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## Exercise 1

Enter the following transactions in the Journal of Surya Kumar & Bros.: —

| 2025    |                                                | Rs       |
|---------|------------------------------------------------|----------|
| April 1 | Surya Kumar & Bros. started business with cash | 4,00,000 |
| 2       | Purchased goods for cash                       | 30,000   |
| 4       | Purchased goods from Tarun                     | 52,000   |
| 5       | Purchased Furniture for cash                   | 20,000   |
| 10      | Paid cash to Tarun                             | 40,000   |
| 16      | Purchased goods from Divyanshi for cash        | 24,500   |
| 17      | Purchased goods from Divyanshi                 | 32,000   |
| 20      | Bought Machinery for cash                      | 80,000   |
| 27      | Paid rent                                      | 5,000    |

### Solution:

#### JOURNAL OF SURY KUMAR & BROS

| Date     | Particulars                                                                          | L.<br>F. | Amount   | Amount   |
|----------|--------------------------------------------------------------------------------------|----------|----------|----------|
|          |                                                                                      |          | Dr.      | Cr.      |
| 2025     |                                                                                      |          | Rs       | Rs       |
| April 1  | Cash A/c Dr.                                                                         |          | 4,00,000 |          |
|          | To Capital A/c<br>(Cash brought into the business by Surya Kumar & Bros. as capital) |          |          | 4,00,000 |
| April 2  | Purchases A/C Dr.                                                                    |          | 30,000   |          |
|          | To Cash A/c<br>(Goods purchased for cash)                                            |          |          | 30,000   |
| April 4  | Purchases A/c Dr.                                                                    |          | 52,000   |          |
|          | To Tarun<br>(Goods purchased from Tarun on credit)                                   |          |          | 52,000   |
| April 5  | Furniture A/c Dr.                                                                    |          | 20,000   |          |
|          | To Cash A/c<br>(Furniture purchased for cash)                                        |          |          | 20,000   |
| April 10 | Tarun Dr.                                                                            |          | 40,000   |          |
|          | To cash A/c<br>(Cash paid to Tarun)                                                  |          |          | 40,000   |
| April 16 | Purchases A/c Dr.                                                                    |          | 24,500   |          |
|          | To Cash A/c<br>(Goods purchased for cash)                                            |          |          | 24,500   |
| April 17 | Purchases A/c Dr.                                                                    |          | 32,000   |          |
|          | To Divyanshi<br>(Goods purchased from Divyanshi on credit)                           |          |          | 32,000   |
| April 20 | Machinery A/c Dr.                                                                    |          | 80,000   |          |
|          | To Cash A/c<br>(Machinery purchased for cash)                                        |          |          | 80,000   |
| April 27 | Rent A/c Dr.                                                                         |          | 5,000    |          |
|          | To Cash A/c<br>(Rent paid)                                                           |          |          | 5,000    |
|          | Total Rs                                                                             |          | 6,83,500 | 6,83,500 |

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Exercise 2

Enter the following transactions in the Journal of Rudra Enterprises:—

2025		Rs
Jan. 7	Sold goods for cash	22,000
9	Sold goods to Rahul	75,000
12	Received cash from Rahul	60,000
18	Sold goods to Daniel for cash	28,000
19	Sold goods to Daniel	70,000
24	Withdrew cash from office for personal use	25,000
29	Paid wages	6,100
30	Paid salary to Rahim	10,000
30	Received Commission	2,400

Solution:

JOURNAL OF RUDRA ENTERPRISES

Date	Particulars	L.F.	Amount Dr.	Amount Cr.
2025 Jan.7	Cash A/c Dr. To Sale A/c (Goods sold for cash)		22,000	22,000
Jan. 9	Rahul Dr. To Sale A/c (Goods sold to Rahul on Credit)		75,000	75,000
Jan. 12	Cash A/c Dr. To Rahul (Cash received from Rahul)		60,000	60,000
Jan. 18	Cash A/c Dr. To Sale A/c (Goods sold for cash)		28,000	28,000
Jan. 19	Daniel Dr. To Sales A/c (Goods sold to Daniel on Credit)		70,000	70,000
Jan. 24	Drawings A/c Dr. To Cash A/c (Amount withdrew for personal use)		25,000	25,000
Jan. 29	Wages A/c Dr. To Cash A/c (Wages paid)		6,100	6,100
Jan. 30	Salary A/c Dr. To Cash A/c (Salary paid)		10,000	10,000
Jan. 30	Cash A/c Dr. To Commission Received A/c (Commission received)		2,400	2,400
	Total Rs.		2,98,500	2,98,500



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### Exercise 3

Record the following transactions in the Journal of Ganesh & Sons:—

| 2025   |                                      | Rs.      |
|--------|--------------------------------------|----------|
| July 1 | Commenced business with cash         | 6,00,000 |
| 2      | Goods purchased from Vishal for cash | 40,000   |
| 3      | Goods purchased from Naveen          | 1,60,000 |
| 4      | Goods returned to Naveen             | 10,000   |
| 8      | Goods sold to Abdul                  | 70,000   |
| 12     | Abdul returned 10% of goods          |          |

### Solution:

#### JOURNAL OF GANESH & SONS

| <i>Date</i>    | <i>particulars</i>                                                                                          | <i>L.F.</i> | <i>Amount<br/>Dr.</i> | <i>Amount Cr.</i> |
|----------------|-------------------------------------------------------------------------------------------------------------|-------------|-----------------------|-------------------|
| 2025<br>July 1 | Cash A/c Dr.<br>To Capital A/c<br>(Amount brought in by Ganesh & Sons as capital)                           |             | 6,00,000              | 6,00,000          |
| July 2         | Purchases A/c Dr.<br>To Cash A/c<br>(Goods purchased from Vishal for cash)                                  |             | 40,000                | 40,000            |
| July 3         | Purchases A/c Dr.<br>To Naveen<br>(Goods purchased from Naveen)                                             |             | 1,60,000              | 1,60,000          |
| July 4         | Naveen Dr.<br>To Purchases Return A/c<br>(Goods returned to Naveen)                                         |             | 10,000                | 10,000            |
| July 8         | Abdul Dr.<br>To Sales A/c<br>(Goods sold to Abdul)                                                          |             | 70,000                | 70,000            |
| July 12        | Sales Return A/c Dr.<br>To Abdul<br>(10% of goods sold to Abdul returned by him :<br>10% of 70,000 = 7,000) |             | 7,000                 | 7,000             |
|                | Total Rs.                                                                                                   |             | 8,87,000              | 8,87,000          |

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### Exercise 4

| 2025    |                                                                                   | Rs              |
|---------|-----------------------------------------------------------------------------------|-----------------|
| Jan. 1  | Paid cash to Krishna<br>and discount received from him                            | 18,800<br>1,200 |
| Jan. 4  | Received cash from Mehak<br>and discount allowed to her                           | 6,800<br>200    |
| Jan. 10 | Goods sold to Deepak                                                              | 50,000          |
| Jan. 12 | Deepak returned goods                                                             | 4,000           |
| Jan. 14 | Received cash from Deepak Rs. 45,000 in full settlement of his account.           |                 |
| Jan. 20 | Sold goods to George of the list price of Rs. 2,00,000 at 10% trade discount.     |                 |
| Jan. 23 | Purchased goods from Meenu of the list price of Rs. 40,000 at 15% trade Discount. |                 |

### Solution:

#### JOURNAL OF ANURAG

| Date    | particulars                                                                                                      | L.F | Amount<br>Dr.   | Amount<br>Cr.   |
|---------|------------------------------------------------------------------------------------------------------------------|-----|-----------------|-----------------|
| 2025    |                                                                                                                  |     | Rs.             | Rs.             |
| Jan. 1  | Krishna Dr.<br>To Cash A/c<br>To Discount Received A/c<br>(Cash paid to Krishna and discount received)           |     | 20,000          | 18,800<br>1,200 |
| Jan. 4  | Cash A/c Dr.<br>Discount Allowed A/c Dr.<br>To Mehak<br>(Cash received from Mehak and discount allowed)          |     | 6,800<br>200    | 7,000           |
| Jan. 10 | Deepak Dr.<br>To Sales A/c<br>(Good sold to Deepak)                                                              |     | 50,000          | 50,000          |
| Jan. 12 | Sales Return A/c Dr.<br>To Deepak<br>(Goods returned by Deepak)                                                  |     | 4,000           | 4,000           |
| Jan. 14 | Cash A/c Dr.<br>Discount Allowed A/c Dr.<br>To Deepak<br>(Cash received from Deepak and discount allowed to him) |     | 45,000<br>1,000 | 46,000          |
| Jan. 20 | George Dr.<br>To Sales A/c<br>(Goods of the list price of Rs. 2,00,000 sold at 10% trade discount)               |     | 1,80,000        | 1,80,000        |
| Jan. 23 | Purchases A/c Dr.<br>To Meenu<br>(Goods of the list price of Rs 40,000 purchased at 15% trade discount)          |     | 34,000          | 34,000          |
|         | Total Rs.                                                                                                        |     | 3,41,000        | 3,41,000        |

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Exercise 5

Give Journal entries for the following transactions in the books of Prakash & Co.:—

2025		Rs.
Feb. 2	Cash purchases	60,000
Feb. 3	Sold goods to Damodar	20,000
Feb. 6	Returned defective goods by Damodar	2,000
Feb. 8	Received cash from Damodar and Discount allowed	17,600 400
Feb. 9	Vijay sold goods to us	40,000
Feb. 10	Sajjan purchased goods from us	24,000
Feb. 10	Paid insurance premium by Cheque	2,000
Feb. 12	Paid for Life Insurance Premium of Sh. Prakash by Cheque	5,000
Feb. 15	Paid Cash to Vijay and Discount allowed by him	24,240 760
Feb. 18	Bought goods from Varun, list price Rs.30,000 less 20% trade discount	
Feb. 22	Paid to Varun	15,000
Feb. 26	Paid to Varun in full settlement of his account	8,500
Feb. 28	Paid wages Rs 10,000, Advertisement Expenses Rs 12, 000 and Salaries paid Rs 25,000	
Feb. 28	Received Interest	800
Feb.	Received Commission	3,000

Solution:

