

Unitz ACCOUNTING

→ Recording of Transaction according to rules.

identify transactions and apply rules to them and record somewhere.

Transactions :- any business event expressed and measured in terms of money

Selling a car, taking advance from customers, giving salaries.

Monetary events :- Transactions possible to express in terms of money.

Non-monetary events :- Transactions not possible to express in terms of money.

Events / Monetary \Rightarrow selling goods.

Non-monetary \Rightarrow conducting interviews, entertaining.

Monetary events also known as transaction.

(1) Appointment letter given to a sales manager - Not a Tran..

(2) Discussion with suppliers - N

(3) Giving information to customer - N.

(4) Cash deposited in your bank. - Y

upto 1494, accounts are written \Rightarrow Amount received - 10000

This is known
as single entry
book keeping
system.

Books - 2000
Dress - 2500.
Shoes - 500
Total - 5000
Remaining - 5000.

Every transaction has two effects - Debit, credit.

→ Double entry Book keeping system.
In 1494

Books - got a book
cash - cash.

Loss given

one is debit & other is credit. (dual way).

Proposed in 1494

but got popular in 18th century

Transactions

Personal

Impersonal

Real

Nominal.

Personal :- deals with persons (humans or artificial persons)

Real :- dealing with assets / property (land, buildings, etc.)

Nominal: dealing with expenses/incomes

given money to Ramesh. — human ~~is~~ ^{is not} an artificial person.
deposited money in SBI bank — artificial.
paid — fee to GVP — artificial person.

Personal
Human Normal person
Artificial person
Representative Personal a/c.
(paid advance rent to the owner)

Real:- assets (land, buildings, watches,..)

<u>tangible</u> (can see) feel (furniture, machinery) (and)	<u>non-tangible</u> - (can't feel & see) (copyrights, goodwill)
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Nominal: dealing with expenses & (taxes paid, bills paid)
 salaries paid, rents paid
 Σ incomes (received, rents received, discount received).

salaries paid \rightarrow \$5000 \rightarrow salaries, cash
(nominal) (real)

watch purchased \Rightarrow watch, cash
(real) (real) both are assets.

Personal:- Debit the receiver
Credit the giver.

Real:- Debit what comes in. Credit what goes out

Nominal :- Debit all expenses & losses
Credit all incomes & gains.

(ii) Cash received from Ganesh.

→ Cash - real - cash coming in - Debited.

→ Ganesh - Personal - Ganesh is the giver - credited.

2) Cash deposited in ICICI Bank.

→ Cash - real - cash goes out - Credited.

→ ICICI Bank - Personal - it is receiver - Debited.

3) Purchased Furniture

- Furniture - real - comes in - debited
- Cash - real - goes out - credited.

4) Salaries paid Rs. 20,000

- Salary - Nominal - expenditure - Debited.
- Cash - real - goes out - Credited.

5) Sold machinery for Rs. 1,00,000.

- Machinery - real - goes out - Credited
- Cash - real - comes in - Debited

6) Sold machinery to Ram & Co for Rs. 1,00,000. (pays later)

- Machinery - real - goes out - Credited
- Ram & Co - Personal - he is receiver - Debited.

Recording: - It will be recorded in Journal primarily a book known as.

So, Journal is known as Prime book of entry.

Should write in a chronological way (Date wise like diary).

So, also known as Business Diary.

also known as Chronological book.

Cash Transaction :- immediately related to cash.

Credit Transaction :- purchased goods but pay after some duration

(1) Purchased goods Rs. 5,000 - Cash Trans.

(2) Purchased goods from Ram for cash Rs. 10,000 - Cash Trans.

(3) Purchased goods from Lakshman Rs. 15,000 - Credit Trans.

(4) Purchased goods Rs. 20,000 - Cash Trans.

Purchased from person name is there, but no cash word is Credit Trans.

(1) Sold goods to Kavitha Rs. 5,000 - Credit Trans.

(2) Sold goods to Kavithi for cash Rs. 10,000 - cash Trans.

(3) Sold goods Rs. 5,000 - cash trans.

(4) Sold goods for cash. Rs. 7,000 - cash Trans.

Purchases, Purchase returns, Sales, Sales returns

diff. b/w goods & assets.

goods:- any article purchased for the purpose of resale on continuous basis.

Trade:- activity of buying & selling.

purchase watches & sell \Rightarrow good's watch.

Furniture dealer:- it is good to him

while purchasing goods \rightarrow goods come in - means debited } only
but write as purchases. } for

& Sold goods \rightarrow goes out - credit but write as sales. } goods.
instead of goods.

