

Chapter 7 Special Purpose Books I Cash Book

Question 1.

Without Goods and Services Tax (GST)

Enter the following transactions of Mr. Ripinder, Delhi in a Single Column Cash Book and balance it:

2018		₹
Jan 1	Ripinder started business with capital	2,00,000
Jan 2	Purchased furniture for cash	50,000
Jan 3	Purchased goods for cash	30,000
Jan 5	Paid freight	500
Jan 7	Sold goods for cash	28,000
Jan 10	Paid to Ramesh	20,000
Jan 15	Sold goods for cash	10,000
Jan 20	Paid wages	10,000
Jan 25	Purchased goods from Raj on credit	20,000
Jan 31	Paid rent by Cheque	5,000

Solution:

Cash Book

Dr.				Cr.			
Date	Particulars	L.F.	Cash (Rs.)	Date	Particulars	L.F.	Cash (Rs.)
2018				2018			
Jan 01	Capital A/c		2,00,000	Jan 02	Furniture A/c		50,000
Jan 07	Sales A/c		28,000	Jan 03	Purchases A/c		30,000
Jan 15	Sales A/c		10,000	Jan 05	Freight A/c		500
				Jan 10	Ramesh A/c		20,000
				Jan 20	Wages A/c		10,000
				Jan 31	Balance c/d		1,27,500
			2,38,000				2,38,000

Question 2.

Prepare Simple Cash Book from the following transactions of Mr. Suresh, Delhi:

2018		₹	2018		₹
April 1	Mr. Suresh commenced business with cash	80,000	April 17	Paid for stationery	200
April 3	He bought goods	50,000	April 18	Paid for office furniture	3,000
April 5	Sold goods for Cash	40,000	April 21	Received from Mr. Kailash Chand	6,800
April 6	Received cash from Mr. Manohar	3,600	April 22	Paid for advertising	1,008
April 9	Paid into Bank	30,000	April 25	Purchased postage stamps	80
April 13	Paid cash Harikrishan	2,150	April 28	Paid Rent	1,120
			April 30	Paid electricity charges	150

Solution:

Cash Book

Dr.				Cr.			
Date	Particulars	L.F.	Cash (Rs.)	Date	Particulars	L.F.	Cash (Rs.)
2018				2018			
Apr 01	Capital A/c		80,000	Apr 03	Purchases A/c		50,000
Apr 05	Sales A/c		40,000	Apr 09	Bank A/c		30,000
Apr 06	Mr. Manohar		3,600	Apr 13	Harikrishan A/c		2,150
Apr 21	Mr. Kailash Chand		6,800	Apr 17	Stationery A/c		200
				Apr 18	Office Furniture A/c		3,000
				Apr 22	Advertising A/c		1,008
				Apr 25	Postage Stamps A/c		80
				Apr 28	Rent A/c		1,120
					Electricity Charges		
				Apr 30	A/c		150
				Apr 30	Balance c/d		42,692
			1,30,400				1,30,400

Question 3.

With Goods and Services Tax (GST)

Prepare Simple Cash book of Sri Gopal of Amritsar from the following transactions:

2018		₹
April 1	Sri Gopal commenced business introducing cash ₹ 60,000 and ₹ 1,50,000 by taking a loan from the Allahabad Bank.	
April 4	Purchased following assets for business: Computer ₹ 16,000; Furniture ₹ 18,500 and Machinery ₹ 32,000 plus CGST and SGST @ 6% each, paid by cheque	
April 6	Purchased goods of ₹ 40,000 plus CGST and SGST @ 6% each from Bhushan, Amritsar, half of the value paid in cash.	
April 8	Paid wages for installation of Machinery	4,000
April 12	Computer repair charges ₹ 1,900 paid along with CGST and SGST @ 6% each	
April 15	Paid wages	15,000
	Purchased Postage Stamps	150
	Paid for stationery of ₹ 2,700 along with CGST and SGST @ 6% each	
April 19	Sold for cash half the goods purchased from Bhushan to Anil Krishna at a profit of 25% and allowed him Trade Discount of 5%. Charged CGST and SGST @ 6% each	
April 24	Payment to carpenter for repairs to private property	350
April 26	Paid for medical expenses of Smt. Gopal	1,800
April 30	Paid for shop rent ₹ 2,000 along with CGST and SGST @ 6% each.	

Solution:

Cash Book

Dr.				Cr.			
Date	Particulars	L.F.	Cash (Rs.)	Date	Particulars	L.F.	Cash (Rs.)
2018				2018			
Apr 01	Capital A/c		60,000	Apr 06	Purchases A/c		20,000
Apr 19	Sales A/c		23,750	Apr 06	Input CGST A/c		1,200
Apr 19	Output CGST A/c		1,425	Apr 06	Input SGST A/c		1,200
Apr 19	Output SGST A/c		1,425	Apr 08	Machinery A/c		4,000
				Apr 12	Repairs A/c		1,900
				Apr 12	Input CGST A/c		114
				Apr 12	Input SGST A/c		114
				Apr 15	Wages A/c		15,000
				Apr 15	Postage A/c		150
				Apr 15	Stationery A/c		2,700
				Apr 15	Input CGST A/c		162
				Apr 15	Input SGST A/c		162
				Apr 24	Drawings A/c		350
				Apr 26	Drawings A/c		1,800
				Apr 30	Rent A/c		2,000
				Apr 30	Input CGST A/c		120
				Apr 30	Input SGST A/c		120
				Apr 30	Balance c/d		35,508
			86,600				86,600

Question 4.