JOURNAL OF PRAKASH & CO

Date	particulars	L.F.	Amount Dr.	Amount Cr.
2025			Rs	Rs
Feb. 2	Purchases A/c Dr. To Cash A/c (Goods purchased for cash)		60,000	60,000
Feb. 3	Damodar Dr. To Sales A/c (Goods sold to Damodar)		20,000	20,000
Feb. 6	Sales Return A/c Dr. To Damodar (Goods) returned by Damodar)		2,000	2,000
Feb. 8	Cash A/c Dr. Discount allowed A/c Dr. To Damodar (Cash received from Damodar and Discount allowed)		17,600 400	18,000
Feb. 9	Purchases A/c Dr. To Vijay (Goods purchased from Vijay)		40,000	40,000
Feb. 10	Sajjan Dr. To Sales A/c (Goods sold to Sajjan)		24,000	24,000
Feb. 10	Insurance Premium A/c Dr. To Bank A/c (Insurance premium paid)		2,000	2,000
Feb. 12	Drawings A/c Dr. To Bank A/c (Life Insurance Premium paid)		5,000	5,000
Feb. 15	Vijay Dr. To Cash A/c		25,000	24,240



Acc XI.3 Journal Exercises

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|         |                                                                                                       |  |                            |              |
|---------|-------------------------------------------------------------------------------------------------------|--|----------------------------|--------------|
|         | To Discount Received A/c<br>(Cash paid to Vijay and discount received)                                |  |                            | 760          |
| Feb. 18 | Purchases A/c Dr.<br>To Varun<br>(Goods purchased less trade discount)                                |  | 24,000                     | 24,000       |
| Feb. 22 | Varun Dr.<br>To Cash A/c<br>(Amount paid to Varun)                                                    |  | 15,000                     | 15,000       |
| Feb. 26 | Varun Dr.<br>To Cash A/c<br>To Discount Received A/c                                                  |  | 9,000                      | 8,500<br>500 |
| Feb. 28 | Wages A/c Dr.<br>Advertisement Expenses A/c Dr.<br>Salaries A/c Dr.<br>To Cash A/c<br>(Expenses paid) |  | 10,000<br>12,000<br>25,000 | 47,000       |
| Feb. 28 | Cash A/c Dr.<br>To Interest Received A/c<br>To Commission Received A/c<br>(Income received)           |  | 3,800                      | 800<br>3,000 |
|         | Total Rs                                                                                              |  | 2,94,800                   | 2,94,800     |

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### Exercise 6

Enter the following transactions in the Journal of Ved & Sons:

|         |                                                                                    |
|---------|------------------------------------------------------------------------------------|
| 2025    |                                                                                    |
| March 1 | Purchased goods from Subhash of the list price of Rs 60,000 at 10% trade discount. |
| March 2 | Returned goods to Subhash of the list price of Rs 2,000.                           |
| March 3 | Paid Cash to Subhash Rs 50,000 in full settlement of his account.                  |

### Solution:

#### JOURNAL OF VED & SONS

| Date    | Particulars                                                                                                                                               | L.F | Amount<br>Dr. | Amount<br>Cr.   |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------------|-----------------|
| 2025    |                                                                                                                                                           |     | Rs.           | Rs.             |
| March 1 | Purchases A/c Dr.<br>To Subhash<br>(Goods of the list price of Rs 60,000 purchased at 10% trade discount)                                                 |     | 54,000        | 54,000          |
| March 2 | Subhash Dr.<br>To Purchases Return A/c<br>(Goods of the list price of Rs 2,000, returned to Subhash; Actual price being Rs 2,000 less 10% trade discount) |     | 1,800         | 1,800           |
| March 3 | Subhash Dr.<br>To Cash A/c<br>To Discount Received A/c<br>(Cash paid to Subhash and discount received from him)                                           |     | 52,200        | 50,000<br>2,200 |
|         | Total Rs                                                                                                                                                  |     | 1,08,000      | 1,08,000        |

Note 1. Discount received from Subhash has been calculated as follows:

|                                                     |               |
|-----------------------------------------------------|---------------|
| Purchases                                           | 54,000        |
| Less: Purchases Return                              | <u>1,800</u>  |
| Net Amount due to Subhash                           | 52,200        |
| Less: Amount paid in full settlement of his account | <u>50,000</u> |
| Discount received from him                          | <u>2,200</u>  |

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## Exercise 7

Enter the following transactions in the Journal of Mohan Kumar : -

|          |                                                                                 |
|----------|---------------------------------------------------------------------------------|
| 2025     |                                                                                 |
| April 10 | Sold goods to Yograj of the list price of Rs 2,00,000 at trade discount of 15%. |
| April 13 | Yograj returned goods of the list price of Rs 8,000.                            |
| April 18 | Received from Yograj the amount due from him, under a cash discount of 5%.      |

### Solution:

#### JOURNAL OF MOHAN KUMAR

| Date     | Particulars                                                                                                                                          | L.F | Amount<br>Dr.     | Amount Cr. |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-------------------|------------|
| 2025     |                                                                                                                                                      |     | Rs.               | Rs.        |
| April 10 | Yograj Dr.<br>To Sales A/c<br>(Goods of the list price of Rs 2,00,000<br>sold 15% trade Discount)                                                    |     | 1,70,000          | 1,70,000   |
| April 13 | Sale Return A/c Dr.<br>To Yograj<br>(Goods of the list price Rs 8,000 returned<br>by Yograj; Actual price being Rs 8,000<br>less 15% trade discount) |     | 6,800             | 6,800      |
| April 18 | Cash A/c Dr.<br>Discount allowed A/c Dr.<br>To Yograj<br>(Cash received from Yograj and discount<br>allowed to him)                                  |     | 1,55,040<br>8,160 | 1,63,200   |
|          | Total Rs                                                                                                                                             |     | 3,40,000          | 3,40,000   |

Note 1:

Cash received from Yograj has been calculated as follows:

|                                                          |                 |
|----------------------------------------------------------|-----------------|
| Sale                                                     | 1,70,000        |
| Less: Sales Return                                       | <u>6,800</u>    |
| Amount due from Yograj                                   | 1,63,200        |
| Discount allowed to him: $1,63,200 \times \frac{5}{100}$ | 8,160           |
| Cash received from Yograj                                | <u>1,55,040</u> |

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Exercise 8

Pass Journal Entries for the following transaction:

(i)	Bought goods from Vidur of the list price of Rs 40,000 at 15% trade discount
(ii)	Settled the account of Vidur by paying cash, under a discount of 5%
(iii)	Bought goods for cash of the list price of Rs 1,00,000 at 10% trade discount and 6% cash discount.
(iv)	Sold goods for cash of the list price of Rs 2,50,000 at 20% trade discount and 4% cash discount.

Solution:

JOURNAL OF

Date	Particulars	L. F	Amount Dr.	Amount Cr.
Sr. No.			Rs.	Rs.
(i)	Purchases A/c Dr. To Vidur (Goods of the list price of Rs 40,000 bought at 15% trade discount)		34,000	34,000
(ii)	Vidur Dr. To Cash A/c To Discount Received A/c (Cash paid and discount received @ 5% on Rs 34,000)		34,000	32,300 1,700
(iii)	Purchases A/c Dr. To Cash A/c To Discount Received A/c (Goods of the list price of Rs 1,00,000 bought at 10% trade discount and 6% cash discount: <div style="text-align: right; margin-right: 20px;"> List Price 1,00,000 Less: Trade Discount@10% <u>10,000</u> 90,000 Less: Cash Discount@6% on 90,000 <u>5,400</u> 84,600 </div>		90,000	84,600 5,400
(iv)	Cash A/c Dr. Discount Allowed A/c Dr. To Sales A/c (Goods of the list price of Rs 2,50,000 sold at 20% trade discount and 4% cash discount : <div style="text-align: right; margin-right: 20px;"> List Price 2,50,000 Less: Trade Discount@20% <u>50,000</u> 2,00,000 Less: Cash Discount@4% on Rs 2,00,000 <u>8,000</u> <u>1,92,000</u> </div>		1,92,000 8,000	2,00,000
	Total Rs.		3,58,000	3,58,000



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## Exercise 9

Pass journal entries for the following transactions in the journal of Suresh Pratap.

|         |                                                                                                                    |
|---------|--------------------------------------------------------------------------------------------------------------------|
| 2025    |                                                                                                                    |
| June 1  | Suresh Pratap started business with cash Rs 4,00,000, Furniture Rs 30,000 and Goods Rs. 10,000                     |
| June 4  | Sold goods to Waseem of the list price of Rs 20,000 at trade discount of 10%.                                      |
| June 6  | Waseem returned goods of list price of Rs 2,000.                                                                   |
| June 10 | Received from Waseem Rs 16,000 in full settlement of his account.                                                  |
| June 15 | Purchased furniture for Rs 12,000.                                                                                 |
| June 15 | Purchased goods from Kapil of the list price of Rs 50,000 at 12% Trade Discount.                                   |
| June 18 | Returned goods to Kapil of the list price of Rs 4,000.                                                             |
| June 20 | Cleared the account of Kapil by paying cash at a discount of 5%.                                                   |
| June 21 | Sold goods to Aakriti Rs 20,000 and Shikha Rs 32,000.                                                              |
| June 24 | Received cash from Aakriti Rs 19,600 in full settlement of her account. Paid insurance premium Rs 1,500 by Cheque. |
| June 25 | Paid Rs 2,400 for life insurance premium for proprietor by Cheque.                                                 |
| June 26 | Purchased goods for Rs 16,000 for cash at a trade discount of 10% and cash discount of 2%.                         |
| June 27 | Received full payment from Shikha at a discount of 5% in full settlement of his account.                           |
| June 28 | Paid for advertisement Rs 2,000, salaries Rs 8,000 and rent Rs1,600.                                               |
| June 30 | Received Commission Rs 3,000.                                                                                      |