Purchased Rs 5000 goods from Rajni

- Credit Transaction

- if not satisfied & returning. goods go out (credited)
So, purchased goods are returned \Rightarrow Purchase Returns

Sold goods & if anybody returns it back. \Rightarrow Sale Returns
here goods coming in (Debited)
So, goods inwards.

Purchase, purchase returns, Sales, Sales returns \rightarrow used in Goods:
(Debit) (credit) (Credit) (Debit) instead of goods.

Returned goods by Ram \rightarrow Sales Returns.

Goods returned to Siam \rightarrow Purchase returns.

Returned machinery to Ram \rightarrow It's machinery return, it is not a good. So not Purchase returns.

Sold goods to XYZ \rightarrow Sales.

Discount

two types $\begin{cases} \text{Trade Discount} \\ \text{Cash Discount} \end{cases}$

Trade Discount:- At the time of buying & selling, getting discount at initial price.

two types $\begin{cases} \text{Discount received} \\ \text{Discount allowed} \end{cases}$

X purchased goods for 12,500 from Y which is of 15,000 &

Y purchased goods for 14,1000 (sold first as 20,000) from X

Cash discount :- allowed received.

- x sold Rs 20,000 goods to Y, and Y pays money after 60 days.
- x gets suppose, urgency, & asks Y to pay only 18,000 at if at present (₹) 20000 if after 60 days.

Here discount allowed, loss -

→ At the ~~same~~ time of receipt or payment of cash, discount allowed or received.

Discount received - profit.

Recording:- Done in Journal.

Journal:

Date	Particulars	L/F	Debit Rs.	Credit Rs.
01/01/2020	Bank alc Dr To cash alc (being cash deposited)		50,000	50,000

21/01/2020 Cash deposited in bank Rs. 50,000.

Cash cr
bank Dr

02/01/2020 cash received from Ravi Re. 20,000

Cash Dr
Ravi Cr

Date	Particulars	L/F	Debit Rs.	Credit Rs.
02/01/2020	Cash alc Dr To Ravi alc (being cash received)		20,000	20,000
25/01/2020	Machinery alc Dr To cash alc (being machinery purchased)		10,000	10,000

25/01/2020 Machinery purchased for Rs. 10,000

Machinery Dr
Cash Cr

Accounting Principles

Concepts	Objectives	Principles	Conventions

(1) Entity concept

(2) Going concern concept (think that business will not a closing concern be going on)

(3) Accounting period concept

from 1st Apr to 31st Mar.

(4) Cost concept

(5) Dual aspect concept (forever Cr, also write Dr)

$$\text{Assets} = \text{Liabilities} + \text{Capital}$$

(6) Money Measurement concept

(only Monetary events)

(7) Realization concept

(8) Matching (or) Revenue concept.

$$\text{Profit/Loss} = \text{Revenue} - \text{Expenses.}$$

Problems

(1) Journalise the following transaction & post them in ledger.

01/01/2019. Ganesh commenced business with cash Rs. 1,00,000

05/01/2019. Cash deposited into HDFC bank Rs. 50,000

10/01/2019. Furniture purchased for Rs. 10,000.

14/01/2019. Machinery Purchased for Rs. 25,000 & payment made through cheque.

18/01/2019. Goods Purchased for cash Rs. 10,000

20/01/2019. Goods sold for cash Rs. 15,000

24/01/2019. Goods Purchased from Shankar Rs. 20,000

27/01/2019. Goods sold to Sharmukh Rs. 30,000

29/01/2019. Ganesh withdrawn cash for his personal use, Rs. 5000

30/01/2019. Salaries paid Rs. 7,500.

31/01/2019. Commission received Rs. 1,200.

objectives

of accounting

statements of

(1) Convention of disclosure.
(disclosure of info.)

(2) Convention of consistency
(follow the same procedure in a long run) (1st Prac 10)

Show Unit change the method of accounting of subsidiary period

(3) Convention of conservatism

(4) Convention of materiality.
(negligible expenses can be avoided) (losses of estimating period)

(overstating)
(understating)

(5) Convention of prudence

(losses of period)

(overstating)

(short trading)

(supplies account)

(6) Convention of practicality

Date	Particulars	LIF	Debit	Credit
01/01/2019	Cash a/c Dr To capital a/c (being commenced business with cash) Authorised and certified		11,000.00	1,001,000
05/01/2019	HDFC Bank a/c Dr To cash a/c Dr (being cash deposited into bank)		50,000	50,000
10/01/2019	Furniture a/c Dr To cash a/c (being furniture purchased)		10,000	10,000
14/01/2019	Machinery a/c Dr To HDFC Bank a/c (being machinery purchased and payment made through cheque)		25,000	25,000
18/01/2019	Purchases Dr To cash a/c (being goods purchased)		10,000	10,000
20/01/2019	Cash a/c Dr To sales a/c (being goods sold)		15,000	15,000
24/01/2019	Purchased a/c Dr To Shankar a/c (being goods purchased from Shankar)		20,000	20,000
27/01/2019	Shankar a/c Dr To Sales a/c (being goods sold to Shankar)		30,000	30,000

