Exercise 1:

2004 May 10: Cash of Rs. 10000 received from ram.

May 11: Paid for the salary of Rs. 5000 and rent Rs. 5000.

Journal Entries

Date	Particular	L.F	Debit Rs.	Credit Rs.
May 10	Cash a/c Dr. To Ram's a/c (Being cash received from Ram)		10,000	 10,000
May 11	Salary a/c Dr. Rent a/c Dr. To Cash a/c (Being paid for salary and rent)		5000 5000	 10,000

Exercise 2:

Feb 1: Hari started a business with cash of Rs. 55,000.
Feb 5: Hari deposited cash of Rs. 45000 in the bank as his additional capital.
Feb 7: Hari withdrew cash of Rs. 2000 from the business as his additional capital.
Feb 8: Hari withdrew cash of Rs 3000 from the bank for his personal use.
Feb 9: Hari Withdrew goods of Rs.4000 from the business for his personal use.

Journal Entries

Date	*Particular*	*L.F*	*Debit Rs.*	*Credit Rs.*
Feb 1	Cash a/c..... Dr.		55,000	
	To Capital a/c			55,000
	(Being business started with cash)			
Feb 5	Bank a/c..... Dr.		45000	
	To Capital a/c			45000
	(Being the owner deposited cash in the bank as his additional capital)			
Feb 7	Drawing a/c..... Dr.		2000	
	To Cash a/c			2000
	(Being cash withdrew from business for personal use)			
Feb 8	Drawing a/c..... Dr.		3000	
	To Bank a/c			3000
	(Being cash sales)			
Feb 9	Drawing a/c..... Dr.		4000	
	To Purchase a/c			4000
	(Being goods withdrew from the business for personal use)			

Exercise 3:

Post the following transactions into ledger and extract the balances of ledger Accounts and prepare the Trial Balance of Tarkh & Co. as on 1.3.2008.

			Rs.
2008	Feb. 5	Started Business with Capital	20,000
	Feb. 7	Purchased Plant & Machinery	2,000
	Feb. 10	Paid sundry expenses	100
	Feb. 15	Purchased goods for cash and received 5% trade discount	5,000
	Feb. 18	Bought goods from Theer & Co. on credit	5,000
	Feb. 20	Returned goods to Theer & Co.	500
	Feb. 25	Sold goods to Kishore & Co. on credit	4,000
	Feb. 27	Received from Kishore & Co. and balance being allowed as discount	3,750
	Feb. 28	Paid Rent	40
		Salary	100
		Electricity charges	200

Date		Particulars		Debit	Credit
2008	Feb. 5	**Cash A/C**	**Dr.**	**20,000**	
		To Capital A/C			**20,000**
		(Being the amount invested in business)			
2008	Feb. 7	**Plant & Machinery A/C**	**Dr.**	**2,000**	
		To Cash A/C			**2,000**
		(Being Plant & Machinery purchased)			
2008	Feb.10	**Sundry Expenses A/C**	**Dr.**	**100**	
		To Cash A/C			**100**
		(Being Sundry Expenses paid)			
2008	Feb.15	**Purchases A/C**	**Dr.**	**4,750**	
		Discount A/C	**Dr.**	**250**	
		To Cash A/C			**5,000**
		(Being goods purchased and received discount)			
2008	Feb.18	**Purchases A/C**	**Dr.**	**5,000**	
		To Theer & Co. A/C			**5,000**
		(Being goods purchased on credit from Theer & Co.)			

2008	**Feb.20**	**Theer & Co. A/C**	**Dr.**	**500**	
		To Purchases Returns A/C			**500**
		(Being goods returned to Theer & Co. purchased on credit)			

Date		Particulars		Debit	Credit
2008	Feb. 25	Kishore & Co. A/C	Dr.	4,000	
		To Sales A/C			4,000
		(Being goods sold on credit to Kishore & Co. A/C)			
2008	Feb. 27	Cash A/C	Dr.	3,750	
		Discount A/C	Dr.	250	
		To Kishore & Co. A/C			4,000
		(Being Kishore & Co. A/C settled with discount)			
2008	Feb. 28	Rent A/C	Dr.	40	
		Salary A/C	Dr.	100	
		Electricity Charges	Dr.	200	
		To Cash A/C			340
		(Being Rent, Salary and Electricity charges paid)			

Exercise 1:

a. Goods purchased for cash Rs. 2500
b. Cash sales made for Rs. 1500
c. Goods purchased from Krishna on credit for Rs. 6000
d. Purchased goods from MeghaCenter for rs. 8000
e. Returned goods to Megha Center of rs 500 being defective
f. Sold goods to Barsha Centre for rs 6000

g. Returned goods by Barsha Center of Rs. 300 being damaged.

Date	Particular	L.F	Debit Rs.	Credit Rs.
a	Purchase a/c.....Dr.		2500	
	To Cash a/c			2500
	(Beinggoods purchase for cash)			
b	Cash a/c.....Dr.		15000	
	To Sales a/c			15000
	(Being goods sold for cash)			
c	Purchase a/c.....Dr.		6000	
	To Krishna a/c			6000
	(Being goods purchased from krishna on credit)			
d	Purchase a/c.....Dr.		8000	
	To Megha center a/c			8000
	(Being good purchased from Megha center on credit)			
e	Megha Center a/c.....Dr.		500	
	To Purchase a/c			500
	(Being goods returned to Megha Center)			
f.	Barsha Center a/c.....Dr.		6000	
	To Sales a/c			6000
	(Being goods sold Barsha Center on Credit)			
g	Sales return a/c.....Dr.		300	
	To Barsha Center a/c			300
	(Being goods return by Barsha Center)			
	Total		**37,300**	**37,300**

Example 3:

Pass journal entries of the following transaction:

1. Purchased furniture for cash Rs. 10,000
2. Purchased a machine from Mahakali Stationary Ltd. for Rs. 75000
3. Sold an old computer for rs. 5000

Journal Entries

Date	Particular	L.F	Debit Rs.	Credit Rs.
1.	Furniture a/c.....Dr.		10,000	
	To Cash a/c			10,000
	(Being purchased furniture)			
2.	Machinery a/c.....Dr.		75000	
	To Mahakali Stationary Ltd a/c			75000
	(Being machine purchased from Mahakali Stationary Ltd.)			
3.	Cash a/c.....Dr.		5000	
	To office equipment a/c			5000
	(Being cash paid to siddhi)			
	Total		**90,000**	**90,000**

Example 1:

1. Received cash of Rs. 950 from Mikal and allowed discount of Rs.50

2. Paid cash of Rs.750 to Anuradha and received discount of Rs.50
3. Received cash of Rs.950 from Tritha in full settlement of his account Rs. 1000
4. Paid cash of Rs. 95 to Usha in full settlement of her account Rs.1000

Journal Entries

Date	Particular	L.F	Debit Rs.	Credit Rs.
1	Cash a/c.....Dr.		950	
	Discount allowed a/c.....Dr.		50	
	To Mikal's a/c			1000
	(Being cash received from Mikal and allowed discount)			
2	Anuradha's a/c.....Dr.		800	
	To Discount received a/c			50
	To Cash a/c			750
	(Being cash paid to Anuradha and received discount)			
3	Cash a/c.....Dr.		950	
	Discount allowed a/c.....Dr		50	
	To Tirtha's a/c			1000
	(Being cash received from Tritha and allowed discount)			
4	Usha's a/c.....Dr.		1000	
	To Discount received a/c			50
	To Cash a/c			950
	(Being cash paid to usha and received discount)			
	Total		**3800**	**3800**