### Solution:

Journal of Suresh Pratap

| Date    | Particulars                                                                                                                                  | L.F | Amount<br>Dr.                | Amount<br>Cr. |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------|-----|------------------------------|---------------|
| 2025    |                                                                                                                                              |     | Rs.                          | Rs.           |
| June 1  | Cash A/c Dr.<br>Furniture A/c Dr.<br>Purchases A/c (or Stock A/c) Dr.<br>To Capital A/c<br>(Business started with cash, furniture and goods) |     | 4,00,000<br>30,000<br>10,000 | 4,40,000      |
| June 4  | Waseem Dr.<br>To Sale A/c<br>(Goods of the list price of Rs 20,000 sold at 10% discount)                                                     |     | 18,000                       | 18,000        |
| June 6  | Sales Returns A/c Dr.<br>To Waseem<br>(Goods returned for Rs 2,000 less 10% trade discount)                                                  |     | 1,800                        | 1,800         |
| June 10 | Cash A/c Dr.<br>Discount Allowed A/c (Note 1) Dr.<br>To Waseem<br>(Cash received from Waseem and discount allowed to him)                    |     | 16,000<br>200                | 16,200        |
| June 15 | Furniture A/c Dr.<br>To Cash A/c<br>(Furniture purchased for cash)                                                                           |     | 12,000                       | 12,000        |
| June 15 | Purchases A/c Dr.<br>To Kapil<br>(Goods of the list price of Rs 50,000 purchased at 12% trade Discount)                                      |     | 44,000                       | 44,000        |
| June 18 | Kapil Dr.<br>To purchases Returns A/c                                                                                                        |     | 3,520                        | 3,520         |

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Acc XI.3 Journal Exercises

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|         |                                                                                                                                          |                   |                         |                 |
|---------|------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|-----------------|
|         | (Goods returned for Rs 4,000 less 12% trade discount)                                                                                    |                   |                         |                 |
| June 20 | Kapil<br>To Cash A/C<br>To Discount Received A/c<br>(Cash paid to Kapil and discount received)                                           | Dr.               | 40,480                  | 38,456<br>2,024 |
| June 21 | Aakriti<br>Shikha<br>To Sales<br>(Goods sold on credit)                                                                                  | Dr.<br>Dr.        | 20,000<br>32,000        | 52,000          |
| June 24 | Cash A/c<br>Discount Allowed A/c<br>To Aakriti<br>(Cash received and discount allowed)                                                   | Dr.<br>Dr.        | 19,600<br>400           | 20,000          |
| June 24 | Insurance Expenses A/c<br>To Bank A/c<br>(Insurance premium paid)                                                                        | Dr.               | 1,500                   | 1,500           |
| June 25 | Drawing A/c<br>To Bank A/c<br>(Paid for insurance premium for proprietor)                                                                | Dr.               | 2,400                   | 2,400           |
| June 26 | Purchases A/c<br>To Cash A/c <sup>(3)</sup><br>To Discount Received A/c<br>(Goods purchased at 10% trade discount and 2% cash discount ) | Dr.               | 14,400                  | 14,112<br>288   |
| June 27 | Cash A/c<br>Discount Allowed A/c<br>To Shikha                                                                                            | Dr.<br>Dr.        | 30,400<br>1,600         | 32,000          |
| June 28 | Advertisement Expenses A/c<br>Salaries A/c<br>Rent A/c<br>To Cash A/c                                                                    | Dr.<br>Dr.<br>Dr. | 2,000<br>8,000<br>1,600 | 11,600          |
| June 30 | Cash A/c<br>To Commission Received A/c<br>(Commission received)                                                                          | Dr.               | 3,000                   | 3,000           |
|         | Total Rs.                                                                                                                                |                   | 7,12,900                | 7,12,900        |

Note:

- (1) Discount allowed to Waseem is calculated as follows:
- |                                             |               |
|---------------------------------------------|---------------|
| Sale                                        | Rs. 18,000    |
| Less: Sales Return                          | <u>1,800</u>  |
| Amount due from Waseem                      | 16,200        |
| Amount received from him in full settlement | <u>16,000</u> |
| Discount allowed                            | 200           |
- (2) Discount received from Kapil is calculated as follows:
- |                                                           |               |
|-----------------------------------------------------------|---------------|
| Purchases                                                 | 44,000        |
| Less: Purchases Returns                                   | <u>3,520</u>  |
| Net amount due to Kapil                                   | 40,480        |
| Discount received from him: $40,480 \times \frac{5}{100}$ | <u>2,024</u>  |
| Amount paid to him in full settlement                     | <u>38,456</u> |
- (3) Invoice price of goods purchased
- |                                  |               |
|----------------------------------|---------------|
| Invoice price of goods purchased | 16,000        |
| Less: Trade Discount @ 10%       | <u>1,600</u>  |
|                                  | 14,000        |
| Less: Cash Discount 2 2%         | 288           |
|                                  | <u>14,112</u> |

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Exercise 10

Journalise the following transactions:

- (a) Sold goods to Harsh for Rs 1,00,000 at 20% trade discount and 5% cash discount. Harsh paid 40% immediately through a bankers Cheque.
- (b) Cash received from Ram on behalf of Shyam Rs 10,000.

(Chandigarh 2020)

Solution:

Date	Particulars	L.F	Amount Dr.	Amount Cr.
(a)	Bank A/c* Dr. Discount Allowed A/c Dr. Harsh Dr. To Sales A/c (Goods sold to Harsh at 20% trade discount and 5% cash discount. Received 40% payment)		Rs. 30,400 ⁽ⁱ⁾ 1,600 48,000 ⁽ⁱⁱ⁾	Rs. 80,000
(b)	Cash A/c Dr. To Shyam (Cash received from Ram on behalf of Shyam)		10,000	10,000

* In case there is no information as to the date of deposit of the Cheque, it is assumed that the Cheque is deposited into the bank on the same day.

Working Note:

	Rs.
Invoice price of goods	1,00,000
Less: Trade Discount @ 20%	<u>20,000</u>
	<u>80,000</u>
(i) Cash Transactions (40% of Rs 80,000)	32,000
Less: Cash Discount @ 5%	<u>1,600</u>
	<u>30,400</u>
(ii) Credit Transaction (60% of Rs 80,000)	<u>48,000</u>

Exercise 11

Pass journal entries for the following:

2025	
April 1	Bought goods from Kumar worth Rs 1,00,000 at 20% trade discount and 5% cash discount. Paid full amount at the time of purchase itself.
April 3	Bought goods from Rakhi for Rs 2,00,000 at 5% cash discount and 10% trade discount. Half of the amount paid by Cheque at the time of purchase.
April 4	Sold goods to Nupur for Rs 50,000 at terms 4% cash discount and 20% trade discount. Half the amount received by cash and balance half by Cheque on the same day.
April 6	Sold goods to Anuradha for Rs 1,00,000 on term 10% trade discount and 5% cash discount if the payment is received within fifteen days. 80% payment is received on April 18th by Cheque.
April 19	Sold goods to Divyanshi for Rs 1,00,000 at 20% trade discount and 10% cash discount if the payment is received within ten days. She paid half the amount on April 26th and 30% of the remainder on April 30th.

Solution:

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Date	Particulars	L. F.	Amount Dr.	Amount Cr.
2025 April 1	Purchases A/c Dr. To Cash A/c To Discount Received A/c (Goods purchased from Kumar at 20% trade discount and 5% cash discount)		80,000	76,000 ⁽¹⁾ 4,000
April 3	Purchases A/c Dr. To Bank A/c To Discount Received A/c To Rakhi (Goods purchased from Rakhi at 10% trade discount and 5% cash discount on half of the amount paid)		1,80,000	85,500 ⁽²⁾ 4,500 90,000
April 4	Cash A/c Dr. Bank A/C* Dr. Discount Allowed A/c Dr. To Sale A/c (Goods sold to Nupur at 20% trade Discount and 4% cash Discount)		19,200 ⁽³⁾ 19,200 1,600	40,000
April 6	Anuradha Dr. To Sales A/c (Goods sold at 10% trade discount)		90,000	90,000 ⁽⁴⁾
April 18	Bank A/c* Dr. Discount Allowed A/c Dr. To Anuradha (80% amount due from Anuradha received after allowing 5% cash discount)		68,400 ⁽⁵⁾ 3,600	72,000
April 19	Divyanshi Dr. To Sale A/c (Goods sold at 20% trade discount)		80,000	80,000
April 26	Cash A/c Dr. Discount Allowed A/c Dr. To Divyanshi (Half of the amount due from Sudha received after allowing 10% cash discount)		36,000 ⁽⁶⁾ 4,000	40,000
April 30	Cash A/c Dr.		12,000	

Acc XI.3 Journal Exercises

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|  |                                                                       |  |          |          |
|--|-----------------------------------------------------------------------|--|----------|----------|
|  | To Divyanshi<br>(Receipt of 30% of the remainder amount of Rs 40,000) |  |          | 12,000   |
|  | Total Rs.                                                             |  | 5,94,000 | 5,94,000 |

\*In case there is no information as to the date of deposit of the Cheque, it is assumed that the Cheque is deposited into the bank on the same day.

| Working Notes:                                                       | Rs              |
|----------------------------------------------------------------------|-----------------|
| (1) April 1 Invoice price of goods                                   | 1,00,000        |
| Less: Trade Discount @20%                                            | <u>20,000</u>   |
|                                                                      | 80,000          |
| Less: Cash Discount @5%                                              | <u>4,000</u>    |
|                                                                      | <u>76,000</u>   |
| <br>                                                                 |                 |
| (2) April 3 Invoice price of goods                                   | 2,00,000        |
| Less: Trade Discount @10%                                            | <u>20,000</u>   |
|                                                                      | <u>1,80,000</u> |
| (i) Cash Transaction (1/2 of 1,80,000)                               | 90,000          |
| Less: Cash Discount @5%                                              | <u>4,500</u>    |
|                                                                      | <u>85,500</u>   |
| (ii) Credit Transaction (1/2 of 1,80,000)                            | <u>90,000</u>   |
| <br>                                                                 |                 |
| (3) April 4 Invoice price of goods                                   | 50,000          |
| Less: Trade Discount @20%                                            | <u>10,000</u>   |
|                                                                      | 40,000          |
| Less: Cash Discount @4%                                              | <u>1,600</u>    |
|                                                                      | <u>38,400</u>   |
| Cash : 1/2 of 38,400 = Rs 19,200; Cheque : 1/2 of 38,400 = Rs 19,200 |                 |
| (4) April 6 Invoice price of goods                                   | 1,00,000        |
| Less: Trade Discount @10%                                            | <u>10,000</u>   |
|                                                                      | <u>90,000</u>   |
| <br>                                                                 |                 |
| (5) April 18 Cash received: 80% of 90,000                            | 72,000          |
| Less: Cash Discount @5%                                              | <u>3,600</u>    |
|                                                                      | <u>68,400</u>   |
| <br>                                                                 |                 |
| (6) April 19 Invoice price of goods                                  | 1,00,000        |
| Less: Trade Discount @20%                                            | <u>20,000</u>   |
|                                                                      | <u>80,000</u>   |
| Cash received on April 26th : 1/2 of 80,000 =                        | 40,000          |
| Less: Cash Discount @10%                                             | <u>4,000</u>    |
|                                                                      | <u>36,000</u>   |

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Exercise 12

Journalise the following transactions in the books of Mukesh Enterprises.