29/01/2019	Drawings alc Dr To cash alc (being cash withdrawn for (personal use)	5,000	5,000
30/01/2019	Salaries alc Dr To cash alc. (being salaries paid)	7,500	7,500
31/01/2019	Cash alc Dr To commission received alc (being commission received)	1,200	1,200

Problem-2:-

Date	Particulars	L.F	Debit	Credit
01/01/2019	Capital alc Dr To capital alc (being commenced business with cash)		700,000	700,000
02/01/2019	Purchases alc Dr To Ganesh alc. (being purchased goods from Ganesh)	50,000		50,000
04/01/2019	Furniture alc Dr To cash alc. (being purchased furniture)		40,000	40,000
07/01/2019	Rajesh alc Dr To sales alc. (being sold goods to Rajesh on credit)		35,000	35,000
08/01/2019	Wages Bank alc Dr To cash & alc. (being wages paid)	3,000		3,000
08/01/2019	Bank alc Dr To cash alc: (being cash deposited into bank)		100,000	100,000
09/01/2019	Office expenses alc Dr To cash alc. (being paid office expenses)		4,000	4,000

10/01/2019	Purchases a/c Dr To Sudheer a/c (Being goods purchased on credit from Sudheer)	19,500	19,500
11/01/2019	Cash a/c Dr To Commission received (Being received commission)	2,000	2,000
14/01/2019	Drawings a/c Dr To cash a/c (Being cash withdrawn for personal use)	5,500	5,500
18/01/2019	Sales returns a/c Dr To Rajesh. (Being goods returned by Rajesh)	5,000	5,000
24/01/2019			
25/01/2019	Drawing a/c Dr To bank a/c (Being cash withdrawn from bank)	10,000	10,000
28/01/2019	Bank a/c Dr To cash a/c (Being cash deposited into bank)	50,000	50,000
30/01/2019	Salaries a/c Dr To cash a/c (Being salaries paid)	15,000	15,000
31/01/2019	Rent a/c Dr To cash a/c (Being rent paid)	7,500	7,500

Problem-3

Date	Particulars	Debit	Credit
01/05/2019	Cash alc Dr To capital alc (being commenced business)	\$1,00,000	\$1,00,000
01/05/2019	Purchases alc Dr To Brivani alc. (being purchased goods from Brivani)	50,000	50,000
01/05/2019	Cash alc Dr To sales alc: (being sold goods)	40,000	40,000
10/05/2019	Salaries alc Dr To cash alc. (being salaries paid)	7500	7500
11/05/2019	Purchases alc Dr To cash alc (being purchased stationery)	3,000	3,000
15/05/2019	Furniture alc Dr To cash alc. (being bought furniture)	50,000	50,000
18/05/2019	Bank alc Dr To cash alc (being cash deposited into bank)	30,000	30,000
20/05/2019	Wages alc Dr To cash alc (being wages paid)	3,000	3,000
24/05/2019	Drawings alc Dr To bank alc. (being cash withdrawn from bank)	5,000	5,000
28/05/2019	Rent alc Dr To bank alc. (being paid rent by cheque)	6,800	6,800

30/05/2017 Drawing alc Dr
To cash alc
(being cash withdrawn
for personal use)

8,500

8,500

31/05/2017 Srivani & Co. alc Dr
To cash alc.
(being cash paid to
Srivani & Co. for ...)

49,000

(Capitalised)

49,000

Problem - 4

Date Particulars

Debit Credit

Cash alc Dr
To commission received
(being received
commission)

800

800

Bank alc Dr
To sales alc.
(being goods sold &
received cheque)

18,000

18,000

Bank alc Dr
To cash alc
(being cash deposited
into bank)

12,000

12,000

Office
Rent alc Dr
To cash alc.
(being office rent
paid)

4,000

4,000

Furniture alc Dr
To cash alc
(being furniture
purchased)

4,000

4,000

Advertising expenses Dr
To cash alc
(being paid advertising
expenses)

2,000

2,000

Cash alc Dr
To Vishnu alc.
(being received cash
from Vishnu)

4,500

4,500

Tejeshwalc Dr
To salesalc.
(being sold goods
to Tejesh)

Sales returns a/c Dr
To Tejesh a/c
(being goods returned
by Tejesh)

Cash a/c Dr
Discount allowed a/c Dr
To Ramesh a/c

Problem-5

Date	Particulars
01/08/2020	Cash A/c Dr To Capital A/c (Being commenced business with cash)

