100

Capital Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		9,700	April 01	By Balance b/d		9,700
			9,700				9,700

Trial Balance as on 30th April, 2016

Particulars	Dr. ₹	Cr. ₹
Bank Account	7,350	
Zahir	2,300	
Stock	4,000	
Sharma	1,250	
Bills Payable		1,000
Gobind		1,400
Ram Lal		2,100
Capital		9,700
Purchase	2,100	
Sales		3,300
Salaries	300	
Discount allowed	50	
Rent	150	
	17,500	17,500

Question 39.

You are to open the books of Rajesh Prabhu, a trader through the journal to record the assets and liabilities and then to record the daily transactions for the month of April, 2016.

A trial balance is to be extracted as at 30th April, 2016:

2016	
April 01	Assets: Premises ₹2,00,000, Delivery Van ₹50,000, Fixtures ₹5,000, Stock ₹75,000 Debtors: Hariharan ₹30,000, Rajan ₹50,000; Cash at Bank ₹45,000, Liabilities: Creditors: Jawahar ₹1,00,000; Vikas ₹45,000; Telephone Expenses Payable ₹4,000; Expenses Payable ₹5,000
April 01	Paid rent by cheque ₹5,000
April 02	Goods purchased on credit from Prabhat ₹15,000; Rajhans ₹8,000, Passi ₹7,000
April 03	Goods sold on credit to Rakesh ₹17,000, Devender ₹5,000, Lalit ₹8,000, Vijay ₹6,000
April 04	Paid the bill of petrol expenses for delivery van ₹5,700
April 05	Cash drawings by Rajesh Prabhu ₹4,000
April 07	Paid salaries for the month of March, 2016 ₹7,000
April 09	Cash Sales ₹5,000
April 11	Goods returned by Rakesh ₹4,000, Vijay ₹1,000
April 12	Received cheques from debtors Hariharan ₹20,000, Rajan ₹40,000
April 16	Goods returned to Prabhat ₹4,000, Rajhans ₹1,000
April 20	Cheques issued to Creditors: Jawahar ₹50,000; Vikas ₹10,000
April 22	Received cheques from Hariharan ₹10,000; Rajan ₹10,000, Rakesh ₹10,000, Devender ₹5,000; Cheques received from Rakesh and Devender are dated 15 th May, 2016
April 24	Cheques from Rakesh and Devender were got discounted from bank paying interest @10% p.a.
April 25	Received cash from Lalit in full settlement ₹7,800

Solution:

Books of Rajesh Prabhu
Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 April 01	Premises A/c Dr. Delivery Van A/c Dr. Fixture A/c Dr. Stock A/c Dr. Hariharan A/c Dr. Rajan A/c Dr. Bank A/c Dr. Cash A/c Dr. To Jawahar A/c To Vikas A/c To Telephone Expenses Payable A/c To Expense Payable A/c To Capital A/c (balancing amt.) (Being balance forwarded from last month)		2,00,000 50,000 5,000 75,000 30,000 50,000 45,000 15,000	1,00,000 45,000 4,000 5,000 3,16,000
April 01	Rent A/c Dr. To Bank A/c (Being rent paid by cheque)		5,000	5,000
April 02	Purchase A/c Dr. To Prabhat A/c To Rajhans A/c To Passi A/c (Being goods purchased from Prabhat, Rajhans and Passi)		30,000	15,000 8,000 7,000
April 03	Rakesh A/c Dr. Devender A/c Dr. Lalit A/c Dr. Vijay A/c Dr. To Sales A/c (Being sold goods to Rakesh, Devender, Lalit and Vijay)		17,000 5,000 8,000 6,000	36,000

