

T.S GREWAL SOLUTION 2018

CLASS 11 ***CONTENTS***

Chapters	Topic Name	Page No's
Ch-1	Journal	3 – 42
Ch-2	Ledger	43 – 121
Ch-3	Special Purpose Books I- Cash Book	122 – 150
Ch-4	Special Purpose Books II- Other Books	151 – 233
Ch-5	Bank Reconciliation Statement	234 – 251
Ch-6	Trial Balance	252 – 267
Ch-7	Depreciation	268 – 315
Ch-8	Accounting for Bills of Exchange	316 – 373
Ch-9	Rectification of Errors	374 – 409
Ch-10	Financial Statements of Sole Proprietorship	410 – 432
Ch-11	Adjustments in Preparation of Financial Statements	433 – 480
Ch-12	Accounts from Incomplete Records-Single Entry System	481 – 509

Chapter 1. Journal

Q1

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018 Apr 01	Cash A/c Dr. To Capital A/c (Started business with cash)		1,00,000	1,00,000
Apr 02	Bank A/c Dr. To Cash A/c (Paid into bank)		20,000	20,000
Apr 03	Purchases A/c Dr. To Cash A/c (Goods purchased)		50,000	50,000
Apr 04	Cash A/c Dr. To Bank A/c (Drew from bank for office use)		10,000	10,000
Apr 13	Krishna A/c Dr. To Sales A/c (Goods sold)		15,000	15,000
Apr 20	Purchases A/c Dr. To Shyam A/c (Goods purchased on credit)		22,500	22,500
Apr 24	Cash A/c Dr. Discount Allowed A/c Dr. To Krishna A/c (Received from Krishna)		12,500 500	13,000
Apr 28	Shyam A/c Dr. To Cash A/c To Discount Received A/c (Paid to Shyam)		22,500	21,500 1,000
Apr 28	Sales Return A/c Dr. To Krishna A/c (Goods returned by Krishna)		2,000	2,000
Apr 30	Cash A/c Dr. To Sales		80,000	80,000

	(Cash sales for the month of April)			
Apr 30	Rent A/c To Cash A/c (Paid rent)	Dr.	5,000	5,000
Apr 30	Salary A/c To Cash A/c (Paid salary)	Dr.	10,000	10,000

Q2

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2017 Jan.01	Cash A/c To Capital A/c (Business started with cash)	Dr.	1,00,000	1,00,000
Jan.02	Bank A/c To Cash A/c (Cash deposited into cash)	Dr.	60,000	60,000
Jan.03	Purchases A/c To M/s Singh & Co. (Goods purchased)	Dr.	20,000	20,000
Jan.03	Cartage A/c To Cash A/c (Cartage paid)	Dr.	300	300
Jan.04	Furniture A/c To Bank A/c (Furniture purchased by cheque)	Dr.	2,000	2,000
Jan.04	HP Printers A/c To Bank A/c (Advance paid for placing an order for printer)	Dr.	5,000	5,000
Jan.04	Office Equipments A/c To Bank A/c (Calculator purchased by cheque)	Dr.	1,000	1,000

Jan.04	Computer A/c To Bank A/c (Computer purchased by cheque)		13,000	13,000
Jan.06	Postage A/c To Cash A/c (Postage paid)	Dr.	150	150
Jan.08	Cash A/c To Sales A/c (Goods Sold)	Dr.	4,000	4,000
Jan.09	M/s Sharda & Co. A/c To Sales A/c (Goods Sold)	Dr.	10,000	10,000
Jan.09	Cartage A/c To Cash A/c (Cartage paid)	Dr.	200	200
Jan.15	M/s Singh & Co. A/c To Cash A/c (Payment made)	Dr.	17,500	17,500
Jan.25	M/s Ray & Co. A/c To Sales A/c (Goods Sold)	Dr.	5,600	5,600
Jan.27	Bank A/c Discount Allowed A/c To M/s Sharda & Co. A/c (Payment Received)	Dr. Dr.	9,750 250	10,000
Jan.31	Electricity Charges A/c To Cash A/c (Electricity Charges paid)	Dr.	1,000	1,000
Jan.31	Salary A/c To Cash A/c (Salary paid)	Dr.	1,500	1,500
Jan.31	Rent A/c Drawings A/c To Cash A/c (Rent paid)	Dr. Dr.	2,500 2,500	5,000
Jan.31	Drawings A/c To Cash A/c	Dr.	3,500	3,500