02/08/2000 Furniture a/c Dr
To cash a/c.
(Being furniture purchased)

04/08/2000 Purchases a/c Dr
To cash a/c.
(Being purchased
goods)

06/08/2020 Stationery, stationery.
Purchases a/c Dr
To cash a/c :
(Being stationery purchased)

07/08/2000 Suresh a/c Dr
To sales a/c
(being solds goods to
Suresh)

08/08/2000 Office expenses Dr
To cash alc.
(being office expense paid)

09/08/2000	Salaries etc Dr To cash etc (Being salaries paid)	7000	7000
10/08/2000	Chandu etc Dr To sales etc (Being sold goods to Chandu on credit)	131000	131000
12/08/2000	Drawings etc Dr To cash etc (Being cash withdrawn for personal use)	1800	1800
18/08/2000	Rent etc Dr To cash etc (Being rent paid)	81000	81000
20/08/2000	Sales returns etc Dr To Chandu etc (Being goods returned by Chandu)	1000	1000
27/08/2000	Machinery etc Dr To cash etc (Being machinery purchased)	12000	12000
30/08/2000	Purchases etc Dr To cash etc (Being goods purchased)	20,000	20,000

Notes

Discount allowed Dr
Discount received Cr.

Accounting is an art of recording, classifying & summarizing in financial terms, the transaction & events which are in part at least, of economic nature.

Classification is done in a book known as Ledger.

Ledger:- looks like T shape.
Dr. cash/c
Cr.

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
01/08/2000	To capital a/c		4,00,000	02/08/2000	By furniture a/c		30,000
				04/08/2000	By purchases a/c		50,000
				05/08/2000	By stationery a/c		3,000
				08/08/2000	By office expenses a/c		1,200
				09/08/2000	By salaries a/c		7,000
				12/08/2000	By drawings a/c		1,800
				18/08/2000	By Rent a/c		8,000
				25/08/2000	By machinery a/c		12,000
				30/08/2000	By purchases a/c		20,000
				30/08/2000	By balance a/c		2,87,000
01/09/2000	To balance a/c		4,00,000				4,00,000
			2,87,000				
			Capital a/c.				

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
30/08/2000	To balance a/c		4,00,000	01/08/2000	By cash a/c		4,00,000
			4,00,000				
			4,00,000	01/09/2000	By balance a/c		4,00,000
			4,00,000				

DR	Cash A/c				Cr		
Date	Particulars	JIF	Amount	Date	Particulars	JIF	Amount
01/01/2019	To capital a/c		1,00,000	01/01/2019	By HDFC bank a/c		50,000
20/01/2019	To sales a/c		15,000	10/01/2019	By furniture a/c		10,000
31/01/2019	To commission received a/c		11,200	18/01/2019	By purchases a/c		10,000
				07/01/2019	By Drawings a/c		5,000
				30/01/2019	By salaries a/c		15,000
				28/01/2019	By Balance a/c		33,700
							116,200
01/02/2019	To balance a/c		33,700				

DR	Cash A/c				CR		
Date	Particulars	JIF	Amount	Date	Particulars	JIF	Amount
01/01/2019	To capital a/c		700,000	04/01/2019	By furniture a/c		40,000
11/01/2019	To commission received a/c		5,000	08/01/2019	By wages a/c		3,000
				08/01/2019	By bank a/c		100,000
				09/01/2019	By office expenses a/c		4,000
				10/01/2019	By drawings a/c		5,500
				28/01/2019	By bank a/c		50,000
				30/01/2019	By salaries a/c		15,000
				31/01/2019	By rent a/c		7,500
				31/01/2019	By balances a/c		4,77,700
							7102,000
01/02/2019	To balance a/c		4,77,700				

DR	Cash A/c				CR		
Date	Particulars	JIF	Amount	Date	Particulars	JIF	Amount
01/01/2019	To capital a/c		500,000	10/01/2019	By salaries a/c		2,500
01/01/2019	To sales a/c		30,000	11/01/2019	By purchases a/c		3,000
				15/01/2019	By furniture a/c		50,000
				16/01/2019	By Bank a/c		30,000
				20/01/2019	By wages a/c		3,000
				24/01/2019	By drawings a/c		5,000
				28/01/2019	By Rent a/c		3,000
				30/01/2019	By drawings a/c		8,500
				31/01/2019	By Savani & Co. a/c		49,000

		31/08/2019	By Balance a/c	4,07,200
01/06/2019	To Balance a/c			5,70,000
				4,07,200

