

Q.1 Journalise the following transactions, post them into Ledger, balance the accounts and prepare a Trial Balance: –

2017		(₹)
March 1	Shyam Sunder & Sons commenced business with cash	80,000
2	Purchased goods for cash	36,000
3	Machinery purchased for cash	4,000
4	Purchased goods from:	
	Raghu	22,000
	Dilip	30,000
6	Returned goods to Raghu	4,000
8	Paid to Raghu, in full settlement of his account	17,500
10	Sold goods to Mahesh Chand & Co. for ₹ 32,000 at 5% trade discount	
13	Received cash from Mahesh Chand & Co.	19,800
	Discount allowed	200
15	Paid cash to Dilip	14,850
	Discount received	150
20	Sold goods for cash	25,000
24	Sold goods for cash to Sudhir Ltd.	18,000
25	Paid for Rent	1,500
26	Received for Commission	2,000
28	Withdrawn by Proprietor for his personal use	5,000
28	Purchased a fan for Proprietor's house	1,200

The solution for this question is as follows:

Journal Books				
Date 2017	Particulars	L.F.	Debit ₹	Credit ₹
March				
1	Cash A/c	Dr.	80,000	
	To Capital A/c (Started business with cash)			80,000
2	Purchases A/c	Dr.	36,000	
	To Cash A/c (Purchased goods with cash)			36,000
3	Machinery A/c	Dr.	4,000	
	To Cash A/c (Purchased machine with cash)			4,000
4	Purchases A/c	Dr.	52,000	
	To Raghu's A/c To Dilip's A/c (Purchased goods on credit from Dilip and Raghu)			22,000 30,000
6	Raghu's A/c	Dr.	4,000	
	To Purchases Return A/c (Returned goods to Raghu)			4,000
8	Raghu's A/c	Dr.	18,000	
	To Cash A/c To Discount Received A/c (Paid full settlement cash to Raghu)			17,500 500
10	Mahesh Chand & Co.	Dr.	30,400	
	To Sales A/c			30,400
	(Sold goods to Mahesh Chand & Co. at trade discount)			

13	Cash A/c Discount Allowed A/c	Dr. Dr.		19,800 200	
	To Mahesh Chand & Co. (Received cash from Mahesh Chand & Co.)				20,000
15	Dilip's A/c	Dr.		15,000	
	To Cash A/c To Discount Received A/c (Paid cash to Dilip)				14,850 150
20	Cash A/c	Dr.		25,000	
	To Sales A/c (Sold goods for cash)				25,000
24	Cash A/c	Dr.		18,000	
	To Sales A/c (Sold goods for cash)				18,000
25	Rent A/c	Dr.		1,500	
	To Cash A/c (Paid rent)				1,500
26	Cash A/c	Dr.		2,000	
	To Commission A/c (Receive commission)				2,000
28	Drawings A/c	Dr.		6,200	
	To Cash A/c (Withdrawn cash and purchased fan for personal use)				6,200
	TOTAL			3,12,100	3,12,100

Cash Account

Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			

1	Capital A/c		80,000	2	Purchases A/c		36,000
13	Mahesh Chand & Co.		19,800	3	Machinery A/c		4,000
20	Sales A/c		25,000	8	Raghu's A/c		17,500
24	Sales A/c		18,000	15	Dilip's A/c		14,850
26	Commission A/c		2,000	25	Rent A/c		1,500
				28	Drawings A/c		6,200
				31	Balance c/d		64,750
			1,44,800				1,44,800
2017							
Apr.1	Balance b/d		64,750				

Capital Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			
31	Balance c/d		80,000	1	Cash A/c		80,000
			80,000				80,000
				Apr.1	Balance b/d		80,000

Purchases Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			

2	Cash A/c		36,000	31	Balance c/d		88,000
4	Raghu's A/c		22,000				
	Dilip's A/c		30,000				
			88,000				88,000
Apr.1	Balance b/d		88,000				

Machinery Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			
3	Cash A/c		4,000	31	Balance c/d		4,000
			4,000				4,000
Apr.1	Balance b/d		4,000				

Raghu's Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			
6	Purchases Return A/c		4,000	4	Purchases A/c		22,000
8	Cash A/c		17,500				
	Discount Received A/c		500				
			22,000				22,000

Dilip's Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			
15	Cash A/c		14,850	4	Purchases A/c		30,000
15	Discount Received A/c		150				
31	Balance c/d		15,000				
			30,000				30,000
				Apr.1	Balance b/d		15,000

Purchases Return Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			
31	Balance c/d		4,000	6	Raghu's A/c		4,000
			4,000				4,000
				Apr.1	Balance b/d		4,000

Discount Received Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
March				2017			
31	Balance c/d		650	8	Raghu's A/c		500
				15	Dilip's A/c		150

		650	
			Apr. 1
			Balance b/d
			650

Discount Allowed Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			
13	Mahesh Chand & Co.		200	31	Balance c/d		200
			200				200
Apr.1	Balance b/d		200				

Mahesh Chand & Co.

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			
10	Sales A/c		30,400	13	Cash A/c		19,800
				13	Discount Allowed A/c		200
				31	Balance c/d		10,400
			30,400				30,400
Apr.1	Balance b/d		10,400				

Rent Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount	Date	Particulars	J.F.	Amount

2017			₹				₹
March				March			
25	Cash A/c		1,500	31	Balance c/d		1,500
			1,500				1,500
Apr.1	Balance b/d		1,500				

Commission Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			
31	Balance c/d		2,000	26	Cash A/c		2,000
			2,000				2,000
				Apr.1	Balance b/d		2,000

Drawings Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			
28	Cash A/c		6,200	31	Balance c/d		6,200
Apr.1	Balance b/d		6,200				

Sales Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			
31	Balance c/d		73,400	10	Mahesh Chand & Co.		30,400
				20	Cash A/c		25,000
				24	Cash A/c		18,000
			73,400				73,400
				Apr.1	Balance b/d		73,400

Trial Balance as on March 31, 2017

Name of Accounts	L.F.	Debit Balances ₹	Credit Balance ₹
Cash A/c		64,750	
Capital A/c			80,000
Purchases A/c		88,000	
Machinery A/c		4,000	
Dilip's A/c			15,000
Purchases Return A/c			4,000
Discount Received A/c			650
Discount Allowed A/c		200	
Mahesh Chand & Co.		10,400	
Rent A/c		1,500	

Commission A/c			2,000
Drawings A/c		6,200	
Sales A/c			73,400
Total		1,75,050	1,75,050

Question 2 Following balances appeared in the books of Ram & Shyam on January 1, 2017: –

Assets: Cash in hand ₹ 30,000; Stock ₹ 36,000; Lal Chand ₹ 7,600; Mukesh Khanna ₹ 16,200; Furniture ₹ 8,000.

Liabilities: Ghanshyam ₹ 6,000; Vinod ₹ 8,000.

Following transactions took place during Jan. 2017:–

2017	
Jan. 2	Purchased Typewriter for ₹ 7,500.
4	Sold goods for Cash of the list price of ₹ 25,000 at 20% trade discount and 5% Cash discount.
6	Sold goods to Gopal Seth for ₹ 10,000.
8	Gopal Seth returned goods for ₹ 1,500.
12	Purchased goods from Arun ₹ 12,000; and from Varun ₹ 15,000.
13	Settled Arun's account in full after deducting 5% for cash discount.
14	Paid cash to Ghanshyam in full settlement of his account.
16	Received ₹ 7,500 from Lal Chand in full settlement of his account.
17	Purchased a Scooter for office use ₹ 18,000.
20	Sold goods for cash ₹ 20,000.
22	Received from Gopal Seth ₹ 4,850 and discount allowed ₹ 150.
27	Paid for Wages ₹ 7,000 and Salaries ₹ 3,000.
28	Withdrew goods for ₹ 2,000 and Cash ₹ 1,500 for private use.
29	Paid for Life Insurance Premium of the Proprietor ₹ 1,600.

Journalise the above transactions, post them into Ledger, balance them and prepare a Trial Balance.