April 04	Delivery Van Expenses A/c To Cash A/c (Being paid petrol expenses of delivery van)	Dr.		5,700	5,700
April 05	Drawings A/c To Cash A/c (Being cash drawn by Proprietor)	Dr.		4,000	4,000
April 07	Salaries A/c To Cash A/c (Being paid salaries)	Dr.		7,000	7,000
April 09	Cash A/c To Sales A/c (Being goods sold for cash)	Dr.		5,000	5,000
April 11	Sales Return A/c To Rakesh A/c To Vijay A/c (Being goods returned by Rakesh and Vijay)	Dr.		5,000	4,000 1,000
April 12	Bank A/c To Hariharan A/c To Rajan A/c (Being received cheques from Hariharan and Rajan)	Dr.		60,000	20,000 40,000
April 16	Prabhat A/c Rajhans A/c To Purchase Return A/c (Being goods returned to Prabhat and Rajhans)	Dr. Dr.		4,000 1,000	5,000
April 20	Jawahar A/c Vikas A/c To Bank A/c (Being cheques issued to Jawahar and Vikas)	Dr. Dr.		50,000 10,000	60,000

April 22	Bank A/c To Hariharan A/c To Rajan A/c (Being received cheques from Hariharan and Rajan)	Dr.		20,000	10,000 10,000
April 22	Cheque in Hand A/c To Rakesh A/c To Devender A/c (Being cheques received from Rakesh and Devender which are dated 15 th May, 2016)	Dr.		15,000	10,000 5,000
April 24	Bank A/c Interest A/c [15,000 × 10% × (21/365)] To Cheque in Hand A/c (Being Rakesh and Devender cheque discounted with bank at interest of 10% p.a.)	Dr. Dr.		14,914 86	15,000
April 25	Cash A/c Discount Received A/c To Lalit A/c (Being cash received from Lalit and discount allowed)	Dr. Dr.		7,800 200	8,000

Ledgers
Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		15,000	April 04	By Delivery Van Exp. A/c		5,700
April 09	To Sales A/c		5,000	April 05	By Drawings A/c		4,000
April 18	To Lalit A/c		7,800	April 07	By Salaries A/c		7,000
				April 30	By Balance c/d		11,100
			27,800				27,800

Bank Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		45,000	April 01	By Rent A/c		5,000
April 12	To Hariharan A/c		20,000	April 20	By Jawahar A/c		50,000
April 12	To Rajan A/c		40,000	April 20	By Vikas A/c		10,000
April 22	To Hariharan A/c		10,000	April 30	By Balance c/d		74,914
April 22	To Rajan A/c		10,000				
April 24	To Cheque in Hand A/c		14,914				
			1,39,914				1,39,914

Capital Account

Dr.

Cr.

Date	Receipts	J.F.	₹	Date	Payments	J.F.	₹
2016				2016			
April 30	To Balance c/d		3,16,000	April 01	By Balance b/d		3,16,000
			3,16,000				3,16,000

Premises Account

Dr.

Cr.

Date	Receipts	J.F.	₹	Date	Payments	J.F.	₹
2016				2016			
April 01	To Balance b/d		2,00,000	April 30	By Balance c/d		2,00,000
			2,00,000				2,00,000

Delivery Van Account

Dr.

Cr.

Date	Receipts	J.F.	₹	Date	Payments	J.F.	₹
2016				2016			
April 01	To Balance b/d		50,000	April 30	By Balance c/d		50,000
			<u>50,000</u>				<u>50,000</u>

Fixture Account

Dr.

Cr.

Date	particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		5,000	April 30	By Balance c/d		5,000
			<u>5,000</u>				<u>5,000</u>

Stock Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance b/d		75,000	April 30	By Balance c/d		75,000
			<u>75,000</u>				<u>75,000</u>

Hariharan Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		30,000	April 12	By Bank A/c		20,000
				April 22	By Bank A/c		10,000
			<u>30,000</u>				<u>30,000</u>

Rajan Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Balance b/d		50,000	April 12	By Bank A/c		40,000
				April 22	By Bank A/c		10,000
			<u>50,000</u>				<u>50,000</u>

Jawahar Account

Dr.

Cr.