Dr. To Bank a/c and Cash a/c Cr.							
Date	Particulars	JIF	Amount	Date	Particulars	JIF	Amount
	To commission received a/c		800		By bank a/c		12,000
	To Vishnu a/c		5,800		By office rentals		4,000
	To discount allowed a/c				By furniture a/c		4,000
					By advertising expenses a/c		2,000

Dr. Problem no. 5 Furniture a/c Cr.							
Date	Particulars	JIF	Amount	Date	Particulars	JIF	Amount
02/08/2020	To cash a/c		30,000	30/08/2020	By Balance a/c		30,000
			30,000				
01/09/2020	To balance a/c		30,000				

Dr. Purchases a/c Cr.							
Date	Particulars	JIF	Amount	Date	Particulars	JIF	Amount
04/08/2020	To cash a/c		30,000	30/08/2020	By balance a/c		30,000
05/08/2020	To cash a/c		20,000				
			50,000				
01/09/2020	To balance a/c		50,000				

Dr. Stationery a/c Cr.							
Date	Particulars	JIF	Amount	Date	Particulars	JIF	Amount
06/08/2020	To cash a/c		3,000	30/08/2020	By balance a/c		3,000
			3,000				
01/09/2020	To balance a/c		3,000				

Dureshalc

07/08/2020	To sales alc	20,000	30/08/2020	By Balance c/d	20,000
		20,000			20,000
31/08/2020	To balance c/d	20,000			

Sales alc.

30/08/2020	To balance c/d	33,000	04/08/2020	By Dureshalc	20,000
			10/08/2020	By Chandwalc	13,000
		33,000			33,000
			01/09/2020	By balance b/d	33,000

Office expenses alc.

08/08/2020	To cash alc.	1,200	30/08/2020	By balance c/d	1,200
01/09/2020	To balance c/d	1,200			1,200

Salaries alc.

09/08/2020	To cash alc.	7,000	30/08/2020	By balance c/d	7,000
01/09/2020	To balance c/d	7,000			7,000

Chandu alc.

01/08/2020	To Sales alc.	13,000	20/08/2020	By Sales Returns alc	1,000
		13,000	30/08/2020	By balance c/d	12,000
01/09/2020	To balance c/d	13,000			13,000

Dr

Drawings A/c.

Cr

13/08/2020	To cash a/c.	1,800	30/08/2020	By balance c/d	1,800.
01/09/2020	To balance c/d	1,800 1,800			1,800

Rent a/c.

18/08/2020	To cash a/c	8,000	30/8/2020	By balance c/d	8,000
01/09/2020	To balance c/d	8,000 8,000			8,000.

Sales Returns a/c.

20/08/2020	To Chanku a/c	1,000	30/08/2020	By balance c/d	1,000
01/09/2020	To balance c/d	1,000 1,000			1,000

Machinery a/c.

25/08/2020	To cash a/c	12,000	30/08/2020	By balance c/d	12,000.
01/09/2020	To balance a/c	12,000 12,000			12,000

Problem -4

Dr	Cash a/c.	Cr
To commission received a/c	800	By bank a/c 12,000
To Vishnu a/c	45,000	By rent a/c 4,000
To Ramesh a/c	1,50	By furniture a/c 4,000
		By advertising expenses a/c 2,000
		By Balance c/d 25,750
	47,750	25,750
To Balance c/d	25,750	47,750

Commission received a/c.

To Balance c/d	800	By cash a/c 800	800
	800		800
		By Balance b/d 800	800

Bank a/c.

By sales a/c	1,800	By Balance c/d	13,800
By cash a/c	12,000		
	13,800		
To Balance b/d	13,800		

Sales a/c.

To balance c/d	41,800	By Bank a/c 1,800	1,800
	41,800	By Tejesh a/c 40,000	40,000
			41,800
		By Balance c/d 41,800	41,800

Rentalc.

To cash alc	4,000		By Balance cld	4,000
	4,000			4,000
To Balance bld	4,000			

Furniturealc.

To cash alc	4,000		By balance cld	4,000
	4,000			4,000
To balance bld	4,000			

Advertising expenses alc.

To cash alc	2,000		By balance cld	2,000
	2,000			2,000
To balance bld	2,000			

Vishwalc.

To balance cld	2,500		By cash alc	2,500
	2,500			2,500
To balance bld	2,500			

Tejeshalc.

To sales alc.	40,000		By sales returns alc	1,500
	40,000		By balance cld	38,500
To balance bld	40,000			40,000

Sales returns alc.

To Tejesh alc	1,500	By balance c/d	1,500
	1,500		
To balance b/d	51,500		

Discount allowed alc.

To Ramesh alc	50	By balance c/d	50
	50		
To balance b/d	50.		

Ramesh alc.

To balance c/d	21,000	By cash alc	19,50
		By discount allowed alc.	50.
	21,000		21,000
		By balance b/d	21,000.