Prepare Simple Cash Book from the following transactions of Simran, Delhi:

2018		₹	2018		₹
March 1	Ms. Simran commenced business with cash	65,000	March 17	Paid for miscellaneous expenses	450
March 3	Bought goods for cash, CGST and SGST paid @ 6% cash	6,850	March 19	Received cash from Mr. Trilok Chand	4,850
March 4	Paid cash to Mr. Mohan	950	March 22	Purchased goods, CGST and SGST paid @ 6% each	2,500
March 6	Deposited in Bank	40,000	March 22	Paid salary	4,000
March 6	Paid for office furniture in cash, CGST and SGST paid @ 6% each	4,650	March 25	Paid rent, CGST and SGST paid @ 6% each	900
March 9	Sold goods for cash charged CGST and SGST @ 6% each	30,000	March 28	Paid electricity bill	350
March 12	Paid wages in cash	1,200	March 29	Paid for advertising, CGST and SGST paid @ 6% each	400
March 13	Paid for Stationery, CGST and SGST paid @ 6% each	400	March 31	Paid into bank	25,000
March 15	Sold goods for cash, charged CGST and SGST @ 6% each	25,000			

Solution:

Cash Book

Dr.				Cr.			
Date	Particulars	L.F.	Cash (Rs.)	Date	Particulars	L.F.	Cash (Rs.)
2018				2018			
Mar 01	Capital A/c		65,000	Mar 03	Purchases A/c		6,850
Mar 09	Sales A/c		30,000	Mar 03	Input CGST A/c		411
Mar 09	Output CGST A/c		1,800	Mar 03	Input SGST A/c		411
Mar 09	Output SGST A/c		1,800	Mar 04	Mr Mohan A/c		950
Mar 15	Sales A/c		25,000	Mar 06	Bank A/c		40,000
Mar 15	Output CGST A/c		1,500		Office Furniture		
Mar 15	Output SGST A/c		1,500	Mar 06	A/c		4,650
Mar 19	Mr. Trilok Chand		4,850	Mar 06	Input CGST A/c		279
				Mar 06	Input SGST A/c		279
				Mar 12	Wages A/c		1,200
				Mar 13	Stationery A/c		400
				Mar 13	Input CGST A/c		24
				Mar 13	Input SGST A/c		24
					Miscellaneous		
				Mar 17	Expenses A/c		450
				Mar 22	Purchases A/c		2,500
				Mar 22	Input CGST A/c		150
				Mar 22	Input SGST A/c		150
				Mar 22	Salary A/c		4,000
				Mar 25	Rent A/c		900
				Mar 25	Input CGST A/c		54
				Mar 25	Input SGST A/c		54
				Mar 28	Electricity A/c		350
				Mar 29	Advertising A/c		400
				Mar 29	Input CGST A/c		24
				Mar 29	Input SGST A/c		24
				Mar 31	Bank A/c		25,000
				Mar 31	Balance c/d		41,916
			1,31,450				1,31,450

Question 5.

From the following prepare Single Column Cash Book of Suresh, Chennai and post them into ledger accounts:

2018		₹
April 1	Cash in Hand	6,400
April 3	Received Cash from Anupama	1,00,000
April 4	Paid into Bank	80,000
April 5	Received from Bhumika as commission ₹ 6,000 plus CGST and SGST @ 6% each	
April 6	Paid Wages	30,000
April 7	Withdrawn from Bank for expenses	30,000
April 8	Purchased goods from Ashok on credit of ₹ 10,000 plus CGST and SGST @ 6% each	
April 9	Cash sales of ₹ 10,000 charged CGST and SGST @ 6% each	
April 11	Drew Cash for domestic purposes	10,000
April 12	Purchased furniture for ₹ 4,000 plus CGST and SGST @ 6% each	
April 13	Paid to Ruma	1,200
April 14	Paid to Ganguly Brothers for office fan ₹ 1,500 plus CGST and SGST @ 6% each	
April 15	Paid own life insurance premium from office cash	800
April 16	Purchased stationery ₹ 1,000 plus CGST and SGST @ 6% each	
April 17	Paid office expenses	500
April 18	Remitted to Raman	900
April 19	Paid electricity charges	100
April 20	Received interest from Gupta & Co.	500
April 30	Deposited all cash into bank in excess of	2,000

Solution:

Cash Book

Dr.				Cr.			
Date	Particulars	L.F.	Cash (Rs.)	Date	Particulars	L.F.	Cash (Rs.)
2018				2018			
Apr 01	Balance b/d		6,400	Apr 04	Bank A/c		80,000
Apr 03	Anupama A/c		1,00,000	Apr 06	Wages A/c		30,000
Apr 05	Commission A/c		6,000	Apr 11	Drawings A/c		10,000
Apr 05	Output CGST A/c		360	Apr 12	Furniture A/c		4,000
Apr 05	Output SGST A/c		360	Apr 12	Input CGST A/c		240
Apr 07	Bank A/c		30,000	Apr 12	Input SGST A/c		240
Apr 09	Sales A/c		10,000	Apr 13	Rama A/c		1,200
Apr 09	Output CGST A/c		600	Apr 14	Office Fan A/c		1,500
Apr 09	Output SGST A/c		600	Apr 14	Input CGST A/c		90
Apr 20	Interest A/c		500	Apr 14	Input SGST A/c		90
				Apr 15	Drawings A/c		800
				Apr 16	Stationery A/c		1,000
				Apr 16	Input CGST A/c		60
				Apr 16	Input SGST A/c		60
					Office Expenses		
				Apr 17	A/c		500
				Apr 18	Raman A/c		900
					Electricity Charges		
				Apr 19	A/c		100
				Apr 30	Bank A/c		22,040
				Apr 30	Balance c/d		2,000
			1,54,820				1,54,820

Question 6.