Date	particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 20	To Bank A/c		50,000	April 01	By Balance c/d		1,00,000
April 30	To Balance c/d		50,000				
			<u>1,00,000</u>				<u>1,00,000</u>

Vikas Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 20	To bank A/c		10,000	April 01	By balance b/d		45,000
April 30	To balance c/d		35,000				
			<u>45,000</u>				<u>45,000</u>

Telephone Expenses Payable Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		4,000	April 01	By Balance b/d		4,000
			<u>4,000</u>				<u>4,000</u>

Expenses Payable Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Bank c/d		5,000	April 01	By Balance b/d		5,000
			<u>5,000</u>				<u>5,000</u>

Rent Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Bank A/c		5,000	April 30	By Balance c/d		5,000
			<u>5,000</u>				<u>5,000</u>

Prabhat Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 16	To Purchase A/c		4,000	April 02	By Purchase A/c		15,000
April 30	To Balance c/d		11,000				
			<u>15,000</u>				<u>15,000</u>

Salaries Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 07	To Cash A/c		7,000	April 30	By Balance c/d		7,000
			<u>7,000</u>				<u>7,000</u>

Sales Return Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 11	To Rakesh A/c		4,000	April 30	By Balance c/d		5,000
April 11	To Vijay A/c		1,000				
			<u>5,000</u>				<u>5,000</u>

Purchase Return Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		5,000	April 16	By Prabhat A/c		4,000
				April 16	By Rajhans A/c		1,000
			<u>5,000</u>				<u>5,000</u>

Interest Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 24	To Cheque in Hand A/c		86	April 30	By Balance c/d		86
			<u>86</u>				<u>86</u>

Discount Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 25	To Lalit A/c		200	April 30	By Balance c/d		200
			200				200

Sales Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		41,000	April 03	By Rakesh A/c		17,000
				April 03	By Devender A/c		5,000
				April 03	By Lalit A/c		8,000
				April 03	By Vijay A/c		6,000
				April 09	By Cash A/c		5,000
			41,000				41,000

Purchase Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 02	To Prabhat A/c		15,000	April 30	By Balance c/d		30,000
April 02	To Rajhans A/c		8,000				
April 02	To Passi A/c		7,000				
			30,000				30,000

Cheque in Hand Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 22	To Rakesh A/c		10,000	April 24	By Bank A/c		14,912
April 24	To Devender A/c		5,000	April 24	By Interest A/c		88
			<u>15,000</u>				<u>15,000</u>

Lalit Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 03	To Sales A/c		8,000	April 25	By Cash A/c		7,800
				April 25	By Discount A/c		200
			<u>8,000</u>				<u>8,000</u>

Vijay Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 03	To Sales A/c		6,000	April 11	By Sales Return A/c		1,000
				April 30	By Balance c/d		5,000
			<u>6,000</u>				<u>6,000</u>

Delivery Van Expenses Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 04	To Cash A/c		5,700	April 30	By Balance c/d		5,700
			<u>5,700</u>				<u>5,700</u>

Drawings Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 05	To Cash A/c		4,000	April 30	By Balance c/d		4,000
			<u>4,000</u>				<u>4,000</u>

Rajhans Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 16	To Purchase A/c		1,000	April 02	By Purchase A/c		8,000
April 30	To Balance c/d		7,000				
			<u>8,000</u>				<u>8,000</u>

Passi Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		7,000	April 02	By Purchase A/c		7,000
			<u>7,000</u>				<u>7,000</u>

Passi Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		7,000	April 02	By Purchase A/c		7,000
			<u>7,000</u>				<u>7,000</u>

Rakesh Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 03	To Sales A/c		17,000	April 11	By Sales Return		4,000
				April 22	By Cheque in Hand		10,000
				April 30	By Balance c/d		3,000
			<u>17,000</u>				<u>17,000</u>

Devender Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 03	To Sales A/c		5,000	April 22	By Cheque in Hand		5,000
			<u>5,000</u>				<u>5,000</u>