The solution for this question is as follows:

Journal Books of Ram & Shyam					
Date 2017	Particulars		L.F.	Debit ₹	Credit ₹
Jan.					
1	Cash in hand A/c Stock A/c Lal Chand's A/c Mukesh Khanna's A/c Furniture A/c	Dr. Dr. Dr. Dr. Dr.		30,000 36,000 7,600 16,200 8,000	
	To Ghanshyam's A/c To Vinod's A/c To Capital A/c (<i>Balancing figure</i>) (Opening entry made)				6,000 8,000 83,800
2	Office Equipment A/c	Dr.		7,500	
	To Cash A/c (Purchased typewriter)				7,500
4	Cash A/c Discount Allowed A/c	Dr. Dr.		19,000 1,000	
	To Sales A/c (Sold goods at 20% trade discount for cash)				20,000
6	Gopal Seth's A/c	Dr.		10,000	
	To Sales A/c (Sold goods to Gopal Seth on credit)				10,000

8	Sales Return A/c	Dr.		1,500	
	To Gopal Seth's A/c (Returned goods)				1,500
12	Purchases A/c	Dr.		27,000	
	To Arun's A/c To Varun's A/c (Purchased goods on credit)				12,000 15,000
13	Arun's A/c	Dr.		12,000	
	To Cash A/c To Discount Received A/c (Paid full settlement cash to Arun)				11,400 600
14	Ghanshyam's A/c	Dr.		6,000	
	To Cash A/c (Paid cash to Ghanshyam)				6,000
16	Cash A/c Discount Allowed A/c	Dr. Dr.		7,500 100	
	To Lal Chand's A/c (Cash received and discount allowed)				7,600
17	Scooter A/c	Dr.		18,000	
	To Cash A/c (Purchased scooter)				18,000
20	Cash A/c	Dr.		20,000	
	To Sales A/c (Sold goods for cash)				20,000
22	Cash A/c Discount Allowed A/c	Dr. Dr.		4,850 150	
	To Gopal Seth's A/c (Received cash and allowed discount)				5,000
27	Wages A/c Salaries A/c	Dr. Dr.		7,00 3,000	

	To Cash A/c (Paid wages and salaries)				10,000
28	Drawings A/c	Dr.		3,500	
	To Purchases A/c				2,000
	To Cash A/c (Withdrawn amount)				1,500
29	Drawings A/c	Dr.		1,600	
	To Cash A/c (Life insurance premium paid)				1,600
	TOTAL			2,47,500	2,47,500

Cash Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan				Jan			
1	Balance c/d		30,000	2	Typewriter A/c		7,500
4	Sales A/c		19,000	13	Arun's A/c		11,400
6	Lal Chand's A/c		7,500	14	Ghanshyam's A/c		6,000
20	Sales A/c		20,000	17	Scooter A/c		18,000
26	Gopal Seth's A/c		4,850	27	Wages A/c		7,000
				27	Salaries A/c		3,000
				28	Drawings A/c		1,500
				29	Drawings A/c		1,600
				31	Balance c/d		25,350

			81,350				81,350
Feb.1	Balance b/d		25,350				

Stock Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan				Jan			
1	Balance b/d		36,000	J31	Balance c/d		36,000
			36,000				36,000
Feb.1	Balance b/d		36,000				

Lal Chand's A/c

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan				Jan			
1	Balance b/d		7,600	6	Cash A/c		7,500
					Discount Allowed		100
			7,600				7,600

Mukesh Khanna's A/c

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan				Jan			

1	Balance b/d		16,200	31	Balance c/d		16,200
			16,200				16,200
Jan. 1	Balance b/d		16,200				

Furniture Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
1	Balance b/d		8,000	31	Balance c/d		8,000
			8,000				8,000
Feb. 1	Balance b/d		8,000				

Ghanshyam's A/c

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				2017			
14	Cash A/c		6,000	1	Balance b/d		6,000
			6,000				6,000

Vinod's A/c

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan				Jan			

31	Balance c/d		8,000	J1	Balance b/d		8,000
			8,000				8,000
				Feb.1	Balance b/d		8,000

Capital Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
31	Balance c/d		83,800	1	Balance b/d		83,800
			83,800				83,800
				Feb.1	Balance b/d		83,800

Office Equipment Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
2	Cash A/c		7,500	31	Balance c/d		7,500
			7,500				7,500
Feb.1	Balance b/d		7,500				

Discount Allowed Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹

Jan.				Jan.			
4	Sales A/c		1,000	31	Balance c/d		1,250
16	Lal Chand's A/c		100				
22	Gopal Seth's A/c		150				
			1,250				1,250
Feb.1	Balance b/d		1,250				

Sales Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
31	Balance c/d		50,000	4	Cash A/c		19,000
				4	Discount Allowed A/c		1,000
				6	Gopal Seth's A/c		10,000
				20	Cash A/c		20,000
			50,000				50,000
				2017			
				Feb.1	Balance b/d		50,000

Gopal Seth's A/c

Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
6	Sales A/c		10,000	8	Sales Return A/c		1,500
				22	Cash A/c		4,850
				22	Discount Allowed		150
				31	Balance c/d		3,500
			10,000				10,000
Feb.1	Balance b/d		3,500				

Sales Return Account

Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
8	Gopal Seth's A/c		1,500	31	Balance c/d		1,500
			1,500				1,500
1	Balance b/d		1,500				

Purchases Account

Dr.							Cr.
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Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
12	Arun's A/c		12,000	28	Drawings A/c		2,000
	Varun's A/c		15,000	31	Balance c/d		25,000
			27,000				27,000
Feb.1	Balance b/d		25,000				

Arun's A/c

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
13	Cash A/c		11,400	12	Purchases A/c		12,000
13	Discount Received A/c		600				
			12,000				12,000

Varun's A/c

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
31	Balance c/d		15,000	12	Purchases A/c		15,000
			15,000				15,000
				Feb. 1	Balance b/d		15,000

Discount Received Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
31	Balance c/d		600	J13	Arun's A/c		600
			600				600
				1	Balance b/d		600

Scooter Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
17	Cash A/c		18,000	31	Balance c/d		18,000
			18,000				18,000
Feb.1	Balance b/d		18,000				

Wages Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
27	Cash A/c		7,000	31	Balance c/d		7,000
			7,000				7,000

Feb.1	Balance b/d		7,000				

Salaries Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
27	Cash A/c		3,000	31	Balance c/d		3,000
			3,000				3,000
Feb.1	Balance b/d		3,000				

Drawings Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
28	Purchases A/c		2,000	31	Balance c/d		5,100
28	Cash A/c		1,500				
.29	Cash A/c		1,600				
			5,100				5,100
Feb.1	Balance b/d		5,100				

Trial Balance as on Jan. 31, 2017

Name of Accounts	L.F.	Debit Balances ₹	Credit Balances ₹
Cash A/c		25,350	—

Stock A/c		36,000	–
Mukesh Khanna's A/c		16,200	–
Furniture A/c		8,000	–
Vinod's A/c		–	8,000
Capital A/c		–	83,800
Office Equipment A/c		7,500	–
Discount Allowed A/c		1,250	–
Sales A/c		–	50,000
Gopal Seth's A/c		3,500	–
Sales Return A/c		1,500	–
Purchases A/c		25,000	–
Varun's A/c		–	15,000
Discount Received A/c		–	600
Scooter A/c		18,000	–
Wages A/c		7,000	–
Salaries A/c		3,000	–
Drawings A/c		5,100	–
Total		1,57,400	1,57,400

Question 3 Prepare Journal Entries of the following postings:-

(I) Dr.	PURCHASES A/C		Cr.
	₹		₹
To Cash A/c	2,000		
(II) Dr.	SALARIES A/C		Cr.

	₹		₹
To Cash A/c	1,500		
(III) Dr.	INTEREST A/C		Cr.
	₹		₹
		By Cash A/c	800
(IV) Dr.	MOHAN		Cr.
	₹		₹
To Cash A/c	5,000		

The solution for this question is as follows:

Journal Books				
Date	Particulars	L.F.	Debit ₹	Credit ₹
(I)	Purchases A/c	Dr.	2,000	
	To Cash A/c			2,000
	(Purchased goods with cash f)			
(II)	Salaries A/c	Dr.	1,500	
	To Cash A/c			1,500
	(Paid salary in cash)			
(III)	Cash A/c	Dr.	800	
	To Interest A/c			800
	(Interest received in cash)			
(IV)	Mohan's A/c	Dr.	5,000	

	To Cash A/c				5,000
	(Paid cash to Mohan)				

Question 4 Enter the following transactions in a Double Column Cash Book and Journal Proper and post them into Ledger :

May 1	Balance of Cash in Hand ₹ 12,400; Bank Overdraft ₹ 36,000.
3	Direct deposit by Mr. Ganesh in our bank account ₹ 10,000. Discount allowed ₹ 200.
5	Issued a cheque of ₹ 7,700 to Mr. Suresh in full settlement of his account of ₹ 8,000.
6	Received a cheque from X for ₹ 12,000. Discount allowed ₹ 500. This cheque was deposited into bank on 7th May.
8	Received Cash ₹ 22,000 and cheque of ₹ 8,000 for cash sale.
12	Cash sale ₹ 70,000 of which ₹ 55,000 banked.
15	Cheque received on 8th May endorsed to Mr. Sunil. Discount received ₹ 150.
20	Discounted a B/R of ₹ 10,000 at 1% through bank.
24	Cheque received from X dishonoured, Bank debits ₹ 20 in respect of bank charges.
25	Purchased goods for ₹ 50,000 at a trade discount of 10%. Payment was made in cash.
26	Withdrew from bank ₹ 10,000 for office use and ₹ 2,000 for personal use.
31	Interest debited by Bank ₹ 4,500.

