

**Q1. Journalise the following transactions in the books of Ram:**

<b>2024</b>		
<b>April 1</b>	<b>Business started with cash</b>	<b>1,00,000</b>
<b>April 2</b>	<b>Goods purchased for cash</b>	<b>25,000</b>
<b>April 3</b>	<b>Goods purchased from Pankaj on credit</b>	<b>18,000</b>
<b>April 5</b>	<b>Goods sold to Naresh on credit</b>	<b>9,000</b>
<b>April 7</b>	<b>Goods returned to Pankaj</b>	<b>12,000</b>
<b>April 9</b>	<b>Goods returned by Naresh</b>	<b>1,400</b>
<b>April 10</b>	<b>Cash paid to Ajay</b>	<b>6,000</b>
<b>April 12</b>	<b>Commission received</b>	<b>2,700</b>
<b>April 15</b>	<b>Furniture purchased</b>	<b>7,000</b>
<b>April 16</b>	<b>Rent paid to Amit</b>	<b>5,000</b>
<b>April 19</b>	<b>Sold goods to Sumit for cash</b>	<b>6,000</b>
<b>April 24</b>	<b>Cash sales</b>	<b>7,000</b>
<b>April 30</b>	<b>Cash received from Naresh on account</b>	<b>5,000</b>
<b>April 30</b>	<b>Salaries paid</b>	<b>10,000</b>

**Solution –**

**JOURNAL**

<b>Date</b>	<b>Particulars</b>	<b>L.F.</b>	<b>Dr.</b>	<b>Cr.</b>
<b>2024</b>				

April 1	Cash A/c To Capital A/c (Started Business with Cash)	....Dr		1,00,000	1,00,000
April 2	Purchase A/c To Cash A/c (Goods Purchase)	....Dr		25,000	25,000
April 3	Purchase A/c To Pankaj A/c (Goods Purchase on credit from pankaj)	....Dr		18,000	18,000
April 5	Naresh A/c To Sales A/c (Goods sold to Naresh on credit)	....Dr		9,000	9,000
April 7	Pankaj's A/c To Purchase return A/c (Good returned to Pankaj)	....Dr		12,000	12,000
April 9	Sales return A/c To Naresh A/c (Good return by Naresh)	....Dr		1,400	1,400

April 10	Ajay A/c .....Dr To Cash A/c (Cash paid to Ajay)		6,000	6,000
April 12	Cash A/c .....Dr To Commission Received A/c (Commission Received)		2,700	2,700
April 15	Furniture A/c .....Dr To Cash A/c (Purchased Furniture)		7,000	7,000
April 16	Rent A/c .....Dr To Cash A/c (Rent paid to Amit)		5,000	5,000
April 19	Cash A/c .....Dr To Sales A/c ( Sold goods to Sumit for cash)		6,000	6,000
April 24	Cash A/c .....Dr To Sales A/c (Sold goods for cash)		7,000	7,000

April 30	Cash A/c To Naresh A/c (Cash received from naresh on account)	.....Dr	5,000	5,000
April 30	Salary A/c To Cash A/c (Salary Paid)	....Dr	10,000	10,000

**Q2. Enter the following transactions in the journal of Ram:**

<b>2024</b>		
<b>1</b>	<b>Ram invested capital in cash</b>	<b>1,00,000</b>
<b>3</b>	<b>Purchased Goods from Harish</b>	<b>10,000</b>
<b>5</b>	<b>Purchased goods for cash</b>	<b>8,000</b>
<b>8</b>	<b>Purchased goods from Mohit for cash</b>	<b>7,000</b>
<b>10</b>	<b>Sold goods to Kailash on credit</b>	<b>2,000</b>
<b>12</b>	<b>Sold goods to Nadeem for cash</b>	<b>1,500</b>
<b>14</b>	<b>Goods returned by Kailash</b>	<b>500</b>
<b>16</b>	<b>Goods returned to Harish</b>	<b>360</b>
<b>18</b>	<b>Machinery purchased from Sohan</b>	<b>8,000</b>
<b>19</b>	<b>Paid to Harish on account</b>	<b>5,000</b>
<b>25</b>	<b>Cash withdrawn for personal use</b>	<b>5,000</b>
<b>30</b>	<b>Old newspapers sold</b>	<b>200</b>
<b>30</b>	<b>Received loan from Mohan and deposited in Bank</b>	<b>50,000</b>