Without Goods and Services Tax (GST)

Record the following transactions in Double Columns Cash Book and balance the book on 31st March, 2018:

2018		₹
March 1	Cash in Hand	12,750
	Cash at Bank	72,400
March 4	Received from Asha cash ₹ 1,200 and a cheque for ₹ 3,200, allowed discount ₹ 400	
March 7	Paid salary to staff by cheque	25,600
March 9	Withdrawn cash from bank for office use	21,900
March 12	Interest paid by bank for office use	1,200
March 16	Purchased furniture in cash	16,500
March 21	Paid Mohan & Co. by cheque, discount received ₹100	10,900
March 24	Proprietor withdrew from office cash for his personal use	11,600
March 29	Sold goods to Manoj for cash	14,800
March 31	Deposited office cash into bank	21,200

Solution:

Cash Book

Dr.					Cr.				
Date	Particulars	L.F.	Cash (Rs.)	Bank (Rs.)	Date	Particulars	L.F.	Cash (Rs.)	Bank (Rs.)
2018					2018				
Mar 01	Balance b/d		12,750	72,400	Mar 07	Salary A/c			25,600
Mar 04	Asha A/c		1,200	3,200	Mar 09	Cash A/c	C		21,900
Mar 09	Bank A/c	C	21,900		Mar 16	Furniture A/c		16,500	
Mar 12	Bank Interest			1,200	Mar 21	Mohan and Co.			10,900
Mar 29	Sales A/c		14,800		Mar 24	Drawings A/c		11,600	
Mar 31	Cash A/c	C		21,200	Mar 31	Bank A/c	C	21,200	
						Balance c/d		1,350	39,600
			50,650	98,000				50,650	98,000

Question 7.

Enter the following transactions in the Double Column Cash Book of M/s. Gupta Store:

2018		₹
June 1	Cash in Hand ₹ 800, Bank overdraft ₹ 5,700	
June 7	Received a cheque from Bharati, discount allowed ₹ 150	3,250
June 9	Deposited the above cheque into Bank	
June 15	Cheque received from Panna Lal	1,200
June 20	Bharati's cheque returned dishonoured	
June 28	Panna Lal's cheque was endorsed to Kamal	
June 30	Income tax paid by cheque	150

Solution:

Cash Book

Dr.					Cr.				
Date	Particulars	L.F.	Cash (Rs.)	Bank (Rs.)	Date	Particulars	L.F.	Cash (Rs.)	Bank (Rs.)
2018					2018				
June 01	To Balance b/d		800		June 01	By Balance b/d (Overdraft)			5,700
June 09	To Cheque-in-Hand A/c			3,250	June 20	By Bharati A/c			3,250
June 15	To Panna Lal A/c		1,200		June 28	By kamal A/c		1,200	
June 30	To Balance c/d (Overdraft)			5,850	June 30	By Income Tax A/c			150
					June 30	By Balance c/d		800	
			2,000	9,100				2,000	9,100

Working Note:

1. Journal Entry for cheque received from Bharati:

June 07	Cheque-in-Hand A/c	Dr.	3,250	
	To Bharati A/c			3,250
	(Being Received cheque from Bharati not yet deposited)			

2. Journal Entry for cheque received from Panna Lal:

June 15	Cheque-in-Hand A/c	Dr.	1,200	
	To Panna Lal A/c			1,200
	(Being received cheque from Panna Lal)			

3. Journal Entry for cheque endorsed to Kamal:

June 28	Kamal A/c	Dr.	1,200	
	To Cheque-in-Hand A/c			1,200
	(Being cheque received from Hari endorsed in favour of Mukesh)			

Question 8.

Prepare Two-column Cash Book of Bimal, Lucknow from the following transactions:

2018		₹	2018		₹
June 1	Cash Balance	5,000	June 21	Drawn from Bank	5,000
June 1	Bank Balance	17,500	June 29	Paid office salaries in cash	4,000
June 5	Cash received from sale of shares	5,000	June 30	Sold goods in cash for ₹ 8,000 plus CGST and SGST @ 6% each and banked the same	
June 6	Cheque received as advance against sale, paid into bank	50,000	June 30	Paid rent by cheque including CGST and SGST @ 6% each	1,120
June 7	Paid S. Bose by cheque	12,500	June 30	Paid into bank	7,500
	Discount received	200			
June 9	Paid wages in cash	3,000			
June 20	Received a cheque from A. Mukherji and sent to bank	6,000			

Solution:

Cash Book

Dr.					Cr.				
Date	Particulars	L.F.	Cash Rs.	Bank Rs.	Date	Particulars	L.F.	Cash Rs.	Bank Rs.
2018					2018				
Jun 01	To Balance b/d		5,000	17,500	Jun 07	By S. Bose A/c			12,500
Jun 05	To Investment A/c		5,000		Jun 09	By Wages A/c		3,000	
Jun 06	To Cash A/c	C		50,000	Jun 21	By Cash A/c	C		5,000
Jun 20	To A. Mukherji A/c			6,000	Jun 29	By Office Salaries A/c		4,000	
Jun 21	To Bank A/c	C	5,000		Jun 30	By Rent A/c			1,000
Jun 30	To Sales A/c			8,000	Jun 30	By Input CGST A/c			60
Jun 30	To Output CGST A/c			480	Jun 30	By Input SGST A/c			60
Jun 30	To Output SGST A/c			480	Jun 30	By Bank A/c	C	7,500	
Jun 30	To Cash A/c	C		7,500	Jun 30	By Balance c/d		500	71,340
			15,000	89,960				15,000	89,960

Working Note:

1. Journal Entry for discount received:

June 07	S. Bose A/c	Dr.	200	
	To Discount Received A/c			200
	(Being discount received)			

Question 9.