The solution for this question is as follows:

Cash Book	
Dr.	

Date May	Particulars	L.F.	Cash ₹	Bank ₹	Date May	Particulars	L.F.	Cash ₹	Bank ₹
1	Balance b/d		12,400	–	1	Balance b/d		–	36,000
3	Ganesh's A/c		–	10,000	5	Suresh's A/c		–	7,700
7	Cheques-in-hand A/c		–	12,000	24	X's A/c		–	12,000
8	Sales A/c		22,000	–	24	Bank Charges A/c		–	20
12	Sales A/c		15,000	55,000	25	Purchases A/c		45,000	–
20	Bills Receivable A/c		–	9,900	26	Cash A/c	C	–	10,000
26	Bank A/c	C	10,000	–	26	Drawings A/c		–	2,000
					31	Interest A/c		–	4,500
					31	Balance c/d		14,400	14,680
			59,400	86,900				59,400	86,900
June 1	Balance b/d		14,400	14,680					

Journal

Date	Particulars	L.F.	Debit ₹	Credit ₹
May 6	Cheques-in-Hand A/c	Dr.	12,000	
	Discount Allowed A/c	Dr.	500	

	To X's A/c (Received cheque from X but not deposited)				12,500
May 8	Cheques-in-Hand A/c	Dr.		8,000	
	To Sales A/c (Received cheque from sales but not deposited)				8,000
May 15	Sunil's A/c	Dr.		8,150	
	To Cheques-in-Hand A/c To Discount Received A/c (Received sales cheque endorsed to Sunil)				8,000 150
May 20	Discounting Charges A/c	Dr.		100	
	To Bills Receivable A/c (Receivable bill discounted with bank)				100
May 24	X's A/c	Dr.		500	
	To Discount Allowed A/c (Discount was cancelled)				500

Discount Allowed Account

Dr.				Cr.			
Date May	Particulars	J.F.	Amount ₹	Date May	Particulars	J.F.	Amount ₹
3	Ganesh's A/c		200	24	X's A/c		500
6	X's A/c		500	31	Balance c/d		200
			700				700
June 1	Balance b/d		200				

Discount Received Account

Dr.					Cr.		
Date	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹

May 31	Balance c/d		450	May 5	Suresh's A/c		300
				May 15	Sunil's A/c		150
			450				450
				June 1	Balance b/d		450

Cheques-in-Hand Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
May 6	X's A/c		12,000	May 7	Bank A/c		12,000
May 8	Sales A/c		8,000	May 15	Sunil's A/c		8,000
			20,000				20,000

Discounting Charges Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
May 20	Bills Receivable A/c		100	May 31	Balance c/d		100
			100				100
June 1	Balance b/d		100				

Bills Receivable Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
May 31	Balance c/d		10,000	May 20	Bank A/c		9,900

				May 20	Discounting Charges A/c		100
			10,000				10,000
				June 1	Balance b/d		100

Ganesh's Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
May 31	Balance c/d		10,200	May 3	Bank A/c		10,000
				May 3	Discount Allowed A/c		200
			10,200				10,200
				June 1	Balance b/d		10,200

X's Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
May 24	Discount Allowed A/c		500	May 6	Cheques-in-Hand A/c		12,000
May 24	Bank A/c		12,000	May 6	Discount Allowed A/c		500
			12,500				12,500

Suresh's Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
May 5	Bank A/c		7,700	May 31	Balance c/d		8,000
May 5	Discount Received A/c		300				
			8,000				8,000
June 1	Balance b/d		8,000				

Sales Account							
Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
May 31	Balance c/d		1,00,000	May 8	Cash A/c		22,000
				May 8	Cheques-in-Hand A/c		8,000
				May 15	Cash A/c		15,000
				May 15	Bank A/c		55,000
			1,00,000				1,00,000
				June 01	Balance b/d		1,00,000

Bank Charges Account							
Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹

May 24	Bank A/c		20	May 31	Balance c/d		20
			20				20
June 1	Balance b/d		20				

Purchases Account							
Dr.							Cr.
Date	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
May 25	Bank A/c		45,000	May 31	Balance c/d		45,000
			45,000				45,000
June 1	Balance b/d		45,000				

Drawings Account							
Dr.							Cr.
Date	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
May 26	Bank A/c		2,000	May 31	Balance c/d		2,000
			2,000				2,000
June 1	Balance b/d		2,000				

Interest Account							
Dr.							Cr.
Date	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹

May 31	Bank A/c		4,500	May 31	Balance c/d		4,500
			4,500				4,500
June 1	Balance b/d		4,500				

Sunil's Account

Dr.							Cr.
Date	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
May 15	Cheques-in-Hand A/c		8,000	May 31	Balance c/d		8,150
May 15	Discount Received A/c		150				
			8,150				8,150
June 1	Balance b/d		8,150				

Q.5 Record the following transaction in the Purchases Book of Modern Furniture House, New Delhi assuming CGST @ 6% and SGST @ 6% and post it into Ledger:

2017	
Nov. 3	Purchased goods from Sachdeva Furniture Store, New Delhi:
	50 Chairs @ ₹ 2,000 each
	5 Tables @ ₹ 10,000 each
	<i>Less: 10% Trade Discount</i>
10	Purchased furniture from Mahadeva & Co., Jaipur (Rajasthan) valued ₹ 2,00,000, less 12% Trade Discount.
18	Purchased furniture from Fashion Furniture House, Chandigarh of the list price of ₹ 2,50,000, less 15%.

20	Purchased from India Furniture House, New Delhi:
	100 Chairs @ ₹ 1,800 each
25	Purchased from Mohan Lal & Sons furniture of the value of ₹ 20,000 for cash.

The solution for this question is as follows:

Purchases Book of Modern Furniture House, New Delhi								
Date 2017	Particulars	L.F.	Details ₹	Purchases ₹	Input CGST ₹	Input SGST ₹	Input IGST ₹	Total ₹
2017								
Nov. 03	Sachdeva Furniture Store, New Delhi							
	50 Chairs @ Rs 2,000 each		1,00,000					
	05 Tables @ Rs 10,000 each		50,000					
			1,50,000					
	<i>Less: 10% Trade Discount</i>		15,000					
			1,35,000					
	<i>Add: 12% IGST</i>		16,200					

			1,51,200	1,35,000	–	–	16,200	1,51,200
Nov. 10	Mahadeva & Co., Jaipur (Rajasthan)		2,00,000					
	<i>Less: 21% Trade Discount</i>		25,000					
			1,75,000					
	<i>Add: 6% CGST</i>		10,500					
	6% SGST		10,500					
			1,96,000	1,75,000	10,500	10,500	–	1,96,000
Nov. 18	Fashion Furniture House, Chandigarh (Punjab)		2,50,000					
	<i>Less: 15% Discount</i>		37,500					
			2,12,500					
	<i>Add: 6% CGST</i>		12,750					
	6% SGST		12,750					
			2,38,000	2,12,500	12,750	12,750	–	2,38,000
Nov. 20	India Furniture House, New Delhi							
	100 Chairs @ 1,800 each		1,80,000					
	<i>Add: 12% IGST</i>		21,600					
			2,01,600	1,80,000	–	–	21,600	2,01,600
Nov. 30	Purchases A/c	Dr.		7,02,500	23,250	23,250	37,800	7,86,800
Purchases Account								
Dr.								Cr.

Date 2017	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
Nov.							
30	Sundries as per Purchases Book		7,02,500				

Sachdeva Furniture Store Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
				Nov			
				3	Purchases A/c		1,35,000
				3	Input IGST A/c		16,200

Mahadeva & Co. Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
				Nov.			
				10	Purchases A/c		1,75,000
				10	Input CGST A/c		10,500
				10	Input SGST A/c		10,500

Fashion Furniture House Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
				Nov.			
				18	Purchases A/c		2,12,500

				18	Input CGST A/c		12,750
				18	Input SGST A/c		12,750
India Furniture House Account							
Dr.							Cr.
Date	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
				Nov.			
				20	Purchases A/c		1,80,000
				20	Input IGST A/c		21,600

Note: (i) Transaction made on 25th Nov will not be registered in the purchases book as the purchase was made in cash.

(ii) According to the textbook, Input CGST, Input SGST, and Input IGST are Rs.18,900, 18,900 and Rs.46,500 respectively. However, to our calculation Input CGST, Input SGST and Input IGST are Rs.23,250, 2,250 and Rs.37,800 respectively.