2025 Feb. 1	Started business contributing Rs 50,000 in cash; Rs 4,50,000 in Cheque and building valued Rs 25,00,000.
Feb. 8	Purchased goods from Nayab Singh of the list price of Rs 1,00,000 for Rs 92,000
Feb. 17	Purchased goods costing Rs 1,00,000 from Sahil & Co. Paid 60% immediately by Cheque to avail 5% discount.
Feb. 23	Sold goods to Kishore & Co. of the list price of Rs 40,000 for Rs 38,000.
Feb. 26	Sold to Kanika & Co. goods costing Rs 1,00,000 at 20% profit, allowing 10% trade discount and 5% cash discount. Kanika & Co. made 40% Payment immediately by Cheque.

Solution

JOURNAL OF MUKESH ENTERPRISES

Date	Particulars	L. F.	Amount Dr.	Amount Cr.
2025 Feb. 1	Cash A/c Dr. Bank A/c Dr. Building A/c Dr. To Capital A/c (Started business with Cash, Cheque and Building)		Rs. 50,000 4,50,000 25,00,000	Rs. 30,00,000
Feb. 8	Purchases A/c Dr. To Nayab Singh (Goods of list price of Rs 1,00,000 purchased for Rs 92,000)		92,000	92,000
Feb. 17	Purchases A/c Dr. To Bank A/c To Discount Received A/c To Sahil & Co. (Goods purchased paying 60% availing 5% discount)		1,00,000	57,000 3,000 40,000
Feb. 23	Kishore & Co. Dr. To Sales A/c (Goods of list price of Rs 40,000 sold for Rs 38,000)		38,000	38,000
Feb. 26	Bank A/c* (Note 1) Dr. Discount Allowed A/c Dr. Kanika & Co. Dr. To Sales A/C (Goods sold and Discount allowed)		41,040 2,160 64,800	1,08,000
	Total Rs.		33,38,000	33,38,000

* It is assumed that the Cheque is deposited into the bank on the same day.

Working Note	Rs
(1) Cost of Goods	1,00,000
Add: 20% of Rs 1,00,000	<u>20,000</u>
	1,20,000
Less : Trade Discount: Rs 1,20,000 X $\frac{10}{100}$	<u>12,000</u>
	<u>1,08,000</u>
	Rs.

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|                                       |               |
|---------------------------------------|---------------|
| Cash Sale: 40% of Rs 1,08,000         | 43,200        |
| Less: Cash Discount (5% of Rs 43,200) | <u>2,160</u>  |
| Amount Received                       | <u>41,040</u> |
| Credit Sales : 60% of Rs 1,08,000     | 64,800        |

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Exercise 13

Pass Journal Entries for the following:

2025		Rs.
Aug. 1	Paid into bank for opening a Current Account	2,00,000
Aug. 5	Goods purchased and payment made by Cheque	40,000
Aug. 8	Cash sales Rs 35,000, out of this amount Rs 20,000 deposited in bank	
Aug. 10	Withdrawn for private use	10,000
Aug. 12	Withdrawn from bank for private use	15,000
Aug. 15	Withdrawn from bank	50,000
Aug. 20	Placed on fix deposit account at bank by transferring from Current Account	1,00,000

Solution:

JOURNAL

Date	Particulars	L.F.	Amount Dr.	Amount Cr.
2025 Aug. 1	Bank A/C Dr. To Cash A/c (Cash deposited into bank)		Rs. 2,00,000	Rs. 2,00,000
Aug. 5	Purchases A/c Dr. To Bank A/c (Goods purchased and payment made through Cheque)		40,000	40,000
Aug. 8	Cash A/c Dr. Bank A/c Dr. To Sale A/c (Cash sales)		15,000 20,000	35,000
Aug. 10	Drawings A/c Dr. To Cash A/c (Amount withdrawn for private use)		10,000	10,000
Aug. 12	Drawing A/c Dr. To Bank A/c (Amount withdrawn from bank for private use)		15,000	15,000
Aug. 15	Cash A/c Dr. To Bank A/c (Amount withdrawn from bank for office use)		50,000	50,000
Aug. 20	Fixed Deposit A/c Dr. To Bank A/c (Amount transferred from current account to fixed deposit account)		1,00,000	1,00,000
	Total Rs.		4,50,000	4,50,000



Exercise 14A

The following balances appeared in the books of Mega Store on 1st April, 2025:

Assets: — Cash Rs 15,000; Bank balance Rs 35,000; Stock Rs 40,000; Furniture Rs 3,600; Debtors Rs 24,000 (X Rs 6,000; Y Rs 8,000 and Z Rs 10,000)

Liabilities: — Bank Loan Rs 10,000; Creditors Rs 12,500 (Ajay Rs 5,000, Vijay Rs 7,500).

Following transactions took place during April 2025:

April. 2	Bought goods from Kailash for Rs 20,000 at a trade discount of 10% and cash discount of 2% Paid 60% amount immediately
April. 4	Sold goods to X for Rs 9,000.
April. 5	Received Rs 14,800 from X in Full settlement of his account.
April. 6	Cash deposited into bank Rs 10,000
April. 8	Cheque received from Y for Rs 7,850 in full settlement of his account. This Cheque was immediately deposited into bank.
April. 10	Received a Cheque from Z Rs 2,000.
April. 12	Cheque received from Z deposited into bank.
April. 15	Cheque received from Y dishonoured.
April. 16	Cash sales Rs 15,000; Out of this amount Rs 12,000 deposited into bank.
April. 16	Amount due to Ajay paid by Cheque.
April. 18	Old newspapers sold Rs 50. Old furniture sold Rs 750
April. 20	Z became insolvent and 40 paise in a rupee could be received from his estate by Cheque with is deposited into bank.
April. 22	Purchased goods from Gopal and paid by Cheque Rs 8,000.
April. 24	Sold half of the above goods to Chanderkant at a profit of 30% on cost.
April. 25	Proprietor withdrew for private use Rs 2,000 from office and Rs 3,000 from bank.
April. 30	Paid salary to Motilal by Cheque Rs 2,000.
April. 30	Paid Rent by Cheque Rs 1,500.
April. 30	Paid trade expenses Rs 500.

Solution:

JOURNAL OF VISHAL STORES

Date	particulars	L. F	Amount Dr.	Amount Cr.
2025 April. 1	Cash A/c Dr. Bank A/c Dr. Stock A/C Dr. Furniture A/C Dr. Debtors (X Rs 6,000; Y Rs 8,000 and Z RS 10,000) Dr. To Loan From Bank To Creditors (Ajay Rs 5,000 and Vijay Rs 7,500) To Capital (<i>balancing figure</i>) (Assets and liabilities brought forward)		Rs. 15,000 35,000 40,000 3,600 24,000	Rs. 10,000 12,500 95,100
April. 2	Purchases A/c Dr. To Cash A/c ⁽¹⁾ To Discount Received A/c To Kailash (Goods purchased and discount received)		18,000	10,584 216 7,200
April. 4	X Dr. To Sale A/c (Goods sold on credit)		9,000	9,000
April. 5	Cash A/c Dr.		14,800	

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	Discount Allowed A/c To X (Cash received and discount allowed)	Dr.	200	15,000
April. 6	Bank A/c To Cash A/c (Cash deposited into Bank)	Dr.	10,000	10,000
April. 8	Bank A/c Discount Allowed A/c To Y (Cheque received and deposited into bank)	Dr. Dr.	7,850 150	8,000
April. 10	Cheque in Hand A/c To Z (Cheque received)	Dr.	2,000	2,000
April. 12	Bank A/c To Cheques in Hand A/c (Cheque received from Z now deposited into Bank)	Dr.	2,000	2,000
April. 15	Y To Bank A/c To Discount Allowed A/c	Dr.	8,000	7,850 150
April. 16	Cash A/c Bank A/c To Sale A/c (Cash sales)	Dr. Dr.	3,000 12,000	15,000
April. 16	Ajay To Bank A/c (Cheque given to Ajay)	Dr.	5,000	5,000
April. 18	Cash A/c To Miscellaneous Income A/c To Furniture A/c (Old newspapers and old furniture sold)	Dr.	800	50 750
April. 20	Bank A/c Bad Debts A/c To Z (Amount received and bad-debts written off)	Dr. Dr.	3,200 4,800	8,000
April. 22	Purchases A/c To Bank A/c (Goods purchased by Cheque)	Dr.	8,000	8,000
April. 24	Chanderkant To Sales A/c (Goods sold on Credit)	Dr.	5,200	5,200
April. 25	Drawings A/c To Cash A/c To Bank A/c (Amount withdrawn for private use)	Dr.	5,000	2,000 3,000
April. 30	Salary A/c Rent A/c To Bank A/c (Expenses paid by Cheque)	Dr. Dr.	2,000 1,500	3,500
April. 30	Trade Expenses A/c To Cash A/c (Expenses paid in cash)	Dr.	500	500
	Total Rs		2,40,600	2,40,600

Note: (1)

Total Amount	Rs. 20,000
Less : 10% Trade Discount	<u>2,000</u>
	18,000
Cash Purchase : 60% of Rs 18,000	10,800
Less : Cash Discount (2% of 10,800)	<u>216</u>
Amount paid	<u>10,584</u>
Credit Purchase : 40% of Rs 18,000	7,200



Exercise 14B

You are required to journalise the following transaction:

Balances in the books of Rahul, a computer dealer on 1st April, 2017:

Cash Rs 500; Bank Overdraft Rs 1,000; Debtors Rs 7,000; Building Rs 6,500; Computers Rs 3,500.