	(Cash withdrawn for personal use)			
--	-----------------------------------	--	--	--

Q3

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Purchase A/c Dr. To Bank A/c (Goods purchased from Vishal by cheque)		16,000	16,000
(ii)	Purchase A/c Dr. To Cash A/c (Goods purchased from Naman for cash)		17,000	17,000
(iii)	Purchase A/c Dr. To Amrit (Goods purchased from Amrik on credit)		24,000	24,000
(iv)	Purchase A/c Dr. To Cash A/c (Goods purchased for cash)		35,000	35,000
(v)	Amrit Dr. To Purchase Returns A/c (Goods returned by Amrik)		8,000	8,000
(vi)	Bank A/c Dr. To Sales A/c (Goods sold to Parul by cheque)		36,000	36,000
(vii)	Cash A/c Dr. To Sales A/c (Goods sold to Aman for cash)		27,000	27,000
(viii)	Pawan Dr. To Sales A/c (Goods sold to Pawan on credit)		18,000	18,000
(ix)	Yamini Dr. To Sales A/c (Goods sold to Yamini on credit)		23,000	23,000

(x)	Bhupesh To Sales A/c (Goods sold to Bhupesh on credit)	Dr.	10,800	10,800
(xi)	Bank A/c To Sales A/c (Goods sold against cheque)	Dr.	47,812.50	47,812.50
(xii)	Sales Returns A/c To Aman (Goods returned by Aman)	Dr.	9,000	9,000

Working Notes:

WN1: Calculation of Sales price

Sales Price = $(10,000 + 20\% = 12,000 - 10\%) = \text{Rs } 10,800$

WN 2: Calculation of Purchase price and Sales price

Purchase Price = $(50,000 - 15\%) = \text{Rs } 42,500$

Sales Price = $(42,500 + 25\% = 53,125 - 10\%) = \text{Rs } 47,812.5$

Q4

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Cash A/c Discount Allowed A/c To Bharat (Payment received from Bharat)	Dr. Dr.	20,000 500	20,500
(ii)	Bank A/c Discount Allowed A/c To Vikas (Payment received from Vikas)	Dr. Dr.	35,000 750	35,750
(iii)	Cash A/c Discount Allowed A/c To Akhil (Payment received from Akhil)	Dr. Dr.	38,000 2,000	40,000
(iv)	Bank A/c To Amrit	Dr.	50,000	50,000

	(Payment received from Amrit)			
(v)	Suresh To Cash A/c To Discount Received A/c (Payment made to Suresh)	Dr.	40,000	39,200 800
(vi)	Meher To Bank A/c To Discount Received A/c (Payment made to Meher)	Dr.	26,000	25,000 1,000
(vii)	Yogesh To Bank A/c (Payment made to Yogesh)	Dr.	25,000	25,000
(viii)	Purchases A/c To Bank A/c (Goods bought against cheque)	Dr.	97,000	97,000
(ix)	Purchases A/c To Akash & Co. To Cash A/c To Discount Received A/c (Goods bought from Akash & Co.)	Dr.	60,000	30,000 29,100 900
(x)	Bank A/c To Sales A/c (Goods sold against cheque)	Dr.	29,400	29,400
(xi)	Vimal Cash A/c Discount Allowed A/c To Sales A/c (Goods sold to Vimal)	Dr. Dr. Dr.	30,000 29,400 600	60,000

Answer 5:

Journal

Sr. No.	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Cash A/c Bad Debts A/c To Shyam's A/c	Dr. Dr.	7,500 2,500	10,000