Q.6 Record the following transaction in the Sales Book of Karunakaran & Sons, Chennai (Tamilnadu) assuming CGST @ 90% and SGST @ 9% and post them into Ledger: -

2017	
Dec. 5	Sold of M/s Banwari Lal & Sons, Chennai, goods valued at ₹ 2,00,000 less Trade Discount 10%.
10	Sold to M/s Kanti Bhai & Sons, Bengaluru (Karnataka) :

	75 Electric Fans @ ₹ 4,000 each
	20 Room Coolers @ ₹ 10,000 each
	<i>Less: Trade Discount 8%</i>
16	Mahindra & Co., Kochi (Kerala) purchased from us goods of ₹ 1,20,000, <i>less: 5%</i> .
24	Sold goods for cash ₹ 60,000.

The solution for this question is as follows:

Sales Book of Karunakaran & Sons, Chennai (Tamilnadu)								
Date 2017	Particulars	L.F.	Details ₹	Sales ₹	Output CGST ₹	Output SGST ₹	Output IGST ₹	Total ₹
Dec.								
5	M/s Banwari Lal & Sons, Chennai		2,00,000					
	<i>Less: 10% Trade Discount</i>		20,000					
			1,80,000					
	<i>Add: 9% CGST</i>		16,200					
	<i>9% SGST</i>		16,200					
			2,12,400	1,80,000	16,200	16,200	–	2,12,400
10	M/s Kanti Bhai & Sons, Bengaluru (Karnataka)							
	75 Electric Fans @ Rs 4,000 each		3,00,000					
	20 Room Coolers @ Rs 10,000 each		2,00,000					
			5,00,000					

	Less: 8% Trade Discount		40,000					
			4,60,000					
	Add: 18% IGST		82,800					
			5,42,800	4,60,000	–	–	82,800	5,42,800
16	Mahindra & Co., Kochi (Kerala)		1,20,000					
	Less: 5% Trade Discount		6,000					
			1,14,000					
	Add: 18% IGST		20,520					
			1,34,520	1,14,000	–	–	20,520	1,34,520
31				7,54,000	16,200	16,200	1,03,320	8,89,720

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
				Dec.			
				31	Sundries as per Sales Book		7,54,000

M/s Banwari Lal & Sons

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
Dec.							
5	Sales A/c		1,80,000				

5	Output CGST A/c		16,200				
5	Output SGST A/c		16,200				

M/s Kanti Bhai & Sons Account

Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
Dec.							
10	Sales A/c		4,60,000				
10	Output IGST A/c		82,800				

Mahindra & Co. Account

Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
Dec.							
16	Sales A/c		1,14,000				
16	Output IGST A/c		20,520				

Note: Transaction made on 24th December will not be registered in the sales book as it is a cash transaction.

Q.7 Enter the following transactions in Return Outward Book of Modern Furniture House, Udaipur (Rajasthan) assuming CGST @ 6% and SGST @ 6% and post it into Ledger.

2017	
Nov. 7	Returned to Sachdeva Furniture Store, Ahmedabad (Gujarat):
	5 Chairs @ ₹ 2,000 each
	1 Table for ₹ 15,000
	Less: 10% Trade Discount

22	Returned 8 Chairs to India Furniture House, Jodhpur (Rajasthan) @ ₹ 1,500 each, being not of specified quality.
24	Returned one Dining Table to Arora & Co., Jaipur (Rajasthan) being not according to sample ₹ 50,000.
28	Allowance claimed from Delhi Furniture Shop, Ahmedabad (Gujarat) on account of a mistake in the invoice ₹ 16,000.

The solution for this question is as follows:

Purchases Return Book of Modern Furniture House, Udaipur									
Date 2017	Particulars	Debit Note No.	L.F.	Details ₹	Purchases Return ₹	Input CGST ₹	Input SGST ₹	Input IGST ₹	Total ₹
Nov.									
7	Sachdeva Furniture Store, Ahmedabad (Gujarat)								
	5 Chairs @ 2,000 each			10,000					
	1 Table for Rs 15,000			15,000					
				25,000					
	Less: 10% Trade Discount			2,500					
				22,500					
	Add: 12% IGST			2,700					
				25,200	22,500	–	–	2,700	25,200
22	India Furniture House, Jodhpur (Rajasthan)								

	8 Chairs @ Rs 1,500 per Chair			12,000					
	Add: 6% CGST			720					
	6% SGST			720					
				13,440	12,000	720	720	–	13,440
24	Arora & Co, Jaipur (Rajasthan)								
	1 Dining Tables @ Rs 50,000 each			50,000					
	Add: 6% CGST			3,000					
	6% SGST			3,000					
				56,000	50,000	3,000	3,000	–	56,000
28	Delhi Furniture Shop, Ahmedabad (Gujarat)			16,000					
	Add: 12% IGST			1,920					
				17,920	16,000	–	–	1,920	17,920
30					1,00,500	3,720	3,720	4,620	1,12,560

Purchases Return Account

Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
				Nov			
				30	Sundries as per Purchases Return Book		1,00,500

India Furniture House Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
Nov.							
22	Purchases Return A/c		12,000				
22	Input CGST A/c		720				
22	Input SGST A/c		720				

Delhi Furniture Shop Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
Nov.							
28	Purchases Return A/c		16,000				
28	Input IGST		1,920				

Sachdeva Furniture Store Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹

Nov.							
7	Purchases Return A/c		22,500				
7	Input IGST		2,700				
Arora & Co. Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
Nov.							
24	Purchases Return A/c		50,000				
24	Input CGST A/c		3,000				
24	Input SGST A/c		3,000				

Q.8 Enter the following transactions in Return Inward Book of M/s Kanitkar & Co. of Mumbai (Maharashtra) assuming CGST @ 2.5% and SGST @ 2.5% and post it into Ledger:

2018	
Jan. 5	Goods returned to us by Giriraj & Co., Pune (Maharashtra) worth ₹ 40,000, less than 10% trade discount.
10	Shah Brothers, Jaipur (Rajasthan) returned goods, being not according to sample ₹ 30,000.
16	Allowance claimed by Jai Singh & Co., Mathura (U.P) on account of a mistake in the invoice ₹ 10,000.
20	Good returned by Gopalsons, Mumbai being defective ₹ 20,000.

The solution for this question is as follows:

Sales Return Book of M/s Kanitkar & Co., Mumbai

Date 2018	Particulars	Credit Note No.	L.F.	Details ₹	Sales Return ₹	Output CGST ₹	Output SGST ₹	Output IGST ₹	Total ₹
Jan.									
5	Giriraj & Co., Pune (Maharashtra)			40,000					
	Less: 10% Trade Discount			4,000					
				36,000					
	Add: 2.5% CGST			900					
	2.5% SGST			900					
				37,800	36,000	900	900	–	37,800
10	Shah Brothers, Jaipur (Rajasthan)			30,000					
	Add: 5% IGST			1,500					
				31,500	30,000	–	–	1,500	31,500
16	Jai Singh & Co., Mathura (U.P.)			10,000					
	Add: 5% IGST			500					
				10,500	10,000	–	–	500	10,500
20	Gopalsons, Mumbai			20,000					
	Add: 2.5% CGST			500					
	2.5% SGST			500					
				21,000	20,000	500	500	–	21,000
31	Sales Return A/c	Dr.			96,000	1,400	1,400	2,000	1,00,800

Sales Return Account

Dr.							Cr.
Date 2018	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
Jan.							
31	Sundries as per Sales Return Book		96,000				

Shah Brothers Account

Dr.							Cr.
Date	Particulars	J.F.	Amount ₹	Date 2018	Particulars	J.F.	Amount ₹
				Jan.			
				10	Sales Return A/c		30,000
				10	Output IGST		1,500

Gopalsons Account

Dr.							Cr.
Date	Particulars	J.F.	Amount ₹	Date 2018	Particulars	J.F.	Amount ₹
				Jan.			
				20	Sales Return A/c		20,000
				20	Output CGST		500
				20	Output SGST		500

Giriraj & Co. Account

Dr.							Cr.
Date	Particulars	J.F.	Amount (₹)	Date 2018	Particulars	J.F.	Amount ₹

				Jan.			
				5	Sales Return A/c		36,000
				5	Output CGST		900
				5	Output SGST		900
Jai Singh & Co. Account							
Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date 2018	Particulars	J.F.	Amount ₹
				Jan.			
				16	Sales Return A/c		10,000
				16	Output IGST		500

Q.9 Enter the following transactions in proper Subsidiary Books and post them into Ledger :-