Prepare Two-column Cash Book from the following transactions of Mani, Kochi;

2018	
March 1	Cash in Hand ₹ 15,000; Cash at Bank ₹ 5,000
March 3	Purchased goods for cash ₹ 6,720 including CGST and SGST @ 6% p.a; received discount of ₹ 220
March 5	Deposited into bank ₹ 5,000
March 7	Cash sales ₹ 10,000 <i>plus</i> CGST and SGST @ 6% each
March 10	Cash withdrawn from Bank for Office use ₹ 2,000
March 15	Received three months post dated cheque of ₹ 20,000 from Raj and deposited in the bank on the same day, discounted from bank paying discounting charges ₹ 750
March 18	Received cheque from Deepak for ₹ 5,000 (not banked), allowed discount ₹ 200
March 20	Cheque received from Deepak deposited in Bank
March 22	Paid to Chandra by cheque ₹ 2,500; received discount ₹ 100
March 25	Withdrew from bank for personal use ₹ 1,000
March 28	Sold goods on credit to Ashok Mitra, Kolkata ₹ 10,000, charged IGST @ 12%
March 30	Purchased goods on credit from Chander, Delhi ₹ 20,000, paid IGST @ 12%
March 31	Received cheque from Ashok Mitra ₹ 5,000 and deposited in bank, allowed cash discount ₹ 200

Solution:

Cash Book

Dr.					Cr.				
Date	Particulars	L.F.	Cash (Rs.)	Bank (Rs.)	Date	Particulars	L.F.	Cash (Rs.)	Bank (Rs.)
2018					2018				
Mar 01	Balance b/d		15,000	5,000	Mar 03	Purchases A/c		5,780	
Mar 05	Cash A/c	C		5,000	Mar 03	Input CGST A/c		360	
Mar 07	Sales A/c		10,000		Mar 03	Input SGST A/c		360	
Mar 07	Output CGST A/c		600		Mar 05	Bank A/c	C	5,000	
Mar 07	Output SGST A/c		600		Mar 10	Cash A/c	C		2,000
Mar 10	Bank A/c	C	2,000		Mar 22	Chandra A/c			2,500
Mar 15	Bills Receivable A/c			19,250	Mar 25	Drawings A/c			1,000
Mar 20	Cheques in Hand A/c			5,000	Mar 31	Balance c/d		16,700	33,750
Mar 31	Ashok Mitra A/c			5,000					
			28,200	39,250				28,200	39,250

Question 10.

Prepare Two-column Cash Book of Vinod, Delhi from the following transactions:

2017		₹
Oct. 1	Cash in Hand	25,000
Oct. 1	Cash at Bank	75,000
Oct. 7	Bought goods for ₹ 15,000 plus IGST @ 12% against cheque	
Oct. 8	Bought goods for ₹ 5,000 plus CGST and SGST @ 6% each	
Oct. 10	Honoured our own acceptance by cheque	5,000
Oct. 14	Paid petty expenses	150
Oct. 18	Ramesh who owed ₹ 5,000 became bankrupt and paid us 50 paise in a rupee	
Oct. 20	Received cash from Manohar	7,500
	Allowed discount	250
Oct. 23	Withdrew from bank	4,000
Oct. 24	Paid to Ghanshyamdas & Co.	3,000
	Received discount	100
Oct. 25	Withdrew from bank for personal expenses	3,000
Oct. 27	Sold goods for ₹ 11,000 plus CGST and SGST @ 6% against cash	
Oct. 28	Received cheque for goods sold for ₹ 9,000 plus CGST and SGST @ 6% each	
Oct. 29	Received repayment of a loan of ₹ 5,000 and deposited ₹ 3,000 out of it	

Solution:

Cash Book

Dr.					Cr.				
Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)	Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)
2018					2018				
Oct 01	Balance b/d		25,000	75,000	Oct 01	Purchases A/c			15,000
Oct 18	Ramesh A/c		2,500		Oct 01	Input IGST A/c			1,800
Oct 20	Manohar A/c		7,500		Oct 08	Purchases A/c	5,000		
Oct 23	Bank A/c	C	4,000		Oct 08	Input CGST A/c	300		
Oct 27	Sales A/c		11,000		Oct 08	Input SGST A/c	300		
Oct 27	Output CGST A/c		660		Oct 10	Bills Payable A/c			5,000
Oct 27	Output SGST A/c		660		Oct 14	Petty Expenses A/c	150		
Oct 28	Sales A/c			9,000	Oct 23	Cash A/c			4,000
Oct 28	Output CGST A/c			540	Oct 24	Ghanshyamdas and Co.	3,000		
Oct 28	Output SGST A/c			540	Oct 25	Drawings A/c			3,000
Oct 29	Loan A/c		2,000	3,000	Oct 31	Balance c/d	44,570	59,280	
			53,320	88,080			53,320	88,080	

Question 11.