On the same day, he sold a computer, the book value of which was Rs 2,000 for Rs 1,950.

Solution:

JOURNAL OF RAHUL

Date	Particulars	L.F.	Amount Dr.	Amount Cr.
2017 April 1	Cash A/c Dr. Debtors A/c Dr. Building A/c Dr. Stock (Computers) A/c Dr. To Bank Overdraft A/c To Capital A/c (Balancing Figure) (Assets and liabilities brought forward)		Rs. 500 7,000 6,500 3,500	Rs. 1,000 16,500
”	Cash A/c Dr. To Sales A/c (Goods sold for cash)		1,950	1,950



Exercise 15

Pass Journal Entries for the following:—

- (1) Received Rs 50,000 from Yogesh, which were written off as bad debts in the previous year.
- (2) Salaries due to clerks Rs 2,40,000.
- (3) Out of the rent paid this year, Rs 30,000 is related to next year.
- (4) Provide 10% depreciation on furniture costing Rs 80,000.
- (5) Provide 6% interest on capital amounting to Rs 10,00,000.
- (6) Charge interest on drawings Rs. 5,000.

Solution

JOURNAL

Date	Particulars	L.F.	Amount Dr.	Amount Cr.
(1)	Cash A/c Dr. To Bad Debts Recovered A/c (Cash received from Yogesh, previously written off as bad debts)		Rs. 50,000	Rs. 50,000
(2)	Salaries A/c Dr. To Outstanding Salaries A/c (Salaries due to clerks)		2,40,000	2,40,000
(3)	Prepaid Rent A/c Dr. To Rent A/c (Rent paid in advance)		30,000	30,000
(4)	Depreciation A/c Dr. To Furniture A/c (Depreciation provided on furniture)		8,000	8,000
(5)	Interest on Capital A/c Dr. To Capital A/c		60,000	60,000
(6)	Drawing A/c Dr. To Interest on Drawings A/c (Interest charged on drawing)		5,000	5,000
	Total Rs.		3,93,000	3,93,000

Exercise 16

Journalize the following items in the books of Damodar & Sons giving suitable narrations:

- (i) Bought goods from Himanshi for Cash Rs. 60,000. Also paid Rs. 2,000 for their carriage.
- (ii) Paid to Janaki Rs. 9,650 in full payment of her dues of Rs 10,000.
- (iii) Purchased a machinery by giving a Cheque of Rs 3,00,000 and paid Rs 25,000 in Cash as wages on its installation.
- (iv) Bricks for Rs 15,00,000 and timber for Rs 10,00,000 purchased for the construction of building. The payment was made by Cheque.
- (v) Purchased an old machinery for Rs 1,00,000 and spent Rs 5,000 on its carriage and Rs. 20,000 on its immediate repairs. Entire payment is made by Cheque.
- (vi) Paid Rs 4,000 for repairing the office furniture.

Solution:

JOURNAL OF DAMODAR & SONS

Date	Particulars	L.F.	Amount Dr.	Amount Cr.
S. No. (i)	Purchases A/c Dr. Carriage Inwards A/c Dr. To Cash A/c (Goods purchased for cash)		Rs. 60,000 2,000	Rs. 62,000
(ii)	Janaki Dr. To Cash A/c To Discount Received A/c (Cash paid to Janaki and Discount received)		10,000	9,650 350
(iii)	Machinery A/c Dr. To Bank A/c To Cash A/c (Machinery purchased for Rs 3,00,000 and wages for Rs 25,000 paid for its installation.)		3,25,000	3,00,000 25,000
(iv)	Building A/c Dr. To Bank A/c (Bricks for Rs 15,00,000 and timber for Rs 10,00,000 purchased for the construction of building)		25,00,000	25,00,000
(v)	Machinery A/c Dr. To Bank A/c (Machinery purchased for Rs 1,00,000 and spent Rs 5,000 on its carriage and Rs 20,000 on its repairs)		1,25,000	1,25,000
(vi)	Repairs A/c Dr. To Cash A/c (Payment made for the repairs of old furniture)		4,000	4,000
	Total Rs.		30,26,000	30,26,000

Exercise 17

Enter the following transactions in the journal of Shankar Stores:

2023 April 1	Started business with Rs 5,00,000; paid into bank Rs 4,00,000.
April 4	Purchased goods for Rs 1,40,000 in all, out of which half the goods was on credit from Mr. Sudhir.
April 7	Purchased building for Rs 2,00,000 and paid 2% brokerage on its purchase. Also incurred Rs 24,000 on its registration. Payment for building was made by Cheque and brokerage and registration charges were paid in cash.
April 12	Sold goods to Arun for Rs 2,00,000. Arun pays one-fourth amount in cash.
April 14	A Cheque of Rs 1,48,000 is received from Arun in full settlement and the Cheque is immediately deposited into bank.
April 16	Paid stationery expenses Rs 180.
April 17	Paid fire insurance premium on building by Cheque Rs 1,000 and Shankar's life insurance premium by Cheque Rs 4,000.
April 20	Paid for office cleaning Rs 200.
April 28	Received a sum of Rs 2,500 being rent for a portion of the building let out.
April 28	Paid for advertisement in 'The Hindustan Times' Rs 2,000.

Solution:

JOURNAL OF SHANKAR STORES

Date	particulars	L.F.	Amount Dr.	Amount Cr.
2023 April 1	Cash A/c Dr. Bank A/c Dr. To Capital A/c (Business started with Rs 5,00,000 and out of this amount Rs 4,00,000 deposited into bank)		1,00,000 4,00,000	5,00,000
April 4	Purchases A/c Dr. To Cash A/c To Sudhir (Goods purchased)		1,40,000	70,000 70,000
April 7	Building A/c Dr. To Bank A/c To Cash A/c (Building purchased for Rs 2,00,000 and paid brokerage at 2% and registration charges of Rs 24,000 on it)		2,28,000	2,00,000 28,000
April 12	Cash A/c Dr. Arun Dr. To Sales (Goods sold to Arun)		50,000 1,50,000	2,00,000
April 14	Bank A/c Dr. Discount Allowed A/c Dr. To Arun (Cheque received from Arun in full settlement)		1,48,000 2,000	1,50,000
April 16	Stationery A/c Dr. To Cash A/c (Payment made for stationery)		180	180
April 17	Insurance premium A/c Dr. Drawing A/c Dr.		1,000 4,000	

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|          |                                                                                                        |     |           |           |
|----------|--------------------------------------------------------------------------------------------------------|-----|-----------|-----------|
|          | To Bank A/c<br>(The payment of fire insurance and life insurance premium)                              |     |           | 5,000     |
| April 20 | Office Expenses A/c<br>To Cash A/c<br>(Expenditure on office cleaning)                                 | Dr. | 200       | 200       |
| April 28 | Cash A/c<br>To Rent Received A/c<br>(Rent received for letting out a portion of the building)          | Dr. | 2,500     | 2,500     |
| April 28 | Advertisement Expenses A/c<br>To Cash A/c<br>(Payment made for advertisement in 'The Hindustan Times') | Dr. | 2,000     | 2,000     |
|          | Total Rs.                                                                                              |     | 12,27,880 | 12,27,880 |

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Exercise 18

Journalize the following transactions in the books of Brijwasi Enterprises, timber merchant, giving suitable narrations:—

- (i) Received a Cheque from Joseph Rs 9,600. Allowed him discount Rs 400. Cheque is immediately deposited into bank.
- (ii) Returned goods to Arvind of the value of Rs 3,000.
- (iii) Issued a Cheque in favour of M/s Mohan Timber Co. on account of the purchase of Timber of Rs 13,500.
- (iv) Purchased machinery for Rs 50,000 by cheque and installation charges of machinery Rs 2,500 paid in cash.
- (v) Purchased goods for Rs 1,00,000 from Ajay and supplied it to Vijay for Rs 1,20,000. Out of this Vijay returned goods worth Rs 36,000 which in turn was returned to Ajay.

Solution:

JOURNAL OF BRIJWASI ENTERPRISES

Date	Particulars	L. F.	Amount Dr.	Amount Cr.
S. No.			Rs.	Rs.
(i)	Bank A/c Dr. Discount Allowed A/c Dr. To Joseph (Cheque received and discount allowed)		9,600 400	10,000
(ii)	Arvind Dr. To Purchase Returns A/c (Goods returned to Arvind)		3,000	3,000
(iii)	Purchases A/c Dr. To Bank A/c [Cheque issued for timber (goods purchased)]		13,500	13,500
(iv)	Machinery A/c Dr. To Bank A/c To Cash A/c (Machinery purchased for Rs 50,000 and installation charges of Rs 2,500 paid in cash)		52,500	50,000 2,500
(v)	Purchases A/c Dr. To Ajay (Goods purchased from Ajay)		1,00,000	1,00,000
	Vijay Dr. To Sales A/c (Goods sold to Vijay)		1,20,000	1,20,000
	Sales Return A/c Dr. To Vijay (Goods returned by Vijay)		36,000	36,000
	Ajay Dr. To Purchases Return A/c (Goods returned to Ajay)		30,000 ⁽¹⁾	30,000
	Total Rs.		3,65,000	3,65,000

Note (1): Goods sold to Vijay for Rs 1,20,000 was purchased for Rs 1,00,000. Hence, goods returned by Vijay for Rs 36,000 was purchased for Rs $\frac{1,00,000}{1,20,000} \times 36,000 = \text{Rs. } 30,000$

Exercise 19

Journalise the following transaction in the books of Chandan Bros.:

- (i) Received Rs 38,000 from Krishan Swaroop in full settlement of his account for Rs 40,000.
- (ii) Received Rs 38,000 from Dushyant on his account for Rs 40,000
- (iii) Biro who owed us Rs 15,000 is declared Insolvent and 65 paise in a rupee is received as final dividend from his estate by Cheque which is deposited into bank.
- (iv) Sold goods to Kitty list price Rs 20,000, trade discount 10% and cash discount 5%. He paid the amount on the same day and availed the cash discount.
- (v) Supplied goods costing Rs 6,000 to Shakuntla, issued at 10% above cost less 5% trade discount.