	(Insolvency of Shyam with 75 paise in a rupee recoverable)			
(ii)	Cash A/c To Bad Debts Recovered A/c (Amount written off as bad debts recovered)	Dr.	5,000	5,000
(iii)	Rent A/c To Outstanding Rent A/c (Rent due to landlord)	Dr.	8,000	8,000
(iv)	Salary A/c To Outstanding Salary A/c (Salary due to clerk)	Dr.	10,000	10,000
(v)	Advance to Rakesh Mohan A/c To Bank A/c (Advance paid to Rakesh Mohan for a future order)	Dr.	10,000	10,000

Answer 6:

Journal

Sr. No.	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
(i)	Charity A/c To Purchases A/c (Goods given as charity)	Dr.	500	500
(ii)	Bank A/c Mayank A/c To Sales A/c (Goods sold partly through cheque and partly through credit)	Dr. Dr.	25,000 75,000	1,00,000
(iii)	Cash A/c Discount Allowed A/c To Harikrishna A/c (Cash received from Harikrishna in full and final settlement)	Dr. Dr.	975 25	1,000
(iv)	Cash A/c Bad Debts A/c	Dr. Dr.	600 400	

	To Rajan A/c (First and final dividend received from Rajan in full settlement of his debt)			1,000
(v)	Depreciation A/c To Plant A/c (Depreciation charged on Plant)	Dr.	1,000	1,000
(vi)	Drawings A/c To Interest on Drawings A/c (Interest on drawings charged)	Dr.	1,500	1,500
(vii)	Cash A/c To Sales A/c (Goods sold to Anil at 25% profit on cost and 20% Trade Discount)	Dr.	40,000	40,000
	Cartage A/c To Cash A/c (Cartage paid)	Dr.	100	100

Answer 7:

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
(a)	Cash A/c Bad-Debts A/c To Shyam A/c (75 paise in a rupee received from Shyam)	Dr. Dr.	37,500 12,500	50,000
(b)	Cash A/c To Bad-Debts Recovered A/c (Received cash against debts written off as bad earlier)	Dr.	25,000	25,000
(c)	Rent A/c To Rent Outstanding A/c (Rent due)	Dr.	40,000	40,000
(d)	Depreciation A/c To Office Furniture A/c (Depreciation on office furniture)	Dr.	5,000	5,000

(e)	Salary A/c To Salary Outstanding A/c (Salary due)	Dr.	50,000	50,000
(f)	Drawings A/c To Cash A/c (Paid income tax)	Dr.	1,50,000	1,50,000
(g)	Cash A/c To Commission A/c To Commission Received in Advance A/c (Commission received, half of which is advance)	Dr.	25,000	12,500 12,500

Answer 8:

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2017 June 01	Cash A/c To Capital A/c (Started business with cash)	Dr.	50,000	50,000
June 02	Bank A/c To Capital A/c (Cheque from Savings A/c to Firm's A/c)	Dr.	2,00,000	2,00,000
June 03	Cash A/c To Ram's A/c (Received cash)	Dr.	50,000	50,000
June 04	Purchases A/c Input CGST A/c Input SGST A/c To Cash A/c (Goods purchased)	Dr. Dr. Dr.	15,000 900 900	16,800
June 11	M/s Hari A/c To Sales A/c To Output CGST A/c	Dr.	13,440	12,000 720

	To Output SGST A/c (Goods sold on credit)			720
June 13	Ramavtar's A/c	Dr.	40,000	
	To Cash A/c (Paid cash to Ramavtar)			40,000
June 17	Cash A/c	Dr.	10,000	
	To M/s Hari A/c (Received cash from M/s Hari A/c)			10,000
June 20	Furniture A/c	Dr.	20,000	
	Input CGST A/c	Dr.	1,200	
	Input SGST A/c	Dr.	1,200	
	To Cash A/c (Bought furniture for cash)			22,400
June 27	Rent A/c	Dr.	28,000	
	To Cash A/c (Paid rent)			28,000
June 30	Salary A/c	Dr.	50,000	
	To Cash A/c (Paid salary)			50,000