Enter the following transactions in the Cash Book of Chandrika of Chandigarh:

2018		₹
Jan 1	Chandrika commences business with cash	1,00,000
Jan 3	She opened a Bank Current Account with her Savings Account cheque	19,00,000
Jan 4	She receives cheque from Kirti & Co. on account	60,000
Jan 7	She pays into Bank Kirti & Co.'s cheque	60,000
Jan 10	She advanced Ratan & Co. by cheque	35,000
Jan 12	Tripathi & Co. pays into her Bank A/c	47,500
Jan 15	She receives cheque from Warsi and allows him discount ₹ 3,500	45,000
Jan 20	She receives cash ₹ 7,500 and cheque ₹ 1 0,000 from Kalyan against credit balance	
Jan 25	She pays mt Bank, including cheques received on 1 5th and 20th January	1,00,000
Jan 27	She pays by cheque for purchases of ₹ 27,500 plus CGST and SGST @ 6% each	
Jan 28	Cheque received from Warsi was dishonoured	
Jan 30	She pays sundry expenses in cash	50
Jan 30	She pays John & Co. in cash and is allowed discount ₹ 3,500	37,500
Jan 31	She pays office rent ₹ 20,000 plus CGST and SGST @ 6% each by cheque	
Jan 31	Jan 31 She draws a cheque for office use	40,000
Jan 31	Jan 31 She pays staff salaries by cheque	30,000
Jan 31	Jan 31 She pays cash for stationery ₹ 2,500 plus CGST and SGST @ 6% each	
Jan 31	Jan 31 She purchases goods for cash ₹ 12,500 plus CGST and SGST @ 6% each	
Jan 31	Jan 31 She pays Jagpal by cheque for commission ₹ 30,000 plus CGST and SGST @ 6% each	
Jan 31	Jan 31 She receives cheque for commission of ₹ 50,000 plus CGST and SGST @ 6% each from Raghubi	
Jan 31	Jan 31 Cash sales 45,000 plus CGST and SGST @ 6% each	

Solution:

Cash Book

Dr.					Cr.				
Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)	Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)
2018					2018				
Jan 01	Capital A/c		1,00,000		Jan 10	Loan A/c			35,000
Jan 03	Capital A/c			19,00,000	Jan 25	Bank A/c	C	45,000	
	Cheques in Hand								
Jan 07	A/c			60,000	Jan 27	Purchases A/c			27,500
Jan 12	Tripathi and Co.			47,500	Jan 27	Input CGST A/c			1,650
Jan 20	Kalyan A/c		7,500		Jan 27	Input SGST A/c			1,650
	Cheques in Hand								
Jan 25	A/c			55,000	Jan 28	Warsi A/c			45,000
						Sundry Expenses			
Jan 25	Cash A/c	C		45,000	Jan 30	A/c		50	
Jan 31	Bank A/c	C	40,000		Jan 30	John and Co A/c		37,500	
Jan 31	Commission A/c			50,000	Jan 31	Office Rent A/c			20,000
	Output CGST								
Jan 31	A/c			3,000	Jan 31	Input CGST A/c			1,200
Jan 31	Output SGST A/c			3,000	Jan 31	Input SGST A/c			1,200
Jan 31	Sales A/c		45,000		Jan 31	Cash A/c			40,000
	Output CGST								
Jan 31	A/c		2,700		Jan 31	Salaries A/c			30,000
Jan 31	Output SGST A/c		2,700		Jan 31	Stationery A/c		2,500	
					Jan 31	Input CGST A/c		150	
					Jan 31	Input SGST A/c		150	
					Jan 31	Purchases A/c		12,500	
					Jan 31	Input CGST A/c		750	
					Jan 31	Input SGST A/c		750	
					Jan 31	Commission A/c			30,000
					Jan 31	Input CGST A/c			1,800
					Jan 31	Input SGST A/c			1,800
						Balance c/d		98,550	19,26,700
			1,97,900	21,63,500				1,97,900	21,63,500

Question 12.

Enter the following transactions in Two-column Cash Book of Reema, Chandigarh and find out cash and bank balances:

2018		₹
April 1	Cash balance ₹ 2,000, bank balance ₹ 24,500	
April 2	Cash sales ₹ 60,000 plus CGST and SGST @ 6% each	
April 5	Deposited in Bank	50,000
April 7	Issued cheque to Sohan	10,000
April 9	Sold goods for cash ₹ 1 0,000 plus CGST and SGST @ 6% each	
April 12	Received a cheque from National Insurance Co. Ltd. against claim lodged last year	19,800
April 14	Sold goods to Niraj of ₹ 25,000 plus CGST and SGST @ 6% each, received cash ₹ 1 0,000 and balance by cheque. Allowed him discount ₹ 500	
April 16	Purchased furniture for ₹ 1 0,000 plus CGST and SGST @ 6% each, paid for furniture by cheque	
April 18	Sold old furniture for ₹ 10,000 plus CGST and SGST @ 6% each and received cash	
April 20	Paid into bank cheque of Niraj and cash	2,500
April 22	Paid to Suman by cheque	2,500
April 26	Suman's cheque returned on technical ground and paid cash for equal amount	
April 28	Bank charged its commission of ₹ 300 plus CGST and SGST @ 6% each	
April 29	Bank paid insurance premium as per standing instructions	2,500
April 30	Nigam paid into bank directly, intimation received on the same day	5,000

Solution:

Cash Book

Dr.					Cr.				
Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)	Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)
2018					2018				
Apr 01	Balance b/d		2,000	24,500	Apr 05	Bank A/c	C	50,000	
Apr 02	Sales A/c		60,000		Apr 07	Sohan A/c			10,000
	Output CGST A/c		3,600		Apr 16	Furniture A/c			10,000
Apr 02	Output SGST A/c		3,600		Apr 16	Input CGST A/c			600
Apr 05	Cash A/c	C		50,000	Apr 16	Input SGST A/c			600
Apr 09	Sales A/c		10,000		Apr 20	Bank A/c	C	2,500	
	Output CGST A/c		600		Apr 22	Suman A/c			2,500
Apr 09	Output SGST A/c		600		Apr 26	Suman A/c		2,500	
Apr 09	National Insurance Co. Ltd.			19,800	Apr 28	Commission A/c			300
Apr 14	Sales A/c		7,000		Apr 28	Input CGST A/c			18
	Output CGST A/c		1,500		Apr 28	Input SGST A/c			18
Apr 14	Output SGST A/c		1,500		Apr 29	Insurance Premium A/c			2,500
Apr 18	Old Furniture A/c		10,000		Apr 30	Balance c/d		46,600	95,264
Apr 18	Output CGST A/c		600						
Apr 18	Output SGST A/c		600						
Apr 20	Cheques in Hand A/c			17,500					
Apr 20	Cash A/c	C		2,500					
Apr 26	Suman A/c			2,500					
Apr 30	Nigam A/c			5,000					
			1,01,600	1,21,800				1,01,600	1,21,800

Question 13.