**Solution:**

**Ram Journal**

Date	Particulars	L.F.	Dr.	Cr.
2024				
1	Cash A/c .....Dr To Capital A/c (Being Ram invested capital in cash)		1,00,000	1,00,000
3	Purchase A/c .....Dr To Harish A/c (Being Goods Purchased From Harish)		10,000	10,000
5	Purchase A/c .....Dr To Cash A/c (Being Goods Purchased for cash)		8,000	8,000
8	Purchase A/c .....Dr To Cash A/c (Being Goods Purchased from Mohit for cash)		7,000	7,000
10	Kailash A/c .....Dr To Sales A/c (Being Good sold to kailash on credit)		2,000	2,000
12	Cash A/c .....Dr To Sales A/c		1,500	1,500

	(Being Good sold to nadeem for cash)			
14	Sales Return A/c .....Dr To Kailash A/c (Being goods return by Kailash)		500	500
16	Harish A/c .....Dr To Purchased Return A/c (Being goods return to Harish)		360	360
18	Machinery A/c .....Dr To Sohan A/c (Being Machinery Purchased From sohan)		8,000	8,000
19	Harish A/c .....Dr To Cash A/c ( Being paid to Harish on account)		5,000	5,000
25	Drawing A/c .....Dr To Cash A/c ( Being Cash withdrew for personal use)		5,000	5,000
30	News paper A/c .....Dr To Cash A/c (Being old news paper sold)		200	200

30	Bank A/c  To Loan from Mohan A/c  (Being received loan from Mohan and deposit the bank )	.....Dr	50,000	50,000
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Q3. Record the following transactions in the Journal of Amitabh:

2024		
May 1	Amitabh started business with cash	80,000
May 2	Purchased furniture from Modern Furnishers for cash	10,000
May 5	Deposited in bank	30,000
May 6	Purchased goods for cash	5,000
May 8	Purchased goods on credit from Hari	4,500
May 10	Purchased goods from Suresh for cash	3,000

May 12	Purchased goods from Ajay	4,000
May 14	Sold goods for cash	7,000
May 15	Sold goods to Karim	6,500
May 16	Sold goods to Ganesh for cash	5,000
May 18	Sold goods to Bansi	3,500
May 19	Withdrew from bank for office use	5,000
May 20	Karim paid on account	5,000
May 29	Paid rent for residence	6,000
May 30	Purchased a cycle for his son	3,000
May 30	Paid to Ajay in settlement of his account	3,800

Solution - Amithabh Journal

Date	Particulars	L.F.	Dr.	Cr.
2024				
May 1	Cash A/c .....Dr  To Capital A/c  (Being Amitabh invested capital in cash)		80,000	80,000



May 2	Furniture A/c .....Dr To Cash A/c (Being furniture purchased from Morden furniture)		10,000	10,000
May 5	Bank A/c .....Dr To Cash A/c (Being deposit into bank)		30,000	30,000
May 6	Purchase A/c .....Dr To Cash A/c (Being Purchased goods)		5,000	5,000
May 8	Purchase A/c .....Dr To Hari's A/c (Being purchased on credit from Hari)		4,500	4,500
May 10	Purchase A/c .....Dr To Cash A/c (Being goods purchase for cash)		3,000	3,000
May 12	Purchase A/c .....Dr To Ajay A/c (Being purchased good from ajay)		4,000	4,000
May 14	Cash A/c .....Dr		7,000	

May 15	<b>To Sales A/c</b> <b>(Being goods sold for cash)</b>			<b>7,000</b>
	<b>Karim A/c</b> .....Dr <b>To Sales A/c</b> <b>(Being goods sold on credit)</b>		<b>6,500</b>	<b>6,500</b>
May 16	<b>Cash A/c</b> ....Dr <b>To Sales A/c</b> <b>(Being goods sold for cash)</b>		<b>5,000</b>	<b>5,000</b>
	<b>Bansi's A/c</b> ....Dr <b>To Sales A/c</b> <b>( Being goods sold to bansi on credit)</b>		<b>3,500</b>	<b>3,500</b>
May 19	<b>Cash A/c</b> ....Dr <b>To Bank A/c</b> <b>(Being Withdrew for office use)</b>		<b>5,000</b>	<b>5,000</b>
	<b>Cash A/c</b> ....Dr <b>To Karim A/c</b> <b>(Being Karim Paid on account)</b>		<b>5,000</b>	<b>5,000</b>
May 29	<b>Drawing A/c</b> ...Dr <b>To Cash A/c</b>		<b>6,000</b>	<b>6,000</b>