2017	
March 2	Purchased from Navrang Traders for ₹ 8,300
3	Sold goods to Rohan for ₹ 3,200
5	Bought of Ruchi Traders for ₹ 12,100
8	Rohan returns the goods for ₹ 600
10	Purchased goods from Jaipur Stores of the list price of ₹ 15,400 less 5% Trade Discount
12	Sold goods to Arun Traders for ₹ 18,000 less 15% Trade Discount
12	Bought of Amit Traders for ₹ 10,000
16	Purchased Machinery from Kirloskar Ltd. ₹ 20,000

18	Returned goods to Jaipur Stores for ₹ 800 less 5% Trade Discount.
19	Arun Traders returned goods for ₹ 3,000, less 15% Trade Discount
20	Sales to Kalpna & Co. for ₹ 14,700
22	Purchased goods from Navrang Traders ₹ 25,000
25	Returns outward to Navrang Traders for ₹ 1,200
26	Sales to Rupa Traders for ₹ 10,000 less 10% Trade Discount
29	Returns inward from Kalpana & Co. for ₹ 2,000

The solution for this question is as follows:

Purchases Book				
Date 2017	Particulars	L.F.	Details ₹	Amount ₹
March				
2	Navrang Traders			8,300
5	Ruchi Traders			12,100
10	Jaipur Stores		15,400	
	Less: 5% Trade Discount		770	14,630
12	Amit Traders			10,000
22	Navrang Traders			25,000
31	Purchases A/c	Dr.		70,030
Sales Book				
Date 2017	Particulars	L.F.	Details ₹	Amount ₹
March				

3	Rohan				3,200
12	Arun Traders			18,000	
	Less: 15% Trade Discount			2,700	15,300
20	Kalpana & Co.				14,700
26	Rupa Traders			10,000	
	Less: 10% Trade Discount			1,000	9,000
31	Sales A/c	Cr.			42,200

Purchases Return Book

Date 2017	Particulars	Debit Note No.	L.F.	Details ₹	Amount ₹
March					
18	Jaipur Stores			800	
	Less: 5% Trade Discount			40	760
25	Navrang Traders				1,200
31	Purchases Return A/c	Cr.			1,960

Sales Return Book

Date 2017	Particulars	Credit Note No.	L.F.	Details ₹	Amount ₹
March					
8	Rohan				600
19	Arun Traders			3,000	
	Less: 15% Trade Discount			450	2,550
29	Kalpana & Co.				2,000
31	Sales Return A/c	Dr.			5,150

Purchases Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
March							
31	Sundries as per Purchases Book		70,030				
Navrang Traders Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			
25	Purchases Return A/c		1,200	2	Purchases A/c		8,300
				22	Purchases A/c		25,000
Ruchi Traders Account							
Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
				March			
				5	Purchases A/c		12,100
Amit Traders Account							
Dr.				Cr.			

Date	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
				March			
				12	Purchases A/c		10,000

Jaipur Stores Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			
18	Purchases Return A/c		760	10	Purchases A/c		14,630

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
				March			
				31	Sundries as per Sales Book		42,200

Rohan's Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹

March				2017			
3	Sales A/c		3,200	8	Sales Return A/c		600
Arun Traders Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				March			
12	Sales A/c		15,300	19	Sales Return A/c		2,550
Kalpana & Co. Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
March				2017			
20	Sales A/c		14,700	29	Sales Return A/c		2,000
Rupa Traders Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
March							
26	Sales A/c		9,000				

Purchases Return Account							
Dr.				Cr.			
Date	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
				March			
				31	Sundries as per Purchases Return Book		1,960
Sales Return Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date	Particulars	J.F.	Amount ₹
March							
31	Sundries as per Sales Return Book		5,150				

Q.10 Enter the following transactions in subsidiary books, post them into Ledger and prepare a Trial Balance:

The following balances existed in Sunil Bros. books on April 1, 2017:

Assets: Cash in hand ₹ 27,500; Bank Balance ₹ 40,000; Debtors: Ashok ₹ 18,000, Bahadur ₹ 25,000, Charu ₹ 30,000; Stock ₹ 1,60,000 and Furniture ₹ 40,000.

Liabilities: Creditors: Dinesh ₹ 20,000 and Ekta ₹ 15,000.

April 1	Cash Sales ₹ 18,000
2	Deposited into Bank ₹ 20,000
3	Purchased from Dinesh 300 metres Cotton @ ₹ 60 per metre 200 metres Silk @ ₹ 100 per metre
	Cheque issued to Dinesh for ₹ 25,000
6	Accepted a bill at one month for ₹ 15,000 drawn by Dinesh

8	Sold to Ashok: 400 metres Cotton @ ₹ 80 per metre 250 metres Silk @ ₹ 140 per metre
10	Returned by Ashok 50 metres Silk.
12	Received Cash ₹ 8,000 and a Cheque for ₹ 40,000 from Ashok. Cheque was immediately sent to Bank.
13	Received a B/R from Bahadur for ₹ 20,000 at one month.
15	Accepted a bill at two months drawn by Ekta for the amount due to her
16	Purchased a Computer for office use from Shiva Ltd. for ₹ 45,000 on Credit
18	Cash purchases ₹ 10,000
19	Received full payment from Charu by cheque, sent it to Bank. Discount allowed 2%
20	Issued a cheque to Dinesh in full payment of his account after deducting 1% discount
22	Settled the account of Shiva Ltd. by a cheque
24	Proprietor took away goods worth ₹ 5,000 and Cash ₹ 6,000
25	Purchased from Ganesh 200 metres Cotton @ ₹ 70 per metre subject to trade discount of 5%
27	Paid Rent ₹ 3,000 and Salaries ₹ 8,000
30	Interest allowed by bank ₹ 600

The solution for this question is as follows:

Cash Book									
Dr.					Cr.				
Date 2017	Particulars	L.F.	Cash ₹	Bank ₹	Date 2017	Particulars	L.F.	Cash ₹	Bank ₹
April					April				
1	Balance b/d		27,500	40,000	2	Bank A/c	C	20,000	–
1	Sales A/c		18,000	–	5	Dinesh's A/c		–	25,000

2	Cash A/c	C	–	20,000	18	Purchases A/c		10,000	–
12	Ashok's A/c		8,000	40,000	20	Dinesh's A/c		–	17,820
19	Charu's A/c		–	29,400	22	Shiva Ltd.		–	45,000
30	Interest A/c		–	600	24	Drawings A/c		6,000	–
					27	Rent A/c		3,000	–
					27	Salaries A/c		8,000	–
					30	Balance c/d		6,500	42,180
			53,500	1,30,000				53,500	1,30,000
May 1	Balance b/d		6,500	42,180					

Purchases Book

Date 2017	Particulars	L.F.	Details ₹	Amount ₹
April				
3	Dinesh			
	300 metres Cotton @Rs 60/ metre		18,000	
	200 metres Silk @Rs 100/ metre		20,000	38,000
25	Ganesh			
	200 metres Cotton @Rs 70/ metre		14,000	
	Less: 5% Trade Discount		700	13,300
30	Purchases A/c	Dr.		51,300

Sales Book

Date 2017	Particulars	L.F.	Details ₹	Amount ₹
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April				
8	Ashok			
	400 metres Cotton @Rs 80 / metre		32,000	
	250 metres Silk @Rs 140/ metre		35,000	67,000
30	Sales A/c	Cr.		67,000

Sales Return Book

Date 2017	Particulars	Credit Note No.	L.F.	Details ₹	Amount ₹
April					
10	Ashok				
	50 metres Silk @Rs 140 / metre			7,000	7,000
30	Sales Return A/c	Dr.			7,000

Journal

Date 2017	Particulars	L.F.	Debit ₹	Credit ₹
April				
1	Cash in hand A/c	Dr.	27,500	
	Bank A/c	Dr.	40,000	
	Stock A/c	Dr.	1,60,000	
	Ashok's A/c	Dr.	18,000	
	Bahadur's A/c	Dr.	25,000	
	Charu's A/c	Dr.	30,000	
	Furniture	Dr.	40,000	

	To Dinesh's A/c			20,000
	To Ekta's A/c			15,000
	To Capital A/c (<i>Balancing Figure</i>)			3,05,500
	(Previous year balance was brought forward)			
6	Dinesh's A/c	Dr.	15,000	
	To Bills Payable A/c			15,000
	(Bill drawn acceptance given to Dinesh)			
13	Bills Receivable A/c	Dr.	20,000	
	To Bahadur's A/c			20,000
	(Receive bills receivable from debtor, Bahadur)			
15	Ekta's A/c	Dr.	15,000	
	To Bills Payable A/c			15,000
	(Acceptance given for bill drawn by Ekta)			
16	Computer A/c	Dr.	45,000	
	To Shiva Ltd.			45,000
	(Purchased computer on credit)			
19	Discount Allowed A/c	Dr.	600	
	To Charu			600
	(Charu was allowed 2% allowed)			
20	Dinesh	Dr.	180	
	To Discount Received A/c			180
	(Dinesh received 1% received)			
24	Drawings A/c	Dr.	5,000	
	To Purchases A/c			5,000