Trial balance

Particulars	Debit	Credit
Cash alc.	25,750	
Commission received alc.		800
Bank alc	13,800	
Sales alc		41,800
Rent alc	4,000	
Furniture alc	4,000	
Adv. expenses alc	2,000	
Vishnu alc		45,000
Tejesh alc.	38,1500	
Sales returns alc	1,500	
Discount allowed alc	50	
Ramesh alc		2000
	89,600	89,600

Purchase alc Dr	Sales alc Cr.
Sales Returns alc Dr (or)	Purchase returns alc (or)
Return inwards	Return outwards
Drawings alc Dr	Capital alc cr.
Expenses alc Dr	Incomes alc cr.
Assets alc Dr	Liabilities alc cr.
Debtors alc Dr	Creditors alc Cr.
Bills receivable alc Dr	Bills payable alc Cr.
Open by stock Dr.	

Problem-6

Trial Balance

Particulars	Debit Rs.	Credit Rs.
Cash in hand	90,000	
Cash at Bank	15,000	
Purchases	14,200	
Capital	-	1,22,000
Sales	-	35,500
Salaries	4,500	
Stationery	2,000	
Furniture	20,500	
Office expenses	8,000	
Rent account	4,800	
Interest Received	-	3,000
Debtors	20,000	
Machinery	12,000	
Creditors	-	30,000
	<u>1,91,000</u>	<u>500</u>
		1,90,500
		1,91,000

Problem-7:

Trial Balance of Mr. Venie Gopal as on 31/03/2017.

Particulars	Debit Rs.	Credit Rs.
Cash in hand	3750	
Capital	-	2125,000
Rent	1,500	
Wages	19,200	

Office expenses	11,925
Rates & Taxes.	38,175
Salaries	84,450
Ostroi (kind of tax)	3,750
Transport exp. Carriage inwards	3,300
Carriage outwards.	1,050
Purchases	2,79,000
Purchase returns	- 2,1625
Sales returns	
Sales	
Drawings	6,525
Plant and machinery	2,02,500
Furniture	11,250
Stock.	35,625
Sundry debtors	60,000
Sundry creditors	
Discount received.	
	<u>71,64,625</u>
	<u>71,64,625</u>

Problem-8:-

Trial balance of Mr. Prasad.

Particulars	Debit	Credit
Plant	55,000	
Fixtures	1,720	
Capital		93,1230
Factory Fuel & Power	542	
Office Salaries	3,745	
Lighting (factory)	392	
Sales		1,26,117
Travelling expenses.	925	
Carriage outwards	380	
Discount		422
Drawings	6,820	
Stock	2,14,25	
Manufacturing expenses	2,940	
Insurance	470	

Cash at bank	2,045
Cash in hand	118
Sundry Debtors	48,000
Sundry Creditors	22,880
Purchases	83,290
Wages	9,915
Rent and Taxes	1,705
Office expenses	2,778
Carriage inwards	897
Return outwards	
Bills payable	100
Insurance prepaid	260
Commission	71422
Return inwards	-844
Suspense a/c	2,57,389
	<u>2,57,389</u>
	<u>2,52,233</u>

Subsidiary Book:-

It is categorised as...

- (1) Purchases book (Credit purchases)
- (2) Sales book (Credit sales)
- (3) Purchases returns book.
- (4) Sales returns book.
- (5) Cash book.
 - Single (cash)
 - Double (cash, discount)
 - Triple (cash, bank, discount)
 - Petty.
- (6) Bills receivable book.
- (7) Bills payable book.
- (8) Journal proper (Transactions not included in above books are included here).

Instead of preparing Journal, we write in these books.

Problem -12:-

Purchases Book.

Date	Particulars	LIF	Invoice no.	Amount Rs.
01/05/2019	Rajesh alc			9,000
10/05/2019	Mahesh alc			18,000
18/05/2019	Rakesh alc			5,000
20/05/2019	Ramesh alc			7,500
25/05/2019	Suresh alc.			19,000
	Total.			<u>58,500</u>

Problem -13:-

Purchase returns book.

