

Opening Entry:-

Q11. Following balances existed in the books of M/s. Anand Stores as on 1st April, 2024:

Assets : Cash 60,000, Bank 40,000, Stock 1, 50,000, Furniture 43,000, Debtors 1, 45,000, (X 35,000, Y 50,000, Z 60,000).

Liabilities : Loan from Vikas 60,000, Creditors 52,500 (A 22,500, b 30,000).

Pass necessary Journal entry to record the above balances.

Solution -

In book of Anand store

Journal Entries 1st April 2024

Date	Particular	J.F.	DR	CR
1	Cash A/cDr		60,000	
	Bank A/cDr		40,000	
	Stock A/cDr		1,50,000	
	Furniture A/cDr		43,000	
	Debtors A/cDr		1,45,000	
	To Loan from Vikas A/c			60,000
	To Creditors A/c			52,500
	To Capital A/c			3,25,500

Miscellaneous:-

12. Pass journal entries for the following transactions:

- a) Pankaj started business with cash 2,00,000 and Bank 8,00,000.
- b) bought a machinery for 25,00,000 by a down-payment of 10%.
- c) Paid 48,000 as wages for installation of machine.
- d) Bought goods from chhabra bros. 3,00,000.
- e) Withdrawn from bank 50,000.
- f) Repaid bank loan 35,000 including interest of 3,000.
- g) Sold goods to Samuel 40,000.
- h) Received form Samuel 39,750 discount allowed 250.
- i) Paid rent of 37,500 by cheque.
- j) Provide depreciation on machinery at 15% per annum.

Solution:

Journal

Date	Particular	L.F	Dr.	Cr.
1.	Cash A/c Dr. Bank A/c Dr. To capital A/c (Business started by pankaj's with 2,00,000 cash & 8,00,000)		2,00,000 8,00,000	10,00,000
2.	Machinery A/c Dr. To bank A/c To vendor A/c (Machinery purchasing by making 10% down payment)		25,00,000	2,50,000 22,50,000
3.	Machinery A/c Dr. To cash A/c (Paid wages for installation of machinery)		48,000	48,000
	Purchase A/c Dr.			

4.	To chhabra bros			
	(bought goods from chhabra bros on credit)		3,00,000	
				3,00,000
	Cash A/c	Dr.		
	To bank A/c			
	(Cash withdrawn form bank)			
5.			50,000	
	Bank Loan A/c	Dr.		50,000
	Interest on bank loan A/c			
	To bank A/c			
6.	(Paid bank loan with interest)		32,000	
			3,000	
	Samuel	Dr.		35,000
	To sales A/c			
	(Goods sold to Samuel on credit)			
7.			40,000	
	Cash A/c	Dr.		40,000
	Discount allotment A/c			
	To Samuel			
8.	(Received cash form Samuel discount allotment)		39,750	
			250	
	Rent A/c	Dr.		40,000
	To bank A/c			
	(Paid rent by cheque)			

9.	Depreciation A/c (25,00,000 x 15%) To machinery A/c (Depreciation @ 15% on machinery cheque)	Dr.		37,500	37,500
10.				3,75,000	3,75,000

13. Pass journal entries for the following transactions:

- Aakash started business with cash 3,00,000; Bank deposit of 40,00,000 and furniture 4,00,000.
- Bought goods from bhushan traders 30,00,000 against cheque of 15,00,000, balance to be paid later.
- Returned goods of 1,20,000 to Bhushan Traders.
- Sold goods to pawan 4,00,000.
- Paid to Bhushan Traders 1,50,000 and cash discount received 2%.
- Goods returned by pawan 80,000.
- Sold goods for cash 1,20,000.
- Goods given as samples 20,000.
- Paid income tax of 37,500.
- Goods taken by Aakash for household use 10,000.