	(Withdrawn goods by proprietor)			
	TOTAL		4,41,280	4,41,280

Sales Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
30	Balance c/d		85,000	1	Cash A/c		18,000
				30	Sundries as per Sales Book		67,000
			85,000				85,000
				May 1	Balance b/d		85,000

Ashok's Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
1	Balance b/d		18,000	12	Cash A/c		8,000
8	Sales A/c		67,000	12	Bank A/c		40,000
				10	Sales Return A/c		7,000
				30	Balance c/d		30,000
			85,000				85,000
May 1	Balance b/d		30,000				

Charu's Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
1	Balance b/d		30,000	19	Bank A/c		29,400
				19	Discount Allowed A/c		600
			30,000				30,000

Interest Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
30	Balance c/d		600	30	Bank A/c		600
			600				600
				May 01	Balance b/d		600

Dinesh's Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
5	Bank A/c		25,000	1	Balance b/d		20,000
6	Bills Payable A/c		15,000	3	Purchases A/c		38,000
20	Bank A/c		17,820				
20	Discount Received A/c		180				
			58,000				58,000

Shiva Ltd. Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
22	Bank A/c		45,000	16	Computer A/c		45,000
			45,000				45,000
Purchases Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
18	Cash A/c		10,000	24	Drawings A/c		5,000
30	Sundries as per Purchases Book		51,300	30	Balance c/d		56,300
			61,300				61,300
May 1	Balance b/d		56,300				
Drawings Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			

24	Cash A/c		6,000	30	Balance c/d		11,000
24	Purchases A/c		5,000				
			11,000				11,000
May 01	Balance b/d		11,000				

Rent Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
27	Cash A/c		3,000	30	Balance c/d		3,000
			3,000				3,000
May 1	Balance b/d		3,000				

Ganesh's Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
30	Balance c/d		13,300	25	Purchases A/c		13,300
			13,300				13,300
				May 1	Balance b/d		13,300

Bahadur's Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			

1	Balance b/d		25,000	13	Bills Receivable A/c		20,000
				30	Balance c/d		5,000
			25,000				25,000
May 1	Balance b/d		5,000				

Salaries Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
27	Cash A/c		8,000	30	Balance c/d		8,000
			8,000				8,000
May 01	Balance b/d		8,000				

Sales Return Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
30	Sundries as per Sales Return Book		7,000	30	Balance c/d		7,000
			7,000				7,000
May 1	Balance b/d		7,000				

Stock Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹

April				April			
1	Balance b/d		1,60,000	30	Balance c/d		1,60,000
			1,60,000				1,60,000
May 1	Balance b/d		1,60,000				

Furniture Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
1	Balance b/d		40,000	30	Balance c/d		40,000
			40,000				40,000
May 1	Balance b/d		40,000				

Ekta's Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
15	Bills Payable A/c		15,000	30	Balance b/d		15,000
			15,000				15,000

Bills Payable Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	D 2017	Particulars	J.F.	Amount ₹
April				April			
30	Balance c/d		30,000	6	Dinesh's A/c		15,000

				15	Ekta's A/c		15,000
			30,000				30,000
				May 1	Balance b/d		30,000

Computer Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
16	Shiva Ltd.		45,000	30	Balance c/d		45,000
			45,000				45,000
May 1	Balance b/d		45,000				

Discount Allowed Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
19	Charu's A/c		600	30	Balance c/d		600
			600				600
May 1	Balance b/d		600				

Bills Receivable Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
13	Bahadur's A/c		20,000	30	Balance c/d		20,000

			20,000				20,000
May 1	Balance b/d		20,000				

Capital Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
30	Balance c/d		3,05,500	1	Balance b/d		3,05,500
			3,05,500				3,05,500
				May 1	Balance b/d		3,05,000

Discount Received Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
April				April			
30	Balance c/d		180	20	Dinesh's A/c		180
			180				180
				May 1	Balance b/d		180

Trial Balance as on April 30, 2017

Name of Accounts	L.F	Debit ₹	Credit ₹
Cash A/c		6,500	–
Bank A/c		42,180	–
Sales A/c		–	85,000
Ashok's A/c		30,000	–

Interest A/c		–	600
Purchases A/c		56,300	–
Drawings A/c		11,000	–
Rent A/c		3,000	–
Salaries A/c		8,000	–
Ganesh's A/c		–	13,300
Sales Return A/c		7,000	–
Bahadur's A/c		5,000	–
Stock A/c		1,60,000	–
Furniture A/c		40,000	–
Bills Receivable A/c		20,000	–
Bills Payable A/c		–	30,000
Computer A/c		45,000	–
Capital A/c		–	3,05,500
Discount Allowed		600	–
Discount Received		–	180
TOTAL		4,34,580	4,34,580

Q.11 Record the following transactions of M/s Mahipal Bros. in Proper Subsidiary Books, post them into the Ledger and take out a Trial Balance:

Jan. 1	Commenced business with Cash ₹ 2,00,000
2	Deposited into U.T.I Bank ₹ 1,75,000
4	Purchased goods from Dilip for ₹ 40,000. Trade Discount 20%

6	Gave a cheque to Dilip for ₹ 16,800 and discount allowed by him ₹ 200
8	Goods bought from Nilesh for Cash ₹ 14,000
10	Accepted a bill at 2 months for ₹ 15,000 drawn by Dilip
11	Bought goods from Suresh ₹ 75,000
13	Paid to Suresh a Cheque for ₹ 58,800 after receiving discount of 2%
15	Cash sales made to Jyoti Parshad ₹ 8,000
16	Sold goods to Mohinder for ₹ 20,000
17	Goods returned by Mohinder for ₹ 1,500
18	Received from Mohinder ₹ 7,900 after allowing a discount of 1.25%
20	Goods sold to Banerjee ₹ 50,000
21	Deposited into Bank ₹ 20,000
25	Goods taken for personal use ₹ 2,000 Purchased furniture ₹ 40,000 and Typewriter ₹ 10,000 for office use. Payment for both the items is made by Cheque Sold goods to Anubhav ₹ 30,000
27	Goods returned by Anubhav ₹ 5,000 Received full payment from Banerjee by Cheque, sent it to Bank, Discount allowed 2%
28	Acceptance received from Anubhav at 30 days for the amount due from him Paid for stationery ₹ 400 and for Postage ₹ 200
31	Rent of proprietor's house paid by Cheque ₹ 2,500

The solution for this question is as follows:

Cash Book

Dr.						Cr.					
Date 2017	Particulars	L.F.	Cash ₹	Bank ₹	Discount ₹	Date 2017	Particulars	L.F.	Cash ₹	Bank ₹	Discount ₹
Jan.						Jan.					
1	Capital A/c		2,00,000	–	–	2	Bank A/c	C	1,75,000	–	–
2	Cash A/c	C	–	1,75,000	–	6	Dilip's A/c		–	16,800	200
15	Sales A/c		8,000	–	–	8	Purchases A/c		14,000	–	–
18	Mohinder's A/c		7,900	–	100**	13	Suresh's A/c		–	58,800	1,200*
21	Cash A/c	C	–	20,000	–	21	Bank A/c	C	20,000	–	–
27	Banerjee's A/c		–	49,000	1,000	25	Furniture A/c		–	40,000	–
						25	Typewriter A/c		–	10,000	–
						28	Stationery A/c		400	–	–
						28	Postage A/c		200	–	–
						31	Drawings A/c		–	2,500	–
						31	Balance c/d		6,300	1,15,900	–
			2,15,900	2,44,000	1,100				2,15,900	2,44,000	1,400

Feb. 1	Balance b/d		6,300	1,15,900	-				
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Purchases Book

Date 2017	Particulars	L.F.	Details ₹	Amount ₹
Jan.				
4	Dilip		40,000	
	Less: 20% Trade Discount		8,000	32,000
11	Suresh			75,000
31	Purchases A/c	Dr.		1,07,000

Sales Book

Date 2017	Particulars	L.F.	Details ₹	Amount ₹
Jan.				
16	Mohinder			20,000
20	Banerjee			50,000
25	Anubhav			30,000
31	Sales A/c	Cr.		1,00,000

Sales Return Book

Date 2017	Particulars	Credit Note No.	L.F.	Details ₹	Amount ₹
Jan.					