Trial Balance as on April 30, 2016

S. No.	Particulars	L.F.	Dr. ₹	Cr. ₹
i.	Cash		11,100	
ii.	Bank		74,914	
iii.	Capital			3,16,000
iv.	Premises		2,00,000	
v.	Deliver van		50,000	
vi.	Fixtures		5,000	
vii.	Stock		75,000	
viii.	Rajhans			7,000
ix.	Passi			7,000
x.	Rakesh		3,000	
xi.	Vijay		5,000	
xii.	Delivery Van expenses		5,700	
xiii.	Drawings		4,000	
xiv.	Expenses Payable			5,000
xv.	Rent		5,000	
xvi.	Purchase		30,000	
xvii.	Prabhat			11,000
xviii.	Jawahar			50,000
xix.	Vikas			35,000
xx.	Telephone Expenses payable			4,000
xxi.	Sales			41,000
xxii.	Salaries		7,000	
xxiii.	Sales Return		5,000	
xxiv.	Purchase Return			5,000
xxv.	Interest		86	
xxvi.	Discount		200	
			4,81,000	4,81,000

Question 40.

Write up the following transactions in the Journal of Ashok and post them to the ledger for April, 2016. Also, prepare a trail balance as on 30th April, 2016

2016		₹
April 01	Commenced business with cash	40,000
April 02	Deposited in bank	30,000
April 05	Bought goods for cash	5,000
April 07	Sold goods to Amit	2,500
April 09	Bought goods from Parvat	5,100
April 12	Received cash from Amit	1,960
	Discount allowed	50
April 13	Paid cash to Parvat	3,900
	Discount allowed by him	100
April 14	Received cash for goods sold	2,750
April 15	Bought goods from Dinesh	2,350
April 16	Withdrew cash for private expenses	1,000
April 17	Received cash from Amit and deposited into bank	5,00
April 20	Paid sundry trade expenses	250
April 25	Paid rent	450
April 28	Paid cash to Dinesh	2,300
	Discount received	50
April 29	Goods sold to Romy	4,750
April 30	Paid for carriage	50

Solution:

Book of Ashok
Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 April 01	Cash A/c Dr. To Capital A/c (Being started business with cash)		40,000	40,000
April 02	Bank A/C Dr. To Cash A/c (Being deposited into bank)		30,000	30,000
April 05	Purchase A/c Dr. To Cash A/c (Being bought goods for cash)		5,000	5,000
April 07	Amit A/c Dr. To Sales A/c (Being sold goods to Amit)		2,500	2,500
April 09	Purchase A/c Dr. To Parvat A/c (Being bought goods from Parvat)		5,100	5,100
April 12	Cash A/c Dr. Discount Allowed A/c Dr. To Amit A/c (Being cash received from Amit and discount allowed)		1,950 50	2,000
April 13	Parvat A/c Dr. To Cash A/c To Discount Received (Being paid cash to Parvat and discount received)		4,000	3,900 100

April 14	Cash A/c To Sales A/c (Being sold goods for cash)	Dr.		2,750	2,750
April 15	Purchase A/c To Dinesh A/c (Being bought goods from Dinesh)	Dr.		2,350	2,350
April 16	Drawings A/c To Cash A/c (Being cash drawn by proprietor)	Dr.		1,000	1,000
April 17	Bank A/c To Amit A/c (Being received cash from Amit and deposited into bank)	Dr.		500	500
April 20	Sundry Trade expenses A/c To Cash A/c (Being paid sundry trade expenses)	Dr.		250	250
April 25	Rent A/c To Cash A/c (Being paid rent by Cash)	Dr.		450	450
April 28	Dinesh A/c To Cash A/c To Discount Received A/c (Being Paid cash to Dinesh and discount received)	Dr.		2,350	2,300 50
April 29	Romy A/c To Sales A/c (Being goods sold to Romy)	Dr.		4,750	4,750
April 30	Carriage A/c To Cash A/c (Being paid carriage)	Dr.		50	50

Ledgers
Cash Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Capital A/c		40,000	April 02	By Bank A/c		30,000
April 12	To Amit A/c		1,950	April 05	By Purchase A/c		5,000
April 14	To Sales A/c		2,750	April 13	By Parvat A/c		3,900
				April 16	By Drawings A/c		1,000
				April 20	By Sundry Trade Exp A/c		250
				April 25	By Rent A/c		450
				April 28	By Dinesh A/c		2,300
				April 30	By Carriage A/c		50
				April 30	By Balance c/d		1,750
			44,700				44,700