Date	Particulars	LIF	Debit note no.	Amount Rs.
10/06/2019	Mahesh alc			1,300
12/06/2019	Rakesh alc			500
18/06/2019	Rahul alc.			300
	Total.			<u>2,100</u>

Problem -9

Trial balance of Lalithasmart as on 31/03

Particulars	Debit Rs.	Credit Rs.
Capital		3,50,000
Drawings	25,000	
Plant and machinery	1,50,000	
Debtors and creditors	90,000	90,000
Creditors		40,000
Returns Inwards	10,000	
Returns Outwards		12,000
Discount Allowed	5,000	
Discount Received		4,000
Commission	8,000	
Interest on Bank loan	22,000	
Furniture		34,000
Provision for doubtful debts	12,000	
Wages	48,000	

Salaries	60,000	
Advertisement	15,000	
Taxes and insurance	12,000	
Purchases	240,000	
Sales		4,80,000
Stock	50,000	
Carriage	12,000	
Land and buildings	3,00,000	
Cash in hand	12,000	
cash at bank	25,000	
Bank loan.	20,000	
Suspense a/c.		174,000
	<u>11,50,000</u>	<u>9,46,000</u>

Problem-10:-

Trial balance for the books of Gangadhar on 31-03-2020

Particulars	Debit	Credit.
Drawings	12,000	
Wages	42,500	
Workshop expenses	14,000	
Office salaries	35,000	
Insurance	5,000	
Rents and Taxes	20,000	
Power	3,500	
Electricity charges	1450	
Advertising	18,000	
Purchases	3,90,000	
Purchase returns		7,000
Manufacturing expenses.	15,000	
Opening stock.	1,41,000	
Sales		4,00,000
Sales returns	3,000	
Carriage inwards	2,000	
Carriage outwards	3,750	
Discount (Cr.)		1,800
Debtors	68,000	
Creditors		48,700

Office expenses	42000
Bank overdraft	Business Capital
Cash in hand	1300
Machinery	871000
Vehicle	30,000
Provision for bad debts	4000
Suspense a/c.	

Problem-11:-

Trial balance of Mr. R.M. Tripathi

Particulars	Debit	Credit
Opening stock.	23400	
Capital		541050
Sales returns	4300	
Sales		144800
Purchases	1121550	
Purchase returns		2900
Carriage inwards	91300	
Creditors		71400
Taxes		2850
Loan from SBI @ 12%	10	
Salaries	41650	
Interest on Investments	725	
Debtors	121000	
Discount Received		11495
Interest on loans	450	
Stationery	1700	
Travelling expenses	51600	
Cash at bank	41000	
Investment (9% P.a.)	171500	
Furniture	1900	
Discount		31770
Office expenses	1960	
Sales mans salary	350	
Insurance premium	300	
Advertising	11165	
Postage and Stamps	435	

Cash in hand
Drawings

190
\$1000

Problem - 14

Sales Book.

Date	Particulars	L/F	Invoice no.	Amount Rs.
01/11/2018	Shyam			10,000
07/11/2018	Ramesh			18,000
10/11/2018	Suresh			5,000
14/11/2018	Srinivas			2,500
	Total			<u>35,500.</u>

Problem - 15

Sales Returns Book.

Date	Particulars	L/F	Credit Note no.	Amount Rs.
02/12/2000	Shyam			1,300
08/12/2000	Ramesh			1,900
10/12/2000	Srinivas			800
14/12/2000	Suresh			400
	Total			<u>4,400</u>

Problem - 22:-

Purchases Book.

Date	Particulars	UF	Invoice no.	Amount Rs.
01/01/2020	Srinivas & Co.		7	12,800
15/01/2020	Satyadev and Bros.		-8	6,000
30/01/2020	PVR & Co.		4	2,970.
	Total.			<u>20,770.</u>

Sales Book.

Date	Particulars	LIF	Invoice No.	Amount Rs.
05/01/2020	Lalitha stores		15	8,000
30/01/2020	SR Enterprises		16	10,000
31/01/2020	Sun Stores		17	3,000
	Total			<u>21,000</u>

Purchase returns book

Date	Particulars	LIF	Debit note no.	Amount Rs.
10/01/2020	Srinivas & Co.		5	2,000
25/01/2020	Satyadev and Bros		6	100
	Total			<u>2,100</u>

Sales returns book.

Date	Particulars	LIF	Credit note no.	Amount Rs.
20/01/2020	Lalitha stores		5	800
31/01/2020	SR Enterprises		6	700
	Total			<u>1500</u>

Cash Book

(1) Single column (cash).

(2) Double column (cash, discount).

(3) Triple column (cash, bank, discount).

(4) Petty cash book.

Problem-19

Receipts

Cash Book. (Single column).

Payments

Date	Particulars	UF	Amount	Date	Particulars	UF	Amount
10/01/2008	To balance bld		18,000	12/01/2008	By purchases		50,000
14/01/2008	To Sales		90,000	18/01/2008	By Machinery		35,000
30/01/2008	To Sales		98,000	20/01/2008	By stationery		3,000
				23/01/2008	By Rakesh.		4,500
				25/01/2008	By wages.		10,000
				31/01/2008	By balance cld		1,03,500
			216,000				2,06,000
01/02/2008	To balance bld		1,03,500				

Problem-20

Double column cash book (cash & discount).