Answer 9:

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018 Jan 01	Cash A/c To Capital A/c (Started business with cash)	Dr.	50,000	50,000
Jan 02	Purchases A/c	Dr.	10,000	
	Input CGST A/c	Dr.	600	
	Input SGST A/c	Dr.	600	

	To Cash A/c (Goods purchased)			11,200
Jan 05	Purchases A/c	Dr.	6,000	
	Input CGST A/c	Dr.	360	
	Input SGST A/c	Dr.	360	
	To Mohan A/c (Goods purchased)			6,720
Jan 07	Bank A/c	Dr.	10,000	
	To Cash A/c (Opened Bank A/c)			10,000
Jan 10	Furniture A/c	Dr.	2,000	
	Input CGST A/c	Dr.	120	
	Input SGST A/c	Dr.	120	
	To Cash A/c (Furniture purchased)			2,240
Jan 15	Cash A/c	Dr.	8,960	
	To Sales A/c			8,000
	To Output CGST A/c			480
	To Output SGST A/c (Goods sold)			480
Jan 20	Ram A/c	Dr.	5,600	
	To Sales A/c			5,000
	To Output CGST A/c			300
	To Output SGST A/c (Goods sold)			300
Jan 25	Cash A/c	Dr.	2,800	
	To Sales A/c			2,500
	To Output CGST A/c			150
	To Output SGST A/c (Goods sold)			150
Jan 27	Mohan's A/c	Dr.	3,000	
	To Cash A/c (Paid to Mohan on account)			3,000

Jan 28	Sales Return A/c	Dr.	500	
	Output CGST A/c	Dr.	30	
	Output SGST A/c	Dr.	30	
	To Ram's A/c			560
	(Goods returned by Ram)			
Jan 31	Salary A/c	Dr.	9,000	
	To Cash			9,000
	(Paid salaries)			
Jan 31	Mohan's A/c	Dr.	672	
	To Purchases Return A/c			600
	To Input CGST A/c			36
	To Input SGST A/c			36
	(Returned 10% of the goods supplied by Mohan)			

Answer 10:

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018 Jan.01	Cash A/c To Capital A/c (Ram commenced business with Cash)	Dr.	30,000	30,000
Jan.02	Bank A/c To Cash A/c (Paid into Bank)	Dr.	21,000	21,000
Jan.03	Purchases A/c Input CGST A/c Input SGST A/c To Cash A/c (Purchased goods @ 6% CGST and SGST)	Dr. Dr. Dr.	10,000 600 600	11,200
Jan.07	Cash A/c To Bank A/c	Dr.	3,000	3,000

	(Drew cash from Bank for office use)			
Jan.10	Hari Dr.	5,600		
	To Sales A/c		5,000	
	To Output CGST A/c		300	
	To Output SGST A/c		300	
	(Sold goods to Hari @ 6% CGST and SGST)			
Jan.15	Purchases A/c Dr.	15,000		
	Input IGST A/c	1,800		
	To Shyam		16,800	
	(Purchased goods from Shyam @ 12% IGST)			
Jan.20	Cash A/c Dr.	3,360		
	To Sales A/c		3,000	
	To Output CGST A/c		180	
	To Output SGST A/c		180	
	(Cash Sales)			
Jan.25	Shyam Dr.	15,000		
	To Cash A/c		14,750	
	To Discount Received A/c		250	
	(Paid to Shyam and received discount from him)			
Jan.31	Salaries A/c Dr.	10,000		
	To Cash A/c		10,000	
	(Paid Salaries)			

Answer 11:

**Books of Ramesh
Journal**

Date	Particulars	L.F	Debit Amount (₹)	Credit Amount (₹)
2018 April 01	Cash A/c Dr. To Capital A/c (Ramesh started business with Cash)		1,00,000	1,00,000
April 02	Bank A/c Dr. To Cash A/c (Cash paid into Bank)		70,000	70,000