Capital Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		40,000	April 01	By Cash A/c		40,000
			40,000				40,000

Purchase Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 07	To Cash A/c		5,000				
April 09	To Parvat A/c		5,100	April 30	By Balance c/d		12,450
April 28	To Dinesh A/c		2,350				
			12,450				12,450

Bank Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 02	To Cash A/c		30,000	April 30	By Balance c/d		30,500
April 17	To Amit A/c		500				
			30,500				30,500

Sales Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		10,000	April 07	By Amit A/c		2,500
				April 14	By Cash A/c		2,750
				April 29	By Romy A/c		4,750
			10,000				10,000

Amit Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 07	To Sales A/c		2,500	April 12	By Cash A/c		1,950
				April 12	By Discount Allowed A/c		50
				April 17	By Bank A/c		500
			2,500				2,500

Parvat Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 13	To Cash A/c		3,900	April 09	By Purchase A/c		5,100
April 13	To Discount Received A/c		100				
April 30	To Balance c/d		1,100				
			5,100				5,100

Discount Allowed Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 12	To Amit A/c		50	April 30	By Balance c/d		50
			50				50

Discount Received Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		150	April 13	By Parvat A/c		100
				April 28	By D A/c		50
			150				150

Dinesh Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 28	To Cash A/c		2,300	April 30	By Purchase A/c		2,350
April 28	To Discount Received A/c		50				
			2,350				2,350

Drawings Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 16	To Cash A/c		1,000	April 30	By Balance c/d		1,000
			1,000				1,000

Sundry Trade Expenses Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 20	To Cash A/c		250	April 30	By Balance c/d		250
			250				250

Rent Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 25	To Cash A/c		450	April 30	By Balance c/d		450
			450				450

Romy Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 29	To Sales A/c		4,750	April 30	By Balance c/d		4,750
			4,750				4,750

Carriage Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Cash A/c		50	April 30	By Balance c/d		50
			50				50

Trial Balance as on April 30, 2016			
Particulars	L.F.	Dr. ₹	Cr. ₹
Cash		1,750	
Capital			40,000
Purchase		12,450	
Bank		30,500	
Sales			10,000
Parvat			1,100
Discount allowed		50	
Discount received			150
Drawings		1,000	
Sundry trade expenses		250	
Rent		450	
Romy		4,750	
Carriage		50	
		51,250	51,250

Question 41.

Shri S.K. Gupta commenced business on 1st April, 2016 with a capital of ₹1,00,000 of which ₹60,000 was paid into his Bank Account and ₹40,000 retained as cash. His other transactions during the month were as follows:

2016		₹
April 02	Bought office furniture and fittings	20,000
April 05	Purchased goods	16,000
April 08	Purchased goods from Ramesh	1,100
April 12	Sold to Sameer	2,100
April 13	Purchased stationary for cash	1,800
April 13	Paid Ramesh in cash	1,000
	Discount received	100
April 17	Withdrawn cash for office use	4,000
April 18	Sen sold goods to us	3,000
April 19	Received cash from Sameer	2,000
	Allowed him discount	100
April 20	Sold to raj Banwari	4,000
April 28	Cash sales	1,400
April 30	Paid salary	800
April 30	Paid rent	500
April 30	Paid general trade expenses	200
April 30	Paid cash into bank	2,000

Journalise the above transactions and post them to the ledger.

Solution:

Books of Shri S.K. Gupta
Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 April 01	Cash A/c Dr. Bank A/c To Capital A/c (Being commenced business with cash and bank)		40,000 60,000	1,00,000
April 02	Furniture and Fittings A/c Dr. To Cash A/c (Being bought furniture and fittings)		20,000	20,000
April 05	Purchase A/c Dr. To Cash A/c (Being bought goods in cash)		16,000	16,000
April 08	Purchase A/c Dr. To Ramesh A/c (Being goods from Ramesh)		1,100	1,100
April 12	Sameer A/c Dr. To Sales A/c (Being sold goods to Sameer)		2,100	2,100
April 13	Stationary A/c Dr. To Cash A/c (Being stationary for cash)		1,800	1,800
April 13	Ramesh A/c Dr. To Cash A/c To Discount Received A/c (Being paid to Ramesh and discount received)		1,100	1,000 100