Solution:

Journal

Date	Particular	L.F	Dr.	Cr.
a)	Cash A/c Bank A/c Furniture A/c To capital A/c (Business started by Aakash)	Dr. Dr. Dr.	3,00,000 40,00,000 4,00,000	47,00,000
b)	Purchase A/c To bank A/c To bhushan trader A/c	Dr.	30,00,000	15,00,000 15,00,000

	(Purchased goods from business trader)			
c)	Bhushan trader A/c	Dr.	1,20,000	
	To purchase return A/c			1,20,000
	(Goods returned to bhushan trader)			
d)	Pawan	Dr.	4,00,000	
	To sales A/c			4,00,000
	(Goods sale to pawan)			
e)	Bhusan trader A/c	Dr.	1,50,000	
	To cash A/c			1,50,000
	To discount received A/c			
	(paid to bhushan trade disc. reed @ 2%)			
f)	Sales return A/c	Dr.	80,000	
	To pawan			80,000
	(Goods returned by pawan)			
g)	Cash A/c	Dr.	1,20,000	
	To sales A/c			1,20,000
	(Sale goods for cash)			
h)	Advertisement expenses A/c	Dr.	20,000	
	To purchased A/c			20,000
	(Goods given as free samples)			

i)	Drawings A/c To cash A/c (paid income tax)	Dr.	37,500	37,500
j)	Drawings A/c To purchase A/c (Goods taken by Aakash for house use)	Dr.	10,000	10,000

14. Pass journal entries for the following transactions:

- Tejvir started business with cash 5,00,000.
- Opened a bank account deposing 3,00,000.
- Invested in shares (personal) for 50,000, paid out of saving Account.
- Bought goods (timber) for 3,00,000, paid half by cash and half by cheque.
- Paid carriage for unloading the timber 5,000.
- Bank charges 2,000.
- Goods of 15,000 were used to make furniture and wages paid 5,000.
- Dividend collected by bank 5,000 wrongly credited in firm's account.
- Tejvir sold his personal sector for 35,000 and deposited the amount in firm's bank account.

Solution:

Journal

Date	Particular	L.F	Dr.	Cr.
a)	Cash A/c To capital A/c (Business started with cash by tejvir)	Dr.	5,00,000	5,00,000
b)	Bank A/c To cash A/c	Dr.	3,00,000	3,00,000
c)	No entry			

d)	Purchase A/c Dr. To cash A/c To bank A/c (Purchase goods & paid half by cash & half cheque)		3,00,000	1,50,000 1,50,000
e)	Carriage A/c Dr. To cash A/c (Paid carriage for unloading goods)		5,000	5,000
f)	Bank charges A/c Dr. To bank A/c (Bank charges paid)		2,000	2,000
g)	Furniture A/c Dr. To purchase A/c To cash A/c (Goods is used to make furniture & wages paid)		20,000	15,000 5,000
h)	Saving (Tejvir) A/c Dr. To current (Tejvir) A/c (Dividend collected on personal investment wrongly credited in firm's account rectified)		5,000	5,000

i)	Bank A/c	Dr.		
	To capital A/c (personal scooter sold & money invested in business)		35,000	35,000

15. Pass journal entries for the following transactions:

- Surekha started business with cash 5,00,000.
- Bought goods from Goyalson's for 3,00,000, paid half by cash.
- Sold goods to sonika for 1,00,000, received 60,000 immediately.
- 10% of the goods returned by sonika being defective.
- paid to Goyalson's 1,49,000 in full settlement.
- Amount due from sonika is not receivable.
- Paid rent 15,000, 2/3rd of the premises is occupied for own use.

Solution:

Journal

Date	Particular	L.F	Dr.	Cr.
a)	Cash A/c To capital A/c (Business started with cash surekha)	Dr.	5,00,000	5,00,000
b)	Purchase A/c To cash A/c To Goyalson's A/c (Goods purchased from Goyalson's half in cash)	Dr.	3,00,000	3,00,000
c)	Cash A/c Sonika A/c To sales A/c	Dr. Dr.	60,000 40,000	

	(Goods purchased from Goyal son half paid In cash)			1,00,000
	Sales return A/c (1,00,000 x 10%) Dr.			
	To sonika A/c			
d)	(10% at goods returned by sonika)		10,000	
				10,000
	Goyal son's A/c Dr.			
	To cash A/c			
e)	To discount received A/c		1,50,000	
	(paid to gayal son's in full settlement)			1,49,000
				1,000
	Bad Debts A/c (1,00,000 - 60,000 - 10,000) Dr.			
	To sonika A/c			
f)	(Sonika amount is not recoverable)		30,000	
				30,000
	Drawing A/c Dr.			
	Rent A/c Dr.			
g)	To cash A/c		10,000	
	(Paid rent 2/3 of the house used for personal purpose)		5,000	
				15,000