	(Being Paid rent for residence)			
May 30	Drawing A/c .....Dr To Cash A/c (Being purchased cycle for his son)		3,000	3,000
May 30	Ajay A/c ....Dr Discount A/c ....Dr To Cash A/c (Being paid to Ajay in settlement of his account)		3,800 200	4,000

Compound Journal Entries:-

Q4. Pass necessary Journal entries for the following transaction:

2024	
April 5	Paid salaries 30,000, rent 10,000 and wages 8,000 by cheque
April 7	Purchased goods from Hari for 30,000 at 10% trade discount and 2% cash discount. Payment was made immediately Paid to Raju 5,000 in cash and 7,000 by cheque
April 15	Goods sold to Roma for 5,000 at 20% Trade discount and 3% Cash discount. Half of the Payment was received immediately.
April 18	Goods sold to Ramesh for 8,000. He paid 5,000 by cheque immediately
April 20	Additional capital introduced as cash 10,000 and Delivery Van (Personal assets) of 50,000.
April 25	Cash paid to Anil 975. Discount received 25. Paid to Raju 1,000 in cash and 2,000 by cheque.

<p>April 26</p> <p>April 30</p> <p>April 30</p>	<p>Paid 4,800 to Mohan in settlement of his account for 5,000.</p>
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Solution -

Compound Journal Entries

Date	Particulars	L.F.	Dr.	Cr.
2024				
April 5	Salary A/c <span>....Dr</span> Rent A/c <span>....Dr</span> Wages A/c <span>....Dr</span> <span>    To Bank A/c</span> (Being Salary, rent and wages paid by cheque)		30,000 10,000 8,000	48,000
April 7	Purchase A/c <span>....Dr</span> <span>    To Cash A/c</span>		27,000	26,460

April 15	To Discount Received A/c		12,000	540
	(Being Purchase goods from Hari at 10% trade discount and 2% cash discount payment paid immediately)			
	Raju A/c	....Dr		
	To Cash A/c			
	To Bank A/c			5,000
	(Being Paid to Raju 5,000 in cash and 7,000 by cheque)			7,000
	Roma A/c	....Dr	2,000	
	Cash A/c	....Dr		
Discount Allowed A/c	....Dr			
To Sales A/c				
April 18	(Being good sold to Roma for 5,000 at 20% trade discount , half of the payment received immediately)		1,940	4,000
			60	
	Ramesh A/c	....Dr	3,000	
	Bank A/c	....Dr		
To Sales A/c				
(Being Goods sold to Ramesh)				
April 20			5,000	8,000
	Cash A/c	....Dr	10,000	
	Delivery Van A/c	.....Dr		
	To Capital A/c			
(Being Additional capital introduce)				
April 25			50,000	60,000

April 26	Anil A/c .....Dr To Cash A/c To Discount Received A/c (Being cash paid to Anil)		1,000	975
				25
April 30	Raju A/c .....Dr To Cash A/c To Bank A/c (Being Paid to Raju)		3,000	1,000
				2,000
April 30	Mohan A/c .....Dr To Cash A/c To Discount Received A/c (Being Paid to Mohan in settle of his account)		5,000	4,800
				200

Bad debts and Bad Debts Recovered:-

Q5. Pass Journal entries for the following transaction:

2024	
April 1	Mohan is declared insolvent. Received first and final dividend from his official Receiver 50 paise in a rupee against a debt of 5,000
April 2	8,000 due from Ramesh is not recoverable.
April 3	Shyam, who owed 15,000 become insolvent and 50% is received from his estate
	Received 10,000 in cash from Sohan for bad debts written off last year

<b>April 4</b>	
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**Solution -**

**Journal Entries**

<b>Date</b>	<b>Particulars</b>	<b>L.F.</b>	<b>Dr.</b>	<b>Cr.</b>
<b>2021</b>				
<b>April 1</b>	Cash A/c .....Dr Bad debt A/c .....Dr To Mohan A/c (Being 50 paise in a rupee received from Mohan as he declared insolvent)		2,500 2,500	5,000
<b>April 2</b>	Bad Debts A/c .....Dr To Ramesh A/c		8,000	

April 3	(Being Due from Ramesh is not recoverable)			8,000
	Cash A/c .....Dr Bad Debts A/c .....Dr To Shyam A/c (Being Shyam who owed 15,000 become insolvent and 50% received from his estate)		7,500 7,500	15,000
April 4	Cash A/c .....Dr To Bad Debts Recovered A/c (Being Bad Debts Recovered)		10,000	10,000