

**Question - 1**

Following General Journal entries relate to a sole trader:

General Journal				
Date	Particulars	PR	Debit	Credit
2004 July 1	Cash Capital <i>(To record the cash brought into business)</i>		50,000	50,000
2	Purchases Cash <i>(To record Goods purchased for cash)</i>		35,000	35,000
3	Cash Sales <i>(To record sales for cash)</i>		48,000	48,000
4	Purchases Accounts Payable <i>(To record Goods purchased on credit)</i>		6,000	6,000
5	Accounts Receivable Sales <i>(To record Goods sold on credit)</i>		7,200	7,200
6	Sales Return Accounts Receivable <i>(To record Goods returned by customer)</i>		1,200	1,200
7	Accounts Payable Purchases Return <i>(To record Goods returned to supplier)</i>		1,000	1,000
8	Cash Accounts Receivable <i>(To record Cash received from customer)</i>		5,500	5,500
9	Salary expense Cash <i>(To record Paid cash for salary)</i>		5,000	5,000

Required:

- Post the above general journal entries to the Ledger ('T' Accounts)
- Balance the accounts and prepare a Trial Balance.

**Question - 2**

Following General Journal entries relate to a sole trader:

General Journal				
Date	Particulars	PR	Debit	Credit
2004 Nov. 1	Cash Capital <i>(To record the cash brought into business)</i>		90,000	90,000
5	Purchases Cash <i>(To record Goods purchased for cash)</i>		63,000	63,000
8	Cash Sales <i>(To record sales for cash)</i>		86,400	86,400
12	Purchases Accounts Payable <i>(To record Goods purchased on credit)</i>		10,800	10,800
13	Accounts Receivable Sales <i>(To record Goods sold on credit)</i>		12,960	12,960
20	Sales Return Accounts Receivable <i>(To record Goods returned by customer)</i>		2,160	2,160
21	Accounts Payable Purchases Return <i>(To record Goods returned to supplier)</i>		1,800	1,800
22	Cash Accounts Receivable <i>(To record Cash received from customer)</i>		9,900	9,900
25	Salary expense Cash <i>(To record Paid cash for salary)</i>		9,000	9,000

**Required:**

- Post the above general journal entries to the Ledger ('T' Accounts)
- Balance the accounts and prepare a Trial Balance.



### **Question - 3**

Mr. Shahid started business on March 1, 2005 with the investment of cash Rs.50,000 and office equipment worth Rs.50,000 and the following transactions were completed during the month:

Mar. 2	Purchased merchandise for cash	25,000
2	Purchased merchandise on account	15,000
3	Purchased office supplies for cash	2,000
12	Purchased furniture on account	5,000
18	Sold merchandise for cash	20,000
20	Paid to suppliers	10,000
25	Sold merchandise on account	5,000
30	Paid rent for the month	1,500

**Required:**

- 1) Record the above transactions in the General Journal
- 2) Post the transactions to the General Ledger ('T' accounts)
- 3) Balance the accounts and prepare a Trial Balance for the month ended March 31, 2005.



#### Question - 4

Mr. Fahad started business on July 1, 2005 with the investment of cash Rs.90,000 and office equipment worth Rs.90,000 and the following transactions were completed during the month:

July. 2	Purchased merchandise for cash	45,000
4	Purchased merchandise on account	27,000
5	Purchased office supplies for cash	3,600
14	Purchased furniture on account	9,000
21	Sold merchandise for cash	36,000
26	Paid to suppliers	18,000
28	Sold merchandise on account	9,000
30	Paid rent for the month	2,700

#### Required:

- 1) Record the above transactions in the General Journal
- 2) Post the transactions to the General Ledger ('T' accounts)
- 3) Balance the accounts and prepare a Trial Balance for the month ended July 31, 2005.



### Question - 5

Following are the transactions of Mr. Zaman who operates his business in the name 'Zaman & Co.' while his capital investment is Rs.400,000 on June 1, 2004.

June 1	Purchased furniture for shop	60,000
2	Purchased office equipment on cash.	2,500
3	Purchase merchandise on cash from Sabir & Co.	20,100
3	Paid transporting charges	270
5	Purchase merchandise from Sabir & Co.	13,560
7	Returned damaged merchandise to Sabir & Co.	460
8	Counter sales	21,300
9	Goods sold on credit to AB Sons	32,500
10	Opened a bank account with National Bank of Pakistan Ltd.	250,000
12	Paid by cheque for office supplies purchased	1,000
15	AB Sons returned defective goods	750
15	Cheque received from AB Sons and deposited into bank same day	21,300
23	Paid by cheque for advertisement	25,000
26	Purchased merchandise from Salim & Co.	24,150
27	Transporting charges paid by cheque	325
29	Merchandise sold to Naeem Brothers	13,450

30	Office rent paid by cheque	2,500
30	Salaries paid to office staff	8,500
30	Cash withdrew from bank for personal use	12,000

**Required:**

- (a) Record the above transactions in General Journal
- (b) Ledger posting, footing and balance
- (c) Trial Balance as on June 30, 2004.



### Question - 6

Following are the transactions of Mr. Noman who operates his business in the name 'Noman & Co.' while his capital investment is Rs.720,000 on August 1, 2004.

Aug. 2	Purchased furniture for shop	108,000
4	Purchased office equipment on cash	4,500
4	Purchase merchandise on cash from Qamar Sons	36,180
4	Paid transporting charges	486
8	Purchase merchandise from Qamar Sons	24,408
9	Returned damaged merchandise to Qamar Sons	828
12	Counter sales	38,340
13	Goods sold on credit to ZA Brothers	58,500
15	Opened a bank account with National Bank of Pakistan Ltd.	450,000
17	Paid by cheque for office supplies purchased	1,800
18	ZA Brothers returned defective goods	1,350
20	Cheque received from ZA Brothers and deposited into bank same day	38,340
22	Paid by cheque for advertisement	45,000
24	Purchased merchandise from Zubaida & Co.	43,470
24	Transporting charges paid by cheque	585
28	Merchandise sold to Nazish & Co.	24,210
30	Office rent paid by cheque	4,500
31	Salaries paid to office staff	15,300
31	Cash withdrew from bank for personal use	21,600

#### Required:

- Record the above transactions in General Journal
- Ledger posting, footing and balance
- Trial Balance as on August 31, 2004.



### Question - 7

Following are the business transactions for the month of January 2001 of Mr. Arhsad Rahim, who started business with the name 'AR Traders'.

Jan.1	Started business with Rs.200,000 in the bank and Rs.40,000 cash	
1	Bought shop fittings and paid by cheque	40,000
1	Bought a Van and paid by cheque	60,000
2	Paid rent by cheque	5,000
3	Bought goods for resale on credit from Zakir & Co.	50,000
5	Cash sales	5,000
8	Paid wages to assistant in cash	1,000
10	Paid insurance by cheque	500
12	Cash sales	8,000
15	Paid wages of assistant in cash	1,000
15	Goods returned to Zakir & Co.	6,000
17	Paid to Zakir & Co. by cheque	30,000
19	Bought goods for resale on credit Rao & Co.	25,000
19	Cash sales	7,000
22	Paid wages of assistant in cash	1,000
24	Bought stationery, paid in cash	500
25	Cash sales	15,000
27	Paid Rao & Co. by cheque	14,000
29	Paid wages of assistant in cash	1,000
31	Cash paid into bank	20,000

#### Required:

- Pass necessary journal entries and post them in the appropriate Ledger Account of AR Traders.
- Footing and balance the ledger accounts
- Prepare trial balance as on January 31, 2001