17	Mohinder				1,500
27	Anubhav				5,000
31	Sales Return A/c	Dr.			6,500

Journal				
Date 2017	Particulars	L.F.	Debit ₹	Credit ₹
Jan.				
6	Dilip	Dr.	200	
	To Discount Received A/c (Discount of Rs 200 received from Dilip)			200
10	Dilip's A/c	Dr.	15,000	
	To Bills Payable A/c (Acceptance given to the bill drawn by Dilip)			15,000
13	Suresh	Dr.	1,200*	
	To Discount Received A/c (Discount of 2% received from Suresh)			1,200*
18	Discount Allowed A/c	Dr.	100**	
	To Mohinder (Discount of 1.25% allowed to Mohinder)			100**
25	Drawings A/c	Dr.	2,000	
	To Purchases A/c (Goods taken for personal use)			2,000
27	Discount Allowed A/c	Dr.	1,000	
	To Banerjee (Discount of 2% allowed to Banerjee)			1,000

28	Bills Receivable A/c	Dr.		25,000	
	To Anubhav's A/c (Acceptance received from Anubahv)				25,000
	TOTAL			44,500	44,500

(i) Amount paid to Suresh (98%) = ₹58,800

Discounted amount (2%) = $58,800 \times 2\% = ₹ 1,200$

(ii) Received amount from Mohinder (98.75%) = ₹ 7,900

Discounted amount (1.25%) = $7,900 \times 1.25\% = ₹ 100$

Sales Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
31	Balance c/d		1,08,000	15	Cash A/c		8,000
				31	Sundries as per Sales Book		1,00,000
			1,08,000				1,08,000
				Feb. 1	Balance b/d		1,08,000

Capital Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
31	Balance c/d		2,00,000	1	Cash A/c		2,00,000
			2,00,000				2,00,000
				Feb. 1	Balance b/d		2,00,000

Purchases Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
8	Cash A/c		14,000	25	Drawings A/c		2,000
31	Sundries as per Purchases Book		1,07,000	31	Balance c/d		1,19,000
			1,21,000				1,21,000
Feb. 1	Balance b/d		1,19,000				

Mohinder's Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
16	Sales A/c		20,000	18	Cash A/c		7,900
				18	Discount Allowed A/c		100
				17	Sales Return A/c		1,500
				31	Balance c/d		10,500
			20,000				20,000
Feb. 1	Balance b/d		10,500				

Banerjee's Account							
Dr.							Cr.

Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
20	Sales A/c		50,000	27	Bank A/c		49,000
				27	Discount Allowed A/c		1,000
			50,000				50,000

Dilip's Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
6	Bank A/c		16,800	4	Purchases A/c		32,000
6	Discount Received A/c		200				
10	Bills Payable A/c		15,000				
			32,000				32,000

Suresh's Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
13	Bank A/c		58,800	11	Purchases A/c		75,000
13	Discount Received A/c		1,200				
31	Balance c/d		15,000				

			75,000				75,000
				Feb. 1	Balance b/d		15,000
Furniture Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
25	Bank A/c		40,000	31	Balance c/d		40,000
			40,000				40,000
Feb. 1	Balance b/d		40,000				
Stationery Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
28	Cash A/c		400	31	Balance c/d		400
			400				400
Feb. 1	Balance b/d		400				
Drawings Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹

Jan.				Jan.		
25	Purchases A/c		2,000	31	Balance c/d	4,500
31	Bank A/c		2,500			
			4,500			4,500
Feb. 1	Balance b/d		4,500			

Typewriter Account

Dr.					Cr.		
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
25	Bank A/c		10,000	31	Balance c/d		10,000
			10,000				10,000
Feb. 1	Balance b/d		10,000				

Postage Account

Dr.					Cr.		
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
28	Cash A/c		200	31	Balance c/d		200
			200				200
Feb. 1	Balance b/d		200				

Anubhav's Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
25	Sales A/c		30,000	27	Sales Return A/c		5,000
				28	Bills Receivable A/c		25,000
			30,000				30,000

Bills Payable Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
31	Balance c/d		15,000	10	Dilip's A/c		15,000
			15,000				15,000
				Feb. 1	Balance b/d		15,000

Bills Receivable Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
28	Anubhav's A/c		25,000	31	Balance c/d		25,000
			25,000				25,000
Feb. 1	Balance b/d		25,000				

Discount Allowed Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
18	Mohinder's A/c		100	31	Balance c/d		1,100
27	Banerjee's A/c		1,000				
			1,100				1,100
Feb. 1	Balance b/d		1,100				

Sales Return Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
31	Sundries as per Sales Return Book		6,500	31	Balance c/d		6,500
			6,500				6,500
Feb. 1	Balance b/d		6,500				

Discount Received Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
31	Balance c/d		1,400	6	Dilip's A/c		200
				13	Suresh's A/c		1,200

			1,400				1,400
				Feb. 1	Balance b/d		1,400

Trial Balance as on Jan. 31, 2017			
Name of Accounts	L.F.	Debit ₹	Credit ₹
Cash A/c		6,300	–
Bank A/c		1,15,900	–
Capital A/c		–	2,00,000
Sales A/c		–	1,08,000
Purchases A/c		1,19,000	–
Mohinder's A/c		10,500	–
Suresh's A/c		–	15,000
Furniture A/c		40,000	–
Typewriter A/c		10,000	–
Stationery A/c		400	–
Postage A/c		200	–
Drawings A/c		4,500	–
Bills Payable A/c		–	15,000
Bills Receivable A/c		25,000	–
Sales Return A/c		6,500	–
Discount Allowed A/c		1,100	–

Discount Received A/c		–	1,400
		3,39,400	3,39,400

Q.12 Enter the following transactions in proper Subsidiary Books, post them into Ledger Accounts, balance the accounts and prepare a Trial Balance

Jan 1	Assets: Cash in hand ₹ 20,000; Debtors: Sri Gopal ₹ 15,000, Poonam & Co. ₹ 30,000; Stock ₹ 1,75,000, Machinery ₹ 1,20,000; Furniture ₹ 40,000 Liabilities: Bank Overdraft ₹ 33,000; Creditors: Niranjana Lal ₹ 24,000, Bombay Trading Co. ₹ 16,000
2	Purchased from Manohar Lal & Sons goods of the list price of ₹ 20,000 at 10% trade discount
5	Returned to Manohar Lal & sons' goods of the list price of ₹ 2,000
10	Issued a Cheque to Manohar Lal & Sons in full settlement of their account
12	Sold to Sri Gopal, goods worth ₹ 25,000
15	Received Cash ₹ 10,000 and a Cheque for ₹ 8,000 from Sri Gopal. The Cheque was immediately sent to bank
16	Withdrew for personal use: Cash ₹ 5,000 and goods ₹ 3,000
17	Accepted a bill for 45 days drawn by Niranjana Lal for the amount due to him
18	Acceptance received from Poonam & Co. for the amount due from them payable after 30 days
19	Sold to Raghubir Brothers, goods valued ₹ 16,000
20	Cash purchases ₹ 15,000
22	Withdrew from bank for office use ₹ 10,000
23	Purchased from Bombay Trading Co., goods valued ₹ 24,000

24	Sri Gopal returned goods worth ₹ 2,000
25	Received from Raghubir Brothers ₹ 10,000
27	Accepted a bill for ₹ 25,000 for 1 month drawn by Bombay Trading Co Paid Rent by Cheque ₹ 2,80 Received Commission in Cash ₹ 800
31	Paid salaries ₹ 5,000.