Write the following transactions in the Cash Book of Premium Stores, Kolkata (Proprietor Amrit Kumar):

2018	Commenced business with cash	₹
Jan 1	Opened Bank Account and deposited cash in bank	50,000
Jan 2	Purchased goods in cash of ₹ 5,000 plus CGST and SGST @ 6% each	20,000
Jan 4	Paid wages	5,000
Jan 6	Cash sales of ₹ 2,000 plus CGST and SGST @ 6% each	500
	Purchased goods for ₹ 10,000 plus CGST and SGST @ 6% each for cash	
Jan 10	Sold goods of ₹ 4,000 plus CGST and SGST @ 6% each and payment received by cheque which is deposited in Bank, allowed cash discount of ₹ 400	2,000
	Received from Amit	5,900
	Allowed him discount	100
Jan 15	Paid to Bhaskar	2,800
	Received discount	200
Jan 18	Purchased goods from Kanchan, Delhi of ₹ 10,000 plus IGST @ 12%	
Jan 20	Goods were destroyed during transportation, Transport Company settled the claim for ₹ 10,000 in full	
Jan 27	Received cheque from the transport company	10,000
Jan 28	Withdrew for office use	5,000

Solution:

Cash Book

Dr.					Cr.				
Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)	Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)
2018					2018				
Jan 01	Capital A/c		50,000		Jan 02	Bank A/c	C	20,000	
Jan 02	Cash A/c	C		20,000	Jan 02	Purchases A/c		5,000	
Jan 06	Sales A/c		2,000		Jan 02	Input CGST A/c		300	
Jan 06	Output CGST A/c		120		Jan 02	Input SGST A/c		300	
Jan 06	Output SGST A/c		120		Jan 04	Wages A/c		500	
Jan 10	Sales A/c			3,600	Jan 06	Purchases A/c		10,000	
Jan 10	Output CGST A/c			240	Jan 06	Input CGST A/c	C	600	
Jan 10	Output SGST A/c			240	Jan 06	Input SGST A/c		600	
Jan 10	Amit A/c		5,900		Jan 15	Bhaskar A/c		2,800	
Jan 27	Transport Co.			10,000	Jan 28	Cash A/c	C		5,000
Jan 28	Bank A/c	C	5,000		Jan 31	Balance c/d		23,040	29,080
			63,140	34,080				63,140	34,080

Question 14.

Record the following transactions in Two-column Cash Book of Ripple, Delhi:

2018		₹
March 1	Cash balance	25,000
	Bank balance	20,000
March 4	Paid insurance premium by cheque	14,200
March 7	Cash purchases of goods of ₹ 15,000 plus CGST and SGST @ 6% each Received cash discount of 3% of purchase cost of goods	
March 8	Cash sale of ₹ 15,000 plus CGST and SGST @ 6% each Allowed cash discount @ 2% of sale value of goods	
March 10	Cash deposited into bank	15,000
March 11	Telephone bill paid by cheque, including CGST and SGST @ 6% each	2,240
March 14	Withdrew from bank for personal use	6,000
March 15	Withdrew from bank for official use	14,500
March 20	Received cheque from Dinesh in full settlement of ₹ 11,000 and deposited the same into bank	10,700
March 23	Cash received from Mohan	6,850
	Discount allowed	150
March 24	Stationery purchased for cash, including CGST and SGST @ 6% each	1,120
March 24	Cheque received from Gupta, allowed him discount ₹ 250	4,500
March 28	Cheque received from Gupta deposited into bank	4,500
March 31	Cheque deposited on March 28 dishonoured and returned by the bank	
March 31	Rent paid by cheque, including CGST and SGST @ 6% each	4,480
March 31	Paid cash for postage	220
March 31	Paid wages to watchman in cash	3,000

Solution:

Cash Book

Dr.					Cr.				
Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)	Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)
2018					2018				
Mar 01	Balance b/d		25,000	20,000	Mar 04	Insurance Premium A/c			14,200
Mar 08	Sales A/c		14,700		Mar 07	Purchases A/c		14,550	
Mar 08	Output CGST A/c		900		Mar 07	Input CGST A/c		900	
Mar 08	Output SGST A/c		900		Mar 07	Input SGST A/c		900	
Mar 10	Cash A/c	C		15,000	Mar 10	Bank A/c	C	15,000	
Mar 15	Bank A/c	C	14,500		Mar 11	Telephone Bill A/c			2,000
Mar 20	Dinesh A/c			10,700	Mar 11	Input CGST A/c			120
Mar 23	Mohan A/c		6,850		Mar 11	Input SGST A/c			120
Mar 28	Cheques in Hand A/c			4,500	Mar 14	Drawings A/c			6,000
					Mar 15	Cash A/c	C		14,500
					Mar 24	Stationery A/c		1,000	
					Mar 24	Input CGST A/c		60	
					Mar 24	Input SGST A/c		60	
					Mar 31	Gupta A/c			4,500
					Mar 31	Rent A/c			4,000
					Mar 31	Input CGST A/c			240
					Mar 31	Input SGST A/c			240
					Mar 31	Postage A/c		220	
					Mar 31	Wages A/c		3,000	
					Mar 31	Balance c/d		27,160	4,280
			62,850	50,200				62,850	50,200

Question 15.