Solution:

JOURNAL OF CHANDAN BROS:

Date	Particulars	L.F.	Amount Dr.	Amount Cr.
S. No. (i)	Cash A/c Dr. Discount Allowed A/c Dr. To Krishan Swaroop (Cash received from Krishan Swaroop after allowing him discount of Rs 2,000)		Rs. 38,000 2,000	Rs 40,000
(ii)	Cash A/c Dr. To Dushyant (Cash received from Dushyant on account)		38,000	38,000
(iii)	Bank A/c Dr. Bad-debts A/c Dr. To Biroo (Amount received and Bad-debts written off)		9,750 5,250	15,000
(iv)	Cash A/c Dr. Discount Allowed A/c Dr. To Sales A/c (Goods of the list price of Rs 20,000 sold at 10% trade discount and 5% cash discount)		17,100 900	18,000
(v)	Shakuntla Dr. To Sale A/c (Goods sold to Shakuntla at 10% above cost and allowed 5% trade discount)		6,270 ⁽¹⁾	6,270
	Total Rs.		1,17,270	1,17,270

Note 1:—		Rs.
	Cost of Goods	6,000
	Add: 10% of 6,000	<u>600</u>
		6,600
	Less: $6,600 \times \frac{5}{100}$	<u>330</u>
		<u>6,270</u>

Exercise 20

Pass Journal Entries for the following:—

- (1) Proprietor withdrew for his personal use cash Rs 40,000 and goods worth Rs 20,000.
- (2) Goods for Rs 1,00,000 were given away as Charity. (Sale Price Rs 1,20,000)
- (3) Goods worth Rs 50,000 were distributed as free samples.
- (4) Goods worth Rs 1,00,000 and cash Rs 40,000 were stolen by an employee.
- (5) Goods worth Rs 2,00,000 were destroyed by fire. Insurance Company admitted and paid claim for 60% amount.

Solution:

Date	particulars	F.L.	Amount Dr.	Amount Cr.
S. No. (1)	Drawing A/c Dr. To Cash A/c To Purchases A/c (Cash and goods taken away for personal use)		Rs. 60,000	Rs. 40,000 20,000
(2)	Charity A/c Dr. To Purchases A/c (Goods given away as Charity)		1,00,000	1,00,000
(3)	Advertisement Expenses A/c Dr. To Purchases A/c (Goods distributed as free samples)		50,000	50,000
(4)	Loss by theft A/c Dr. To Purchases A/c To Cash A/c (Goods and Cash stolen by an employee)		1,40,000	1,00,000 40,000
(5)	Loss by Fire A/c Dr. To Purchases A/c (Goods destroyed by fire)		2,00,000	2,00,000
	Insurance Company Dr. To Loss by Fire A/c (Insurance claim lodged with the Insurance Company)		2,00,000	2,00,000
	Bank A/c Dr. Loss by Fire A/c Dr. To Insurance Company (Insurance claim of Rs 2,00,000 was accepted at Rs 1,20,000 and the same was received)		1,20,000 80,000	2,00,000
	Total Rs.		9,50,000	9,50,000

Exercise 21

Journalise the following transactions in the books of Harpreet bros:

- (a) Rs. 10,000 due from Rohit are now bad debts.
- (b) Goods worth Rs 20,000 were used by the proprietor.
- (c) Charge depreciation @10% p.a. for two month on machine costing Rs 3,00,000.
- (d) Provide interest on capital of Rs 15,00,000 at 6% p.a. for 9 month.
- (e) Rahul who owed us Rs 20,000 becomes insolvent and a final dividend of 60 paise in a rupee is received from his estate by cheque.
- (f) Goods costing Rs 80,000 sold to Mohan for Rs 1,00,000.

Solution:

BOOKS OF HARPREET BROS.

Date	Particulars	L.F.	Amount Dr.	Amount Cr.
S. No. (a)	Bad Debts A/c Dr. To Rohit (amount due from Rohit written off a bad debt)		Rs. 10,000	Rs. 10,000
(b)	Drawings A/c Dr. To Purchases A/c (Goods taken away by proprietor for personal use)		20,000	20,000
(c)	Depreciation A/c Dr. To Machine A/c (Depreciation charged on machine)		5,000	5,000
(d)	Interest on Capital A/c Dr. To Capital A/c (Interest provided on Capital)		67,500	67,500
(e)	Bank A/c Dr. Bad Debts A/c Dr. To Rahul (Cheque received and bad debts written off)		12,000	8,000 20,000
(f)	Mohan Dr. To Sales (Sold goods on profit)		1,00,000	1,00,000
	Total Rs.		2,22,500	2,22,500

Exercise 22

Prepare Journal from the transactions given below:

	Rs.
(a) Wages paid for installation of machine	5,000
(b) Goods given away as charity	20,000
(c) Interest charged on capital @7% p.a. when total capital was	7,00,000
(d) Received Rs 12,000 of a bad debt written off last year.	
(e) Goods destroyed by fire	20,000
(f) Rent outstanding	10,000
(g) Interest on drawing	9,000
(h) Sudhir Kumar who owed me Rs 30,000 has failed to pay the amount. He pays me a compensation of 45 p. in a Rs by cheque.	

Solution:

BOOKS OF.....

JOURNAL

Date	Particulars	L.F.	Amount Dr.	Amount Cr.
S. No.			Rs.	Rs.
(a)	Machine A/c Dr. To Cash A/c (Wages paid for installation of machine)		5,000	5,000
(b)	Charity A/c Dr. To Purchases A/c (Goods given away as charity)		20,000	20,000
(c)	Interest on Capital A/c Dr. To Capital A/c (Interest charged on capital)		49,000	49,000
(d)	Cash A/c Dr. To Bad Debts Recovered A/c (Amount received of bad debt written off last year)		12,000	12,000
(e)	Loss by Fire A/c Dr. To purchases A/c (Goods destroyed by fire)		20,000	20,000
(f)	Rent A/c Dr. To Outstanding Rent A/c (Rent outstanding)		10,000	10,000
(g)	Drawing A/c Dr. To Interest on drawing A/c (Interest charged on drawings)		9,000	9,000
(h)	Bank A/c Dr. Bad Debts A/c Dr. To Sudhir Kumar		13,500 16,500	30,000
	Total Rs.		1,55,000	1,55,000

Exercise 23

Pass Journal Entries for the following:—

2025 March 2	Purchased an Iron Safe for business for Rs 1,00,000 and payment made by cheque.
March 3	Purchased filing cabinet for office use Rs 40,000 and paid Rs 200 as cartage on it.
March 4	Purchased a Computer from Radha Kishan & Co. for Rs 80,000 on credit.
March 5	Purchased an electric fan for Rs 20,000.
March 6	Purchased a 'Horse' for business for Rs 1,50,000 and payment made by Cheque.
March 7	Paid Courier Charges.
March 8	Purchased office stationery for Rs 4,000.
March 15	Gave as Charity—Cash Rs 2,000 and Goods Rs 4,000.
March 20	The horse bought to March 6 died, its carcass was sold for Rs 10,000.
March 25	Sold household furniture for Rs 1,00,000 and paid the money into business.
March 31	Paid to landlord by cheque Rs 1,20,000 for rent. One third of the building is occupied by the proprietor for residential use.

Solution

JOURNAL

<i>Date</i>	<i>Particulars</i>	<i>L.F.</i>	<i>Amount Dr.</i>	<i>Amount Cr.</i>
2025 March 2	Office Equipment A/c Dr. To Bank A/c (Iron-safe purchased)		Rs. 1,00,000	Rs. 1,00,000
March 3	Office Equipment A/c Dr. To Cash A/c (Filing cabinet purchased for Rs 40,000 and cartage paid on it Rs 200)		40,200	40,200
March 4	Office Equipment A/c Dr. To Radha Kishan & Co. (Computer purchased)		80,000	80,000
March 5	Fixture A/c Dr. To Cash (Electric fan purchased)		20,000	20,000
March 6	Live Stock A/c Dr. To Bank A/c (A horse purchased for business)		1,50,000	1,50,000
March 7	Postage & Courier A/c Dr. To Cash A/c (Paid Courier charges)		1,750	1,750
March 8	Stationery Dr. To Cash A/c (Stationery purchased for office use)		4,000	4,000
March 15	Charity A/c Dr. To Cash A/c To Purchases (Cash and goods given as Charity)		6,000	2,000 4,000
March 20	Cash A/c Dr. Profit & Loss A/c Dr. To Live Stock A/c (Cash received for sale of carcass of dead horse)		10,000 1,40,000	1,50,000
March 25	Cash A/c Dr. To Capital A/c		1,00,000	1,00,000

Acc XI.3 Journal Exercises

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|          |                                                                                                                                                                            |  |                  |          |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------|----------|
|          | (Sale proceeds of house furniture paid into the business)                                                                                                                  |  |                  |          |
| March 31 | Rent A/c (2/3rd of Rs 1,20,000) Dr.<br>Drawings A/c Dr.<br>To Bank A/c<br>(Rent paid to landlord, 1/3rd of the building is occupied by the proprietor for residential use) |  | 80,000<br>40,000 | 1,20,000 |
|          | Total Rs.                                                                                                                                                                  |  | 7,71,950         | 7,71,950 |

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Exercise 24

Journalise the following transaction:

- (i) Sold goods costing Rs 60,000 to Dinesh against cheque at a profit of 40% on cost less 20% Trade Discount and paid carriage Rs 500 (not to be charged from the customer).
- (ii) Sold goods costing Rs 45,000 to Manoj at a profit of $33\frac{1}{3}\%$ on cost less 20% Trade Discount and paid carriage Rs 400 (to be charged from the customer)
- (iii) Paid by Cheque Rs 6,000 as fire insurance premium for a period of 12 months starting 1st July 2022. Financial year closes on 31st March every year.
- (iv) Spent Rs 300 for refreshment of a customer.
- (v) Goods costing Rs 50,000 sold to Naresh at a profit of 20% on sales.