The solution for this question is as follows:

Journal				
Date 2017	Particulars	L.F.	Debit ₹	Credit ₹
Jan.				
1	Cash in Hand A/c	Dr.	20,000	
	Sri Gopal's A/c	Dr.	15,000	
	Stock A/c	Dr.	1,75,000	
	Poonam & Co.	Dr.	30,000	
	Machinery A/c	Dr.	1,20,000	
	Furniture A/c	Dr.	40,000	
	To Bank Overdraft A/c			33,000
	To Niranjn Lal's A/c			24,000
	To Bombay Trading Co.			16,000
	To Capital A/c (<i>Balancing Figure</i>) (Balances of previous year brought forward)			3,27,000
2	Purchases A/c	Dr.	18,000	

	To Manohar Lal & Sons (Goods purchased on credit)				18,000
5	Manohar Lal & Sons	Dr.		1,800	
	To Purchases Return A/c (Goods returned excluding trade discount @ 10%)				1,800
10	Manohar Lal & Sons	Dr.		16,200	
	To Bank A/c (Cheque issued to Manohar Lal & Sons in full settlement of their account)				16,200
12	Sri Gopal's A/c	Dr.		25,000	
	To Sales A/c (Goods sold on credit to Sri Gopal)				25,000
15	Cash A/c	Dr.		10,000	
	Bank A/c	Dr.		8,000	
	To Sri Gopal's A/c (Received cash & cheque from Sri Gopal)				18,000
16	Drawings A/c	Dr.		8,000	
	To Cash A/c				5,000
	To Purchases A/c (Withdrew cash and goods for personal use)				3,000
17	Niranjan Lal's A/c	Dr.		24,000	
	To Bills Payable A/c (Acceptance given for the amount owed)				24,000
18	Bills Receivable A/c	Dr.		30,000	
	To Poonam & Co. (Acceptance received from debtor)				30,000
19	Raghubir Brothers	Dr.		16,000	
	To Sales A/c (Goods sold on credit)				16,000

20	Purchases A/c	Dr.	15,000	
	To Cash A/c (Goods purchased for cash)			15,000
22	Cash A/c	Dr.	10,000	
	To Bank A/c (Cash withdrawn from bank for office use)			10,000
23	Purchases A/c	Dr.	24,000	
	To Bombay Trading Co. (Goods purchased on credit)			24,000
24	Sales Return A/c	Dr.	2,000	
	To Sri Gopal's A/c (Goods returned by Sri Gopal)			2,000
25	Cash A/c	Dr.	10,000	
	To Raghbir Brothers (Cash received from Raghbir)			10,000
27	Bombay Trading Co.	Dr.	25,000	
	To Bills Payable A/c (Acceptance given for the amount owed)			25,000
27	Rent A/c	Dr.	2,800	
	To Bank A/c (Rent paid)			2,800
27	Cash A/c	Dr.	800	
	To Commission A/c (Commission received)			800
31	Salaries A/c	Dr.	5,000	
	To Cash A/c (Salaries paid)			5,000
	TOTAL		6,51,600	6,51,600

Cash Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
1	Balance b/d		20,000	16	Drawings A/c		5,000
15	Sri Gopal's A/c		10,000	20	Purchases A/c		15,000
22	Bank A/c		10,000	31	Salaries A/c		5,000
25	Raghubir Brothers		10,000	31	Balance c/d		25,800
27	Commission A/c		800				
			50,800				50,800
Feb. 1	Balance b/d		25,800				

Sri Gopal's Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
1	Balance b/d		15,000	15	Cash A/c		10,000
12	Sales A/c		25,000	15	Bank A/c		8,000

				24	Sales Return A/c		2,000
				31	Balance c/d		20,000
			40,000				40,000
Feb. 1	Balance b/d		20,000				

Poonam & Co. Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
1	Balance b/d		30,000	18	Bills Receivable A/c		30,000
			30,000				30,000

Stock Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date Jan.	Particulars	J.F.	Amount ₹
Jan.				2017			
1	Balance b/d		1,75,000	31	Balance c/d		1,75,000
			1,75,000				1,75,000
Feb. 1	Balance b/d		1,75,000				

Machinery Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
1	Balance b/d		1,20,000	31	Balance c/d		1,20,000
			1,20,000				1,20,000
Feb. 1	Balance b/d		1,20,000				

Furniture Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
1	Balance b/d		40,000	31	Balance c/d		40,000
			40,000				40,000
Feb. 1	Balance b/d		40,000				

Niranjan Lal's Account							
Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
17	Bills Payable A/c		24,000	1	Balance b/d		24,000
			24,000				24,000

Capital Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
jan.				JAN.			
31	Balance c/d		3,27,000	1	Balance b/d		3,27,000
			3,27,000				3,27,000
				Feb. 1	Balance b/d		3,27,000

Bombay Trading Co. Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
27	Bills Payable A/c		25,000	1	Balance b/d		16,000
31	Balance c/d		15,000	23	Purchases A/c		24,000
			40,000				40,000
				Feb. 1	Balance b/d		15,000

Purchases Account							
Dr.							Cr.

Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
2	Manohar Lal & Sons		18,000	16	Drawings A/c		3,000
20	Cash A/c		15,000	31	Balance c/d		54,000
23	Bombay Trading Co.		24,000				
			57,000				57,000
Feb. 1	Balance b/d		54,000				

Sales Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
31	Balance c/d		41,000	12	Sri Gopal's A/c		25,000
				19	Raghubir Brothers		16,000
			41,000				41,000
				Feb. 1	Balance b/d		41,000

Manohar Lal & Sons Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
5	Purchases Return A/c		1,800	2	Purchases A/c		18,000
10	Bank A/c		16,200				

			18,000				18,000
Bank Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
15	Sri Gopal's A/c		8,000	1	Balance b/d		33,000
31	Balance c/d		54,000	19	Manohar Lal & Sons		16,200
				22	Cash A/c		10,000
				27	Rent A/c		2,800
			62,000				62,000
				2017			
				Feb. 01	Balance b/d		54,000
Purchases Return Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
31	Balance c/d		1,800	5	Manohar Lal & Sons		1,800
			1,800				1,800
				Feb. 1	Balance b/d		1,800
Drawings Account							
Dr.							Cr.

Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
16	Cash A/c		5,000	31	Balance c/d		8,000
16	Purchases A/c		3,000				
			8,000				8,000
Feb. 1	Balance b/d		8,000				

Bills Payable Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
31	Balance c/d		49,000	17	Niranjan Lal's A/c		24,000
				27	Bombay Trading Co.		25,000
			49,000				49,000
				Feb. 1	Balance b/d		49,000

Bills Receivable Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			

18	Poonam & Co.		30,000	31	Balance c/d		30,000
			30,000				30,000
Feb. 1	Balance b/d		30,000				

Raghubir Brothers Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
19	Sales A/c		16,000	25	Cash A/c		10,000
				31	Balance c/d		6,000
			16,000				16,000
Feb. 1	Balance b/d		6,000				

Sales Return Account							
Dr.							Cr.
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			

24	Sri Gopal's A/c		2,000	31	Balance c/d		2,000
			2,000				2,000
Feb.1	Balance b/d		2,000				

Rent Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
27	Bank A/c		2,800	31	Balance c/d		2,800
			2,800				2,800
Feb. 1	Balance b/d		2,800				

Commission Account

Dr.				Cr.			
Date 2017	Particulars	J.F.	Amount ₹	Date 2017	Particulars	J.F.	Amount ₹
Jan.				Jan.			
31	Balance c/d		800	27	Cash A/c		800
			800				800
Feb. 1	Balance b/d		800				

Salaries Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)

2017				2017			
Jan.				Jan.			
31	Cash A/c		5,000	31	Balance c/d		5,000
			5,000				5,000
Feb.1	Balance b/d		5,000				

Trial Balance as on Jan. 31,2017

Name of Accounts	L.F	Debit ₹	Credit ₹
Cash A/c		25,800	–
Sri Gopal		20,000	–
Stock A/c		1,75,000	–
Furniture A/c		40,000	–
Machinery A/c		1,20,000	–
Capital A/c		–	3,27,000
Bombay Trading Co.		–	15,000
Purchases A/c		54,000	–
Sales A/c		–	41,000
Bank A/c		–	54,000
Purchases Return A/c		–	1,800
Drawings A/c		8,000	–
Bills Payable A/c		–	49,000
Bills Receivable A/c		30,000	–
Raghubir Brothers		6,000	–
Sales Return A/c		2,000	–

Rent A/c		2,800	–
Commission A/c		–	800
Salaries A/c		5,000	–
		4,88,600	4,88,600

Note: The total answer of journal entry mentioned in the book and the solution provided here is different.

Question 13 Prepare journal entries of the following posting in the ledger account.

1.

Dr.	Cash Account	Cr.
	₹	₹
To Sales	5,000	

2.

Dr.	Furniture Account	Cr.
	₹	₹
To Cash	8,000	

3.

Dr.	Purchase Account	Cr.
	₹	₹
To Govind	10,000	

4.

Dr.	Murari	Cr.
	₹	₹
	By Purchase A/c	12,000

5.

Dr.	Sales Account		Cr.
	₹		₹
		By Mohan	15,000

6.

Dr.	Interest Account		Cr.
	₹		₹
		By Cash A/c	500

The solution for this question is as follows:

Journal Entries				
Sr. No	Particulars	L.F	Amount Dr. ₹	Amount Cr. ₹
1	Cash A/c Dr. To Sales A/c (Goods sold for Cash)		5,000	5,000
2	Furniture A/c Dr. To Cash A/c (Furniture purchased for Cash)		8,000	8,000
3	Purchase A/c Dr. To Govind (Goods purchased for credit)		10,000	10,000
4	Purchase A/c Dr. To Murari (Goods sold for Credit)		12,000	12,000
5	Mohan Dr. To SAles A/c (Goods sold on Credit)		15,000	15,000
6	Cash A/c To Interest A/c (Interest Received)		500	500