Enter the following transactions in Two-column Cash Book of Gaurav, Delhi:

2018		₹
April 1	Opening Balance of Cash in Hand	1,00,000
	Opening Balance of Bank Overdraft	5,00,000
April 2	Sold goods for cash, including CGST and SGST @ 6% each	4,48,000
April 3	Sold goods including CGST and SGST @ 6% each against cheque and paid into bank the same day	3,36,000
April 5	Sold goods to Reema, including IGST @ 12%	1,12,000
April 6	Ram paid by cheque	78,000
	Discount allowed	2,000
April 7	Bought goods from Rahul, Gurugram for ₹48,000 plus CGST and SGST @ 6% each and paid him by cheque	44,800
	Salary paid to staff by cheque	2,20,000
April 10	Deposited into bank	3,10,000
April 11	Received a cheque from Suresh and paid into bank	1,28,000
	Discount allowed	1,500
April 15	Received from R. Kumar a cheque for a full settlement of his account for ₹1,95,000	1,87,500
April 18	Paid wages in cash	30,000
April 20	Bank charges, including CGST and SGST @ 6% each	5,600
April 22	Withdrew from bank for office use	1,00,000
	Withdrew from Bank for personal use	1,20,000
April 25	Paid electricity bill by cheque	31,500
	Issued a cheque in favour of Sudha as advance for purchase of house of Gaurav	2,00,000
April 26	Received a cheque from Amar	58,200
	Allowed discount to him	1,800
April 28	Cheque received from Amar sent to bank	
April 30	Bank collected interest received on investments	15,000
	Paid rent for the month of May, 2018, including CGST and SGST @ 6% each	22,400

Solution:

Cash Book

Dr.					Cr.				
Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)	Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)
2018					2018				
Apr 01	Balance b/d		1,00,000		Apr 01	Balance b/d			5,00,000
Apr 02	Sales A/c		4,00,000		Apr 07	Purchases A/c			40,000
	Output CGST A/c		24,000		Apr 07	Input CGST A/c			2,400
Apr 02	Output SGST A/c		24,000		Apr 07	Input SGST A/c			2,400
Apr 03	Sales A/c			3,00,000	Apr 07	Salary A/c			2,20,000
	Output CGST A/c			18,000	Apr 10	Bank A/c	C	3,10,000	
Apr 03	Output SGST A/c			18,000	Apr 18	Wages A/c		30,000	
				78,000	Apr 20	Bank Charges A/c			5,000
Apr 06	Ram A/c				Apr 20	Input CGST A/c			300
Apr 10	Cash A/c	C		3,10,000	Apr 20	Input SGST A/c			300
Apr 11	Suresh A/c			1,28,500	Apr 22	Cash A/c	C		1,00,000
Apr 15	R. Kumar A/c			1,87,500	Apr 22	Drawings A/c			1,20,000
Apr 22	Bank A/c	C	1,00,000		Apr 25	Electricity A/c			31,500
	Cheques in Hand A/c			58,200	Apr 25	Drawings A/c			2,00,000
Apr 28	Interest on Investments A/c			15,000	Apr 30	Rent A/c		20,000	
Apr 30	Balance c/d			1,08,700	Apr 30	Input CGST A/c		1,200	
					Apr 30	Input SGST A/c		1,200	
					Apr 30	Balance c/d		2,85,600	
			6,48,000	12,21,900				6,48,000	12,21,900

Question 16.

From the following information, prepare an Analytical Petty Cash Book:

2018		₹
April 1	Received for cash payment	20,000
April 2	Paid for postage	1,600
April 5	Paid for stationery	1,000
April 8	Paid for advertisement	2,000
April 12	Paid for wages	800
April 16	Paid for carriage	600
April 20	Paid for conveyance	880
April 25	Paid for travelling expenses	3,200
April 27	Paid for postage	480
April 28	Paid for office cleaning	400
April 29	Paid for telegram	800
April 30	Sent registered notice to landlord	190

Solution:

Petty Cash Book

Receipts Rs.	Date	Voucher No	Particulars	Total PaymentRs.	Postage and TelegramRs.	StationeryRs.	Conveyance and Travelling Expenses Rs.	CarriageRs.	SundriesRs.
20,000	2018 Apr 1		To Cash A/c						
	Apr 2		By Postage and Telegram A/c	1,600	1,600				
	Apr 5		By Stationery A/c	1,000		1,000			
	Apr 8		By Advertisement A/c	2,000					2,000
	Apr 12		By Wages A/c	800					800
	Apr 16		By Carriage A/c	600				600	
	Apr 20		By Conveyance A/c	880			880		
	Apr 25		By Travelling Expenses A/c	3,200			3,200		
	Apr 27		By Postage and Telegram A/c	480	480				
	Apr 28		By Office Cleaning A/c	400					400
	Apr 29		By Postage and Telegram A/c	800	800				
	Apr 30		By Legal Charges A/c	190	190				
				1,1950	3,070	1,000	4,080	600	3,200
	Apr 30		By Balance c/d	8,050					
20,000				20,000					

Question 17.

The following transactions took place during the week ended 28th May, 2018. How will you record them in the Petty Cash Book which was maintained with a weekly 'float' of ₹ 3,000?