April 17	Cash A/c To Bank A/c (Being withdrawn cash for office use)	Dr.		4,000	4,000
April 18	Purchase A/c To Sen A/c (Being bought goods from Sen)	Dr.		3,000	3,000
April 19	Cash A/c Discount Allowed A/c To Sameer A/c (Being cash received from Sameer and discount allowed)	Dr. Dr.		2,000 100	2,100
April 20	Raj Banwari A/c To Sales A/c (Being sold to Raj Banwari)	Dr.		4,000	4,000
April 28	Cash A/c To Sales A/c (Being sold goods for cash)	Dr.		1,400	1,400
April 30	Salary A/c Rent A/c General Trade Expenses A/c To Cash A/c (Being paid salary, rent and general trade Expenses)	Dr. Dr. Dr.		800 500 200	1,500
April 30	Bank A/c To Cash A/c (Being Paid cash to Dinesh and discount Received)	Dr.		2,000	2,000

Ledgers
Furniture and Fitting Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 02	To Cash A/c		20,000	April 30	By Balance c/d		20,000
			20,000				20,000

Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Capital A/c		40,000	April 02	By Furniture and Fitting A/c		20,000
April 17	To Bank A/c		4,000	April 05	By Purchase A/c		16,000
April 19	To Sameer A/c		2,000	April 13	By Stationary A/c		1,800
April 28	To Sales A/c		1,400	April 13	By Ramesh A/c		1,000
				April 30	By Salary A/c		800
				April 30	By Rent A/c		500
				April 30	By General Trade Exp. A/c		200
				April 30	By Bank A/c		2,000
				April 30	By Balance c/d		5,100
			47,400				47,400

Purchase Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 05	To Cash A/c		16,000	April 30	By Balance c/d		20,100
April 08	To Ramesh A/c		1,100				
April 18	To Sen A/c		3,000				
			20,100				20,100

Ramesh Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 13	To Cash A/c		1,000	April 08	By Purchase A/c		1,100
April 04	To Discount received A/c		100				
			1,100				1,100

Sameer Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 12	To Sales A/c		2,100	April 19	By Cash A/c		2,000
				April 19	By Discount Allowed A/c		100
			2,100				2,100

Bank Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Capital A/c		60,000	April 17	By Cash A/c		4,000
April 30	To Cash A/c		2,000	April 30	By Balance c/d		58,000
			<u>62,000</u>				<u>62,000</u>

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		1,00,000	April 01	By Cash A/c		60,000
				April 01	By Bank A/c		40,000
			<u>1,00,000</u>				<u>1,00,000</u>

Raj Banwari Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 20	To Sales A/c		4,000	April 30	By Balance c/d		4,000
			<u>4,000</u>				<u>4,000</u>

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		7,500	April 12	By Sameer A/c		2,100
				April 20	By Raj Banwari A/c		4,000
				April 28	By Cash A/c		1,400
			<u>7,500</u>				<u>7,500</u>

Salary Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Cash A/c		800	April 30	By Balance c/d		800
			<u>800</u>				<u>800</u>

Rent Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Cash A/c		500	April 30	By Balance c/d		500
			<u>500</u>				<u>500</u>

Stationery Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 13	To Cash A/c		1,800	April 30	By Balance c/d		1,800
			1,800				1,800

Discount Received Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		100	April 13	By Ramesh A/c		100
			100				100

Sen Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		3,000	April 18	By Purchase A/c		3,000
			3,000				3,000

Discount Allowed Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 19	To Sameer A/c		100	April 30	By Balance c/d		100
			100				100

General Trade Expenses Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Cash A/c		200	April 30	By Balance c/d		200
			200				200

Trial Balance as on April 30, 2016

Particulars	L.F.	Dr. ₹	Cr. ₹
Cash		5,100	
Bank		58,000	
Capital			1,00,000
Furniture and Fittings		20,000	
Purchases		20,100	
Raj Banwari		4,000	
Sales			7,500
Salary		800	
Rent		500	
Stationary		1,800	
Discount Received			100
Sen			3,000
Discount Allowed		100	
General Trade Expenses		200	
		1,10,600	1,10,600

Question 42.