Receipts

Payments

Date	Particulars	UF	Discount Rs.	Cash Rs.	Date	Particulars	UF	Discount Rs.	Cash Rs.
02/03/2007	To balance bld			5,000	06/03/2007	By Rajeev			10,000
03/03/2007	To Ravi		2000	40,000	07/03/2007	By Swresh		500	14,500
11/03/2007	To Sales			22,000	15/03/2007	By Madhuri			11,000
17/03/2007	To Ram		1,000	21,000	18/03/2007	By freight			250
20/03/2007	To Interest		2,700	21,700	19/03/2007	By Rent			5,500
24/03/2007	To Bank interest		2,500	21,500	21/03/2007	By Rakesh		5,000	12,500
					26/03/2007	By office expenses			785
					30/03/2007	By Purchases			35,000
					31/03/2007	By balance cld			3,665
01/04/2007	To balance bld			3,665				1,000	93,200

Contra Entry :- If a transaction is recorded in both Debit & Credit side.

" Cash deposited into Bank.

Problem-21

Triple Column Cash Book.

Date	Particulars	LIF	Dis.	Cash	Bank	Date	Particulars	LIF	Dis.	Cash	Bank
1/1/2020	To balance bld			5100	1475	1/1/2020	By Sekhar	150			
5/1/2020	To Sal Investments			4900	35	31/1/2020	By Salaries			1150	
5/1/2020	To Cash (C)				1250	5/1/2020	By Bank @			1250	
1/1/2020	To Vikram					10/1/2020	By Drawings				175
1/1/2020	To Naidu	175				11/1/2020	By bank charges				10
4/1/2020	To Interest	50		1150		20/1/2020	By Rent			400	
5/1/2020	To Sales			140		31/1/2020	By balance cld				
8/1/2020	To Dividend			7000	360					15790	2825
				225	18590	3860					
					15790	2825					
31/1/2020	To balance bld							150	18590	3860	

Problem -26

Triple Column Cash Book.

Date	Particulars	UF	Dis.	Cash	Bank	Date	Particulars	UF	Dis.	Cash	Bank
31/1/13	To balance b/d			5374	15490	31/1/13	By Bank ac/c			7000	
31/1/13	To Sales			6400		8/1/13	By Bank ac/c			7000	
5/1/13	To cash ac/c					10/1/13	By Avinash	20			950
6/1/13	To Raghv			7000		12/1/13	By Purchases			2500	
8/1/13	To cash ac/c			7000		14/1/13	By cash ac/c			5000	
14/1/13	To bank ac/c			5000		19/1/13	By bank ac/c			950	
5/1/13	To Lally & Co		50	950		19/1/13	By Bank ac/c			4000	
8/1/13	To Sales			7500		21/1/13	By Stationery			120	
19/1/13	To cash ac/c					23/1/13	By Commission			500	
19/1/13	To cash ac/c					24/1/13	By Lally & Co.	50		950	
25/1/13	To Chandra					29/1/13	By Drawings ac/c			800	
						31/1/13	By Salaries			500	1500
						31/1/13	By bank charges			20	
						31/1/13	By Insurance Premium.			520	
				50	32224					10154	25170
										32224	85440
31/02/13	To balance b/d			10154	25170						

Problem-24

E-TIKU
Petty Cash Book.

Cash Received.	Date	Particulars	LIF	Payment (Rs.)
1000	01/06/19	To Cash:		
	02/06/19	By Postage.		80.
	05/06/19	By Stationery		100.50.
	08/06/19	By Advertisement		100.
	12/06/19	By Wages		40.
	16/06/19	By Carriage		30
	17/06/19	By Postage		100
	20/06/19	By Conveyance		44
	25/06/19	By Travelling Expenses		160.
	27/06/19	By Postage		100.
	28/06/19	By Wages		20.
	30/06/19	By Mobile Recharge expenses		49.
	30/06/19	By Postage		16
1000.	30/06/19	By Balance c/d		911.
211.	01/07/19	To Balance b/d		-
789	01/07/19	To Cash.		1000.

Problem-23

Journal Proper of Mr. Radha Krishna.

Date	Particulars	LIF	Debit	Credit
01/04/2020	Cash in Hand a/c Dr		6000	
	Cash at Bank a/c Dr.		10,000	
	Machinery a/c Dr		25,000	
	Furniture a/c Dr.		45,000	
	Motor Vehicles a/c Dr		75,000.	
	Sundry Debtors a/c Dr		20,000.	
	To Sundry Creditors			15,000.
	To Bank loan			40,000.
	To Capital			126,000.
	(Being the entry recorded to show the opening balance)			

Assets - Liabilities = Capital.