Solution

JOURNAL

Date	Particular	L.F.	Amount Dr.	Amount Cr.
S. No. (i)	Bank A/c* Dr. To Sale A/c (Note 1) (Goods sold to Dinesh against cheque)		Rs. 67,200	Rs. 67,200
	Carriage Outwards A/c Dr. To Cash A/c (Carriage paid)		500	500
(ii)	Manoj (Note 2) Dr. To Sales A/c To Cash A/c (Goods sold to Manoj on Credit and paid Carriage on his behalf)		48,400	48,000 400
(iii) 2022 July 1	Insurance Premium A/c Dr. To Bank A/c (Paid insurance premium)		6,000	6,000
2023 March 31	Prepaid Insurance A/c (Note 3) Dr. To Insurance Premium A/c (Prepaid insurance from 1st April 2023 to 30th June, 2023)		1,500	1,500
(iv)	Sundry Expenses A/c Dr. To Cash (Amount spent for refreshment of a customer)		300	300
(v)	Naresh (Note 4) Dr. To Sales A/c (Goods costing Rs 50,000 sold at 20% profit on sales i.e., $50,000 \times \frac{100}{80}$)		62,500	62,500
	Total Rs.		1,86,400	1,86,400

* It is assumed that the Cheque is deposited into the bank on the same day.

Working Notes:

(1)		Rs.
	Cost	60,000
	Add: Profit 40% on Rs 60,000	<u>24,000</u>
		84,000
	Less: Trade Discount: 20% on Rs 84,000	<u>16,800</u>

Acc XI.3 Journal Exercises

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67,200

|     |                                                                 |               |
|-----|-----------------------------------------------------------------|---------------|
| (2) |                                                                 | Rs            |
|     | Cost                                                            | 45,000        |
|     | Add: Profit: $45,000 \times \frac{100}{3} \times \frac{1}{100}$ | <u>15,000</u> |
|     |                                                                 | 60,000        |
|     | Less: Trade Discount: 20% on Rs 60,000                          | <u>12,000</u> |
|     |                                                                 | 48,000        |
|     | Add: Carriage                                                   | <u>400</u>    |
|     | Total                                                           | <u>48,400</u> |

|     |                                                                                                                                                                          |              |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| (3) |                                                                                                                                                                          | Rs           |
|     | Insurance Premium paid from 1st July 2022 to 30th June 2023                                                                                                              | <u>6,000</u> |
|     | Since accounts will be closed on 31st March 2023, insurance premium for 3 month i.e., from 1st April 2023 to 30th June 2023 will be prepaid: $6,000 \times \frac{3}{12}$ | <u>1,500</u> |

(4) Profit is 20% on sales, as such:  
 If Sale is 100, profit will be Rs 20 and Cost will be Rs 80.  
 It means goods costing Rs 80 is sold for Rs 100

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Exercise 25

Journalise the following transactions in the books of Ganesh & Co.:

- 2023
- March 5 Purchased furniture worth Rs 20,000 and tools worth Rs 5,000.
 - March 10 Opened bank account with Dena Bank Rs 5,000.
 - March 12 Banked (Cash sent to Bank) Rs 1,00,000.
 - March 16 Withdrawn from bank by Ganesh for personal use Rs 10,000.
 - March 18 Withdrawn from bank Rs 40,000.
 - March 22 Bought shares in 'Colgate Ltd.' For Rs 50,000 and brokerage paid @ 2%. All the payment is made by cheque.
 - March 24 Paid for courier charges Rs 1,200
 - March 25 Paid to Ashok out of business funds for the repair of Ganesh's residential house Rs 4,000.
 - March 28 Paid electricity bill Rs 1,800 and miscellaneous expenses Rs 120.
 - March 31 Salaries unpaid Rs 15,000 and rent due to landlord Rs 3,000.
 - March 31 Provide interest on Capital (Rs 2,00,000) @8% p.a. from 1st April 2022 to 31st March 2023.

SOLUTION

JOURNAL OF SH. GANESH & CO.

Date	Particulars	L.F.	Amount Dr.	Amount Cr.
2023			Rs.	Rs.
March 5	Furniture A/c Dr. Tools A/c Dr. To Cash A/c (Amount paid for purchase of assets)		20,000 5,000	25,000
March 10	Bank A/c Dr. To Cash A/c (Amount deposited in Dena Bank)		5,000	5,000
March 12	Bank A/c Dr. To Cash A/c (Amount deposited into bank)		1,00,000	1,00,000
March 16	Drawing A/c Dr. To Bank A/c (Amount withdrawn from bank for personal use)		10,000	10,000
March 18	Cash A/c Dr. To Bank A/c (Cash withdrawn from bank for office use)		40,000	40,000
March 22	Investments A/c Dr. To Bank A/c (The purchase of shares in 'Colgate Ltd,' for Rs 50,000 and brokerage paid @ 2%)		51,000	51,000
March 24	Postage & Courier A/c Dr. To Cash A/c (Amount spent on courier)		1,200	1,200
March 25	Drawing A/c Dr. To Cash A/c (Amount paid for the repair of proprietor's residential house)		4,000	4,000
March 28	Electricity Expenses A/c Dr. Miscellaneous Expenses A/c Dr. To Cash A/c (Payment made for electricity bill and miscellaneous expenses)		1,800 120	1,920
March 31	Salaries A/c Dr. To Outstanding Salaries A/c		15,000	15,000

Acc XI.3 Journal Exercises

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|          |                                                                             |           |          |          |
|----------|-----------------------------------------------------------------------------|-----------|----------|----------|
|          | (Salaries due)                                                              |           |          |          |
| March 31 | Rent A/c<br>To Outstanding Rent A/c<br>(Rent due to landlord)               | Dr.       | 3,000    | 3,000    |
| March 31 | Interest on Capital A/c<br>To Capital A/c<br>(Interest provided on capital) | Dr.       | 16,000   | 16,000   |
|          |                                                                             | Total Rs. | 2,72,120 | 2,72,120 |

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Exercise 26

Journalise the following:

- 2023
- March 1 Mukesh Bros. invested Rs 2,00,000 in business of general stores.
 - March 2 Paid into current Account Rs 1,20,000.
 - March 4 Purchased goods for Rs 60,000 and paid Rs 2,000 for carriage on these goods.
 - March 6 Purchased goods for Rs 1,00,000 on credit from Raghunath Brothers, paid Rs 1,200 for carriage on these goods.
 - March 10 Purchased machinery for Rs 10,000 and spent Rs 100 for its carriage.
 - March 13 Payment made to Raghunath Brothers by cheque after getting 10% discount for prompt payment.
 - March 16 Additional cash introduced by the proprietor Rs 50,000.
 - March 17 Spent Rs 25,000 for show-case.
 - March 20 Purchased goods from Ravi for Rs 12,000 and the payment was made by cheque.
 - March 22 Sold $\frac{1}{5}$ th of above goods at a profit of $33\frac{1}{3}\%$ on cost.
 - March 28 Bank charges for its services Rs 200.

SOLUTION

JOURNAL OF MUKESH BROS.

Date	Particulars	L.F.	Amount Dr.	Amount Cr.
2023 March 1	Cash A/c Dr. To Capital A/c (The amount of capital invested by Mukesh Bros.)		Rs. 2,00,000	Rs. 2,00,000
March 2	Bank A/c Dr. To Cash A/c (Amount deposited into Bank)		1,20,000	1,20,000
March 4	Purchases A/c Dr. Carriage Inwards A/c Dr. To Cash A/c (Goods purchased and carriage paid)		60,000 2,000	62,000
March 6	(i) Purchases A/c Dr. To Raghunath Brothers (Goods purchased on credit)		1,00,000	1,00,000
	(ii) Carriage Inwards A/c Dr. To Cash A/c (Carriage paid for the purchase of above goods)		1,200	1,200
March 10	Machinery A/c Dr. To Cash A/c (Machinery purchased for Rs10,000 and carriage paid for the same Rs 100)		10,100	10,100
March 13	Raghunath Brothers Dr. To Bank A/c To Discount Received A/c (The settlement of his account of Rs 1,00,000 under 10% discount)		1,00,000	90,000 10,000
March 16	Cash A/c Dr. To Capital A/c (Additional capital invested by the proprietor)		50,000	50,000
March 17	Furniture A/c Dr. To Cash A/c (Amount spent for show-case)		25,000	25,000
March 20	Purchases A/c Dr. To Bank A/c		12,000	12,000

Acc XI.3 Journal Exercises

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|          |                                                                                                                                                        |  |          |          |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------|----------|
|          | (Goods purchased from Ravi)                                                                                                                            |  |          |          |
| March 22 | Cash A/c <span style="float: right;">Dr.</span><br>To Sale A/c<br>( $\frac{1}{5}$ th of the above goods sold at a profit of $33\frac{1}{3}\%$ on cost) |  | 3,200    | 3,200    |
| March 28 | Bank Charges A/c <span style="float: right;">Dr.</span><br>To Bank A/c<br>(The recording of bank charges)                                              |  | 200      | 200      |
|          | Total Rs.                                                                                                                                              |  | 6,83,700 | 6,83,700 |

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Exercise 27

Journalise the following:

- (i) Paid Rs 3,000 for subscribing for newspapers and magazines.
- (ii) Received Rs 500 from sale of old newspapers and magazines.
- (iii) Received Rs 10,000 from sale of old chairs, tables etc.
- (iv) Paid interest on loan Rs 6,000.
- (v) Withdrawn goods for personal use Rs 8,000.
- (vi) Goods stolen—Cost Price Rs 48,000.
- (vii) Goods destroyed by fire—Cost Price Rs 1,60,000.
- (viii) Sold goods to X on credit Rs 6,00,000.
- (ix) X returned $\frac{1}{6}$ th of the goods sold to him.
- (x) X settles his account after deducting 10% discount for prompt payment.
- (xi) Salaries paid Rs 80,000 and salaries owing (due) Rs 20,000.
- (xii) Paid Income Tax Rs 80,000 by Cheque.

