

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

200 8	Feb. 0	Theer & Co. A/C To Purchases Returns A/C (Being goods returned to Theer & Co. purchased on credit)	Dr.	500	
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Date	Particulars	Debit	Credit
200 8 Feb. 25	Kishore & Co. A/C To Sales A/C (Being goods sold on credit to Kishore & Co. A/C)	Dr .	4,000 4,000
200 8 Feb. 27	Cash A/C Discount A/C To Kishore & Co. A/C (Being Kishore & Co. A/C settled with discount)	Dr . Dr .	3,750 250 4,000
200 8 Feb. 28	Rent A/C Salary A/C Electricity Charges To Cash A/C (Being Rent, Salary and Electricity charges paid)	Dr . Dr . Dr .	40 100 200 340

Exercise 1:

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

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

Date	Particular	L.F	Debit	Credit	Rs.
a	Purchase a/c.....Dr. To Cash a/c (Being goods purchase for cash)		2500		2500
b	Cash a/c.....Dr. To Sales a/c (Being goods sold for cash)	15000		15000	
c	Purchase a/c.....Dr. To Krishna a/c (Being goods purchased from krishna on credit)	6000		6000	
d	Purchase a/c.....Dr. To Megha center a/c (Being good purchased from Megha center on credit)	8000		8000	
e	Megha Center a/c.....Dr. To Purchase a/c (Being goods returned to Megha Center)	500		500	
f	Barsha Center a/c.....Dr. To Sales a/c (Being goods sold Barsha Center on Credit)	6000		6000	
g	Sales return a/c.....Dr. To Barsha Center a/c (Being goods return by Barsha Center)	300		300	
	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	Credit	Rs.
1.	Furniture a/c.....Dr. To Cash a/c (Being purchased furniture)		10,000		10,000
2.	Machinery a/c.....Dr. To Mahakali Stationary Ltd a/c (Being machine purchased from Mahakali Stationary Ltd.)	75000		75000	
3.	Cash a/c.....Dr. To office equipment a/c (Being cash paid to siddhi)	5000		5000	
	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