



Q15. Prepare Journal from the transactions given below :

	Rs
(a) Cash paid for installation of machine	500
(b) Goods given as charity	2,000
(c) Interest charge on capital @ 7% p.a. when total capital were	70,000
(d) Received Rs 1,200 of a bad debts written-off last year.	
(e) Goods destroyed by fire	2,000
(f) Rent outstanding	1,000
(g) Interest on drawings	900
(h) Sudhir Kumar who owed me Rs 3,000 has failed to pay the amount. He pays me a compensation of 45 paise in a rupee.	
(i) Commission received in advance	7,000

Answer :

Journal

S. No.	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(a)	Machinery A/c To Cash A/c (Cash paid for installation of machinery)	Dr.	500	500
(b)	Charity A/c To Purchases A/c (Goods given as charity)	Dr.	2,000	2,000
(c)	Interest on Capital A/c To Capital A/c (Interest on capital charged @ 7% p.a.)	Dr.	4,900	4,900
(d)	Cash A/c To Bad Debt Recovered A/c (Cash received on from debtors which was previously written off as bad)	Dr.	1,200	1,200
(e)	Goods Destroyed by Fire A/c To Purchases A/c (Goods destroyed by fire)	Dr.	2,000	2,000

***** END *****