Journalise the following transactions, post to the ledger and prepare a trial balance to check its arithmetical accuracy:

2016		₹
April 01	Commenced business with cash	18,000
April 02	Deposited into bank	5,000
April 03	Bought goods for cash	2,500
April 05	Bought goods from Shyamlal	7,320
April 10	Sold goods for cash	1,630
April 11	Paid cash into bank	2,500
April 13	Bought furniture for cash	300
April 15	Sold goods to Vinod	1,280
April 16	Received cash from Vinod	1,232
	Allowed him discount	48
April 17	Paid cash to Shyamlal	1,000
	Discount received	25
April 18	Paid wages	18
April 20	Sold goods to Jagdish Chand	3,600
April 21	Paid cash for trade expenses	15
April 22	Sold goods to Radhey Shyam	2,338
April 23	Received from Jagdish Chand	2,000
	Allowed him discount	50
April 25	Paid cash to Shyamlal on account	2,000
April 27	Cash sales	300
April 28	Paid cash for stationary	17
April 29	Paid cash for miscellaneous expenses	16
April 30	Bought goods from Ram and Co.	1,683
April 30	Withdrew cash for private expenses	150

Solution:

Journal

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2016 April 01	Cash A/c To Capital A/c (Being started business with cash)	Dr.	18,000	18,000
April 02	Bank A/c To Cash A/c (Being deposited into bank)	Dr.	5,000	5,000
April 03	Purchase A/c To Cash A/c (Being bought goods for cash)	Dr.	2,500	2,500
April 05	Purchase A/c To Shyamlal (Being bought goods for cash)	Dr.	7,320	7,320
April 10	Cash A/c To Sales A/c (Being sold goods for cash)	Dr.	1,630	1,630
April 11	Bank A/c To Cash A/c (Being paid cash into bank)	Dr.	2,500	2,500
April 13	Furniture A/c To Cash A/c (Being bought furniture for cash)	Dr.	300	3,00
April 15	Vinod A/c To Sales A/c (Being sold goods to Vinod)	Dr.	1,280	1,280

April 16	Cash A/c Discount Allowed A/c To Vinod A/c (Being cash received from Vinod and discount allowed)	Dr. Dr.	1,232 48	1,280
April 17	Shyamlal A/c To Cash A/c To Discount Received A/c (Being paid Shyam Lal cash and discount received)	Dr.	1,025	1,000 25
April 18	Wages A/c To Cash A/c (Being wages paid)	Dr.	18	18
April 20	Jagdish Chand A/c To Sales A/c (Being sold goods to Jagdish Chand)	Dr.	3,600	3,600
April 21	Trade Expenses A/c To Cash A/c (Being paid from expenses)	Dr.	15	15
April 22	Radhey Shyam A/c To Sales A/c (Being sold goods to Radhey Shyam)	Dr.	2,338	2,338
April 23	Cash A/c Discount Allowed A/c To Jagdish Chand A/c (Being cash received from Jagdish Chand and discount allowed)	Dr. Dr.	2,000 50	2,050
April 25	Shyamlal A/c To Cash A/c (Being paid to Shyamlal)	Dr.	2,000	2,000

April 27	Cash A/c To Sales A/c (Being sold goods for cash)	Dr.	300	300
April 28	Stationary A/c To Cash A/c (Being paid stationary expenses)	Dr.	17	17
April 29	Miscellaneous Expenses A/c To Cash A/c (Being paid miscellaneous expenses)	Dr.	16	16
April 30	Purchase A/c To Ram and Co. A/c (Being bought goods from ram andco.)	Dr.	1,683	1,683
April 30	Drawings A/c To Cash A/c (Being withdrew cash for private expenses)	Dr.	150	150

Ledgers
Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		18,000	April 01	By Cash A/c		18,000
			<u>18,000</u>				<u>18,000</u>

Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 01	To Capital A/c		18,000	April 02	By Bank A/c		5,000
April 10	To Sales A/c		1,630	April 03	By Purchase A/c		2,500
April 16	To Vinod A/c		1,232	April 11	By Bank A/c		2,500
April 23	To Jagdish Chand A/c		2,000	April 11	By Furniture A/c		300
April 27	To Sales A/c		300	April 17	By Shyamlal A/c		1,000
				April 18	By Wages A/c		18
				April 21	By Trade expenses A/c		15
				April 25	By Shyam Lal A/c		2,000
				April 28	By Stationary A/c		17
				April 29	By Miscellaneous exp. A/c		16
				April 30	By Drawings A/c		150
				April 30	By Balance c/d		9,646
			<u>23,162</u>				<u>23,162</u>

Bank Account

Dr.				Cr.			
Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 02	To Cash A/c		5,000	April 30	By Balance c/d		7,500
April 11	To Cash A/c		2,500				
			<u>7,500</u>				<u>7,500</u>

Furniture Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 13	To Cash A/c		300	April 30	By Balance c/d		300
			300				300

Purchase Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 03	To Cash A/c		2,500	April 30	By Balance c/d		11,503
April 05	To Shyam Lal A/c		7,320				
April 30	To Ram and Co. A/c		1,683				
			11,503				11,503

Shyamlal Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 17	To Cash A/c		1,000	April 05	By Purchase A/c		7,320
April 17	To Discount received A/c		25				
April 25	To Cash A/c		2,000				
April 30	To Balance c/d		4,295				
			7,320				7,320

Sales Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		9,148	April 10	By Cash A/c		1,630
				April 15	By Vinod A/c		1,280
				April 20	By Jagdish Chand A/c		3,600
				April 23	By Radhey Shyam A/c		2,338
				April 27	By Cash A/c		300
			<u>9,148</u>				<u>9,148</u>

Vinod Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 15	To Sales A/c		1,280	April 16	By Cash A/c		1,232
					By Discount allowed A/c		48
			<u>1,280</u>				<u>1,280</u>

Discount Allowed Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 16	To Vinod A/c		48	April 30	By Balance c/d		98
April 26	To Jagdish A/c		50				
			<u>98</u>				<u>98</u>

Discount Received Account

Dr.

Cr.

Date	particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		25	April 17	By Shyamlal A/c		25
			<u>25</u>				<u>25</u>

Wages Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 18	To Cash A/c		18	April 30	By Balance c/d		18
			<u>18</u>				<u>18</u>

Jagdish Chand Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 20	To Sales A/c		3,600	April 23	By Cash A/c		2,000
				April 23	By Discount Allowed A/c		50
				April 30	By Balance c/d		1,550
			<u>3,600</u>				<u>3,600</u>

Trade Expenses Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 21	To Cash A/c		15	April 31	By Balance c/d		15
			15				15

Radhey Shyam Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 22	To Sales A/c		2,338	April 30	By Balance c/d		2,338
			2,338				2,338

Stationary Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 28	To Cash A/c		17	April 30	By Balance c/d		17
			17				17

Miscellaneous Expenses Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 29	To Cash A/c		16	April 30	By Balance b/d		16
			16				16

Ram and Co. Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Balance c/d		1,683	April 30	By Purchase A/c		1,683
			1,683				1,683

Drawings Account

Dr.

Cr.

Date	Particulars	J.F.	₹	Date	Particulars	J.F.	₹
2016				2016			
April 30	To Cash A/c		150	April 30	By Balance c/d		150
			150				150

Trial Balance as on April 30, 2016

Particulars	L.F.	Dr. ₹	Cr. ₹
Capital			18,000
Cash		9,646	
Bank		7,500	
Furniture		300	
Discount allowed		98	
Discount received			25
Purchase		11,503	
Shyamlal			4,295
Sales			9,148
Wages		18	
Jagdish		1,550	
Trade expenses		15	
Radhey Shyam		2,338	
Stationary		17	
Miscellaneous expenses		16	
Ram and co.			1,683
Drawings		150	
		33,151	33,151