2018		₹
May 23	Postage	400
May 24	Casual labour	500
May 24	Tax hire	600
May 26	Writing pads and registers	800
May 27	Cartage	200
May 28	Bus fare	300

Solution:

Petty Cash Book

Amount Received Rs.	Cash Book Folio	Date	Particulars	V. No.	Amount paid Rs.
3,000		2018			
		May 23	To Cash A/c		
		May 23	By Postage A/c		400
		May 24	By Wages A/c		500
		May 24	By Travelling Expenses A/c		600
		May 26	By Stationery A/c		800
		May 27	By Cartage A/c		200
		May 28	By Travelling Expenses A/c		300
		May 28	By Balance c/d		200
3,000					3,000
200		May 29	To Balance b/d		
2,800		May 29	To Cash A/c		

Question 18.

Sri R maintains a Columnar Petty Cash Book on the Imprest System. The imprest amount is ₹ 5,000. From the following information, show how his Petty Cash Book would appear for the week ended 12th September, 2017:

2016		₹
Sept. 7	Balance in Hand	1,349
	Received cash reimbursement to make up the imprest	
	Postage	123
	Stationery	321
	Entertainment	54
Sept. 8	Travelling and conveyance	126
	Miscellaneous expenses	11
	Entertainment	72
Sept. 9	Repairs	1,567
Sept. 10	Postage	174
	Entertainment	127
	Travelling	673
Sept. 11	Stationery	41
	Entertainment	12
Sept 12	Miscellaneous expenses	201
	Travelling	51
	Postage	483
	Repairs	30

Solution:

In the Books of Sri R
Petty Cash Books

Receipts	Date	Voucher No	Particulars	Total PaymentRs.	Postage and StationeryRs.	Entertainment Rs.	Travelling and Conveyance Rs.	RepairsRs.	SundriesRs.
	2017								
1,349	Sep 07		To Balance b/d						
3,651	Sep 07		To Cash A/c						
	Sep 07		By Postage and Stationery A/c	123	123				
	Sep 07		By Postage and Stationery A/c	321	321				
	Sep 07		By Entertainment A/c	54		54			
	Sep 08		By Travelling and Conveyance A/c	126			126		
	Sep 08		By Miscellaneous Expenses A/c	11					11
	Sep 08		By Entertainment A/c	72		72			
	Sep 09		By Repairs A/c	1,567				1,567	
	Sep 10		By Postage and Stationery A/c	174	174				
	Sep 10		By Entertainment A/c	127		127			
	Sep 10		By Travelling and Conveyance A/c	673			673		
	Sep 11		By Postage and Stationery A/c	41	41				
	Sep 11		By Entertainment A/c	12		12			
	Sep 12		By Miscellaneous Expenses A/c	201					201
	Sep 12		By Travelling and Conveyance A/c	51			51		
	Sep 12		By Postage and Stationery A/c	483	483				
	Sep 12		By Repairs A/c	30				30	
				4,066	1,142	265	850	1,597	212
	Sept 12		By Balance c/d	934					
5,000				5,000					
934	Sep 13		To Balance b/d						
4,066	Sep 13		To Cash A/c						

Question 19.

With Goods and Services Tax (GST)

A Petty Cashier in a firm received ₹15,000 as the petty cash imprest on 4th June, 2017. During the week, his expenses were as follows:

2017		₹
June 4	Conveyance charges for Manager's trip to the city	500
June 4	Wages to casual labourers	1,500
June 5	Bus fare to workmen sent to customer's premises	200
June 5	Stationery purchased for ₹1,000 plus CGST and SGST @ 6% each	
June 6	Sent documents to Head Office by registered post	400
June 6	Postage stamps purchased	1,000
June 6	Revenue stamps for payment of wages	500
June 7	Repair of typewriter	400
June 7	Paid electricity bill	1,700
June 8	Wages paid to coolies for shifting furniture, etc.	400
June 8	Taxi fare to Assistant Manager	500
June 8	Letters by registered post sent to different suppliers	1,000
June 8	Locks purchased for ₹800 plus CGST and SGST @ 6% each	
June 8	Stationery purchased for ₹400 plus CGST and SGST @ 6% each	
June 8	Refreshments to customers	200

Write up the Analytical Petty Cash Book and draft the necessary Journal entries for the payments made.

Solution:

Petty Cash Books

Receipts	Date	Voucher No	Particulars	Total PaymentRs.	Postage and TelegramRs.	StationeryRs.	Conveyance and Travelling Expenses Rs.	CarriageRs.	SundriesRs.	Input CGST	Input SGST
15,000	2017										
	Jun 04		To Cash A/c								
	Jun 04		By Conveyance and Travelling Expenses A/c	500			500				
	Jun 04		By Wages A/c	1,500					1,500		
	Jun 05		By Conveyance and Travelling Expenses A/c	200			200				
	Jun 05		By Stationery A/c	1,120		1,000				60	60
	Jun 06		By Postage and Telegram A/c	400	400						
	Jun 06		By Postage and Telegram A/c	1,000	1,000						
	Jun 06		By Postage and Telegram A/c	500	500						
	Jun 07		By Repair to typewriter A/c	400					400		
	Jun 07		By Electricity Expenses A/c	1,700					1,700		
	Jun 08		By Carriage A/c (Wages paid to Coolies)	400				400			
	Jun 08		By Conveyance and Travelling Expenses A/c	500			500				
	Jun 08		By Postage and Telegram A/c	1,000	1,000						
	Jun 08		By Locks purchased A/c	896					800	48	48
	Jun 08		By Stationery A/c	448		400				24	24
	Jun 08		By Refreshment to Customers A/c	200					200		
				10,764	2,900	1,400	1,200	400	4,600	132	132
	Jun 10		By Balance c/d	4,236							
15,000				15,000							
4,236	June 11		To Balance b/d								
10,740			To Cash A/c								