SOLUTION:

JOURNAL

Date	Particulars	L.F.	Amount Dr.	Amount Cr.
S. N (i)	Miscellaneous Expenditure A/c Dr. To Cash A/c (Amount paid for newspapers and magazines)		Rs. 3,000	Rs. 3,000
(ii)	Cash A/c Dr. To Miscellaneous Income A/c (Amount received from sales of old newspapers and magazines)		500	500
(iii)	Cash A/c Dr. To Furniture A/c (Amount received from sales of old chairs, tables etc.)		10,000	10,000
(iv)	Interest on Loan A/c Dr. To Cash A/c (Payment of interest on loan)		6,000	6,000
(v)	Drawings A/c Dr. To Purchases A/c (Goods costing Rs 8,000 taken by the proprietor for personal use)		8,000	8,000
(vi)	Loss by theft A/c Dr. To Purchases A/c (Goods costing Rs 48,000 stolen)		48,000	48,000
(vii)	Loss by Fire A/c Dr. To Purchases A/c (Goods costing Rs 1,60,000 destroyed by fire)		1,60,000	1,60,000
(viii)	X Dr. To Sales A/c (Goods sold to X on credit)		6,00,000	6,00,000
(ix)	Sales Return A/c Dr. To X (Goods returned by X)		1,00,000	1,00,000
(x)	Cash A/c Dr. Discount Allowed A/c Dr. To X (Amount received from X)		4,50,000 50,000	5,00,000
(xi)	Salaries A/c Dr. To Cash A/c To Salaries Outstanding A/c (Recording of salaries paid and outstanding)		1,00,000	80,000 20,000

Acc XI.3 Journal Exercises

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|       |                                            |           |           |           |
|-------|--------------------------------------------|-----------|-----------|-----------|
| (xii) | Drawings A/c                               | Dr.       | 80,000    |           |
|       | To Bank A/c<br>(The payment of income tax) |           |           | 80,000    |
|       |                                            | Total Rs. | 16,15,500 | 16,15,500 |

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Exercise 28

Journalise the following transactions:

- 2023
- April 1 Received an order for goods for Rs 1,20,000 from M/s Gauri Shankar & Sons.
- April 3 Received order for goods from M/s Ranbir & Co. of Rs 5,00,000 alongwith a cheque for Rs 1,80,000 as advance.
- April 5 Placed order for goods with M/s Kohli & Sons of Rs 2,50,000; paid them Rs 1,00,000 by cheque in advance.
- April 7 Kohli & Sons. Supplied goods of Rs 2,50,000.
- April 10 Paid a cheque for 60% of the balance amount due to Kohli & Sons on account.
- April 15 Goods for Rs 20,000 and furniture of the book value of 10,000 destroyed by fire.
- April 20 Goods costing Rs 50,000 were damaged in transit; a claim was made on railway authorities for the same.
- April 22 Received from Salesman Rs 60,000 for goods sold by him after deducting his travelling expenses Rs 4,000.
- April 25 Sold goods to Vishesh costing Rs 40,000 at a profit of 25% and allowed him 10% trade discount and paid for cartage Rs 1,000 to be charged from him.
- April 28 Received a cheque of Rs 40,000 from the railway authorities in full settlement of claim for damages in transit.

SOLUTION:

JOURNAL

Date	Particulars	L.F.	Amount Dr.	Amount Cr.
2023			Rs.	Rs.
April 1	No Entry			
April 3	Bank A/c Dr. To Ranbir & Co. (Advance) (Advance received against an order of Rs 5,00,000)		1,80,000	1,80,000
April 5	Kohli & Sons (Advance) Dr. To Bank A/c (Paid advance against an order of Rs 2,50,000)		1,00,000	1,00,000
April 7	Purchases A/c Dr. To Kohli & Sons (Goods purchased)		2,50,000	2,50,000
April 10	Kohli & Sons Dr. To Bank A/c (60% of Rs 1,50,000 paid on account)		90,000	90,000
April 15	Loss by fire A/c Dr. To Purchases A/c To furniture A/c (Goods and Furniture destroyed by fire)		30,000	20,000 10,000
April 20	Railway Claim A/c Dr. To Purchases A/c (Claim made for goods damaged in transit)		50,000	50,000
April 22	Cash A/c Dr. Travelling Expenses A/c Dr. To Sales A/c Cash received from salesman after deducting his travelling expenses)		60,000 4,000	64,000
April 25	Vishesh (Note 1) Dr. To Sales A/c To Cash A/c (Goods sold on credit and paid for cartage Rs 1,000 to be charged from him)		46,000	45,000 1,000

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|          |                                                       |     |          |          |
|----------|-------------------------------------------------------|-----|----------|----------|
| April 28 | Bank A/c                                              | Dr. | 40,000   |          |
|          | Loss in Transit A/c                                   | Dr. | 10,000   |          |
|          | To Railway Claim A/c<br>(Claim received from Railway) |     |          | 50,000   |
|          | Total Rs.                                             |     | 8,60,000 | 8,60,000 |

Working Notes:

|                                         |               |
|-----------------------------------------|---------------|
|                                         | Rs            |
| (1) Cost of Goods                       | 40,000        |
| Add: Profit : 25% of Rs 40,000          | <u>10,000</u> |
|                                         | 50,000        |
| Less: Trade Discount : 10% of Rs 50,000 | <u>5,000</u>  |
|                                         | 45,000        |
| Add: Cartage                            | <u>1,000</u>  |
|                                         | <u>46,000</u> |

(2) It is assumed that the cheques received are deposited into the bank on the same day.

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Exercise 29

Give the journal entries corresponding to the narration given below:

<i>Date</i>	<i>Particulars</i>	<i>L.F.</i>	<i>Amount Dr.</i>	<i>Amount Cr.</i>
2025 April 3	Dr. To To (Goods of the list price of Rs 8,000 purchased at 20% Trade discount and 5% Cash discount)		Rs.	Rs.
April 8	Dr. To (Goods costing Rs 15,000 sold at a profit of $33\frac{1}{3}\%$ on cost)			
April 10	Dr. To (Goods costing Rs 4,000 destroyed by fire)			
April 16	(Plant purchased for Rs 1,00,000 and installation charges paid Rs 2,000)			
April 20	Bank A/c Dr. A/c Dr. To (40 paise per rupee received from the estate of Mohan on his insolvency)		3,000	
April 22	Dr. Dr. To Bank A/c (Purchase of a Computer for Rs 30,000 and an electric fan for Rs 10,000)		30,000 10,000	40,000
April 30	Dr. To To (Salary paid Rs 50,000 and due Rs 11,000)			

SOLUTION:

<i>Date</i>	<i>Particulars</i>	<i>L.F.</i>	<i>Amount Dr.</i>	<i>Amount Cr.</i>
2025 April 3	Purchases A/c Dr. To Cash A/c To Discount Received A/c (Goods for Rs 8,000 purchased at 20% trade discount and 5% cash discount)		Rs. 6,400	Rs. 6,080 320
April 8	Cash A/c Dr. To Sale A/c (Goods costing Rs 15,000 sold at a profit of $33\frac{1}{3}\%$ on cost)		20,000	20,000
April 10	Loss by Fire A/c Dr. To Purchases A/c (Goods destroyed by fire)		4,000	4,000
April 16	Plant A/c Dr. To Cash A/c (Plant purchased for Rs 1,00,000 and installation charges paid Rs 2,000)		1,02,000	1,02,000
April 20	Bank A/c Dr. Bad debts A/c Dr. To Mohan		3,000 4,500	7,500

Acc XI.3 Journal Exercises

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|          |                                                                                                                                         |  |                  |                  |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------|--|------------------|------------------|
|          | (The receipt of 40 paise per rupee)                                                                                                     |  |                  |                  |
| April 22 | Office equipment A/c Dr.<br>Fixtures A/c Dr.<br>To Bank A/c<br>(Purchase of a Computer for Rs 30,000 and an electric fan for Rs 10,000) |  | 30,000<br>10,000 | 40,000           |
| April 30 | Salary A/c Dr.<br>To Cash A/c<br>To Outstanding Salary A/c<br>(Salary paid and due)                                                     |  | 61,000           | 50,000<br>11,000 |
|          | Total Rs.                                                                                                                               |  | 2,40,900         | 2,40,900         |

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Exercise 30

Rectify the following entries assuming that the narration in each case is correct:

<i>Date</i>	<i>Particulars</i>	<i>L.F.</i>	<i>Amount Dr.</i>	<i>Amount Cr.</i>
2025 April 3	Purchases A/c Dr. Carriage A/c Dr. To Cash A/c (The purchase of machinery and the payment for its)		Rs. 40,000 2,000	Rs. 42,000
April 5	Purchases A/c Dr. To Cash A/c (Goods purchased for Rs 25,000 and carriage paid Rs 200)		25,200	25,200
April 10	Cash A/c Dr. To Sales A/c To Newspapers A/c (Sale of old chairs for Rs 1,200 and old newspapers for Rs 200)		1,400	1,200 200
April 16	Cash A/c Dr. To Rakesh A/c (Amount received from Rakesh, which were written off as bad-debts last year)		3,500	3,500
April 19	Charity A/c Dr. To Sales A/c (Goods costing Rs 2,000, given away as charity)		2,500	2,500
April 25	Income Tax A/c Dr. To Bank A/c (Payment of income tax)		13,500	13,500

SOLUTION:

<i>Date</i>	<i>Particulars</i>	<i>L.F.</i>	<i>Amount Dr.</i>	<i>Amount Cr.</i>
2025 April 3	Machinery A/c Dr. To Cash A/c (Machinery purchased for Rs 40,000 and carriage paid on it Rs 2,000)		Rs. 42,000	Rs. 42,000
April 5	Purchases A/c Dr. Carriage A/c Dr. To Cash A/c (Goods purchased and carriage paid)		25,000 200	25,200
April 10	Cash A/c Dr. To Furniture A/c To Miscellaneous Income A/c (The sale of old chairs and newspapers)		1,400	1,200 200
April 16	Cash A/c Dr. To Bad-debts Recovered A/c (amount written off as bad debts recovered from Rakesh)		3,500	3,500
April 19	Charity A/c Dr. To Purchases A/c (Goods given away as charity)		2,500	2,500
April 25	Drawings A/c Dr. To Bank A/c (Payment of income tax)		13,500	13,500
	Total Rs.		88,100	88,100