April 03	Purchases A/c	Dr.	5,000	
	Input CGST A/c	Dr.	300	
	Input SGST A/c	Dr.	300	
	To Cash A/c			5,600
	(Purchased goods for Cash @ 6% CGST and SGST)			
April 13	Krishna	Dr.	1,680	
	To Sales A/c			1,500
	To Output IGST A/c			180
	(Sold goods to Krishna on credit @ 12% IGST)			
April 20	Purchases A/c	Dr.	2,250	
	Input IGST A/c	Dr.	270	
	To Atul A/c			2,520
	(Bought goods from Atul on credit @ 12% IGST)			
April 24	Cash A/c	Dr.	1,450	
	Discount Allowed A/c	Dr.	50	
	To Krishna			1,500
	(Received cash from Krishna and discount allowed)			
April 28	Shyam	Dr.	2,250	
	To Cash A/c			2,150
	To Discount Received A/c			100
	(Paid to Shyam and discount Received)			
April 30	Cash A/c	Dr.	8,960	
	To Sales A/c			8,000
	To Output CGST A/c			480
	To Output SGST A/c			480
	(Sold goods for cash @ 6% CGST and SGST)			
April 30	Rent A/c	Dr.	500	
	Salary A/c	Dr.	10,000	
	To Cash A/c			10,500
	(Rent and salary were paid)			

Answer 12:

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018 Jan	Cash A/c	Dr.	40,000	

01	To Capital A/c (Started business with cash)			40,000
Jan 02	Bank A/c	Dr.	60,000	
	To Capital A/c (Cheque from Savings A/c to Firm's A/c)			60,000
Jan 03	Purchases A/c	Dr.	20,000	
	Input IGST A/c	Dr.	2,400	
	To M/s S. Singh & Co. A/c (Goods purchased)			22,400
Jan 04	Computer A/c	Dr.	15,000	
	Input CGST A/c	Dr.	900	
	Input SGST A/c	Dr.	900	
	To Bank A/c (Purchased computer)			16,800
Jan 06	Postage A/c	Dr.	150	
	To Cash A/c (Paid for postage)			150
Jan 08	Cash A/c	Dr.	4,480	
	To Sales A/c			4,000
	To Output CGST A/c			240
	To Output SGST A/c (Goods sold)			240
Jan 09	M/s Sharda & Co. A/c	Dr.	11,200	
	To Sales A/c			10,000
	To Output IGST A/c (Goods sold)			1,200
Jan 15	M/s S. Singh & Co. A/c	Dr.	20,000	
	To Cash A/c			19,500
	To Discount Received A/c (Paid to M/s S. Singh & Co.)			500
Jan	M/s Ray & Co. A/c	Dr.	6,272	

25	To Sales A/c To Output IGST A/c (Goods sold)			5,600 672
Jan 27	Bank A/c	Dr.	9,750	
	Discount Allowed A/c To M/s Sharda & Co. A/c (Received from M/s Sharda & Co., allowed discount)	Dr.	250	10,000
Jan 31	Electricity Charges A/c To Cash A/c (Paid for electricity charges)	Dr.	1,000	1,000
Jan 31	Rent A/c Drawings A/c To Cash A/c (Paid rent for building, half building is occupied by proprietor for residential purpose)	Dr. Dr.	2,500 2,500	5,000
Jan 31	Drawings A/c To Cash (Drawings made by proprietor)	Dr.	3,500	3,500

Answer 13:

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2017 July 01	Cash A/c To Capital A/c (Started business with cash)	Dr.	80,000	80,000
July 01	Bank A/c To Cash A/c (Cash paid into bank)	Dr.	50,000	50,000

July 01	Stationery A/c	Dr.	300	
	Input CGST A/c	Dr.	18	
	Input SGST A/c	Dr.	18	
	To Cash A/c			336
	(Stationery purchased)			
July 02	Purchases A/c	Dr.	21,000	
	Input CGST A/c	Dr.	1,260	
	Input SGST A/c	Dr.	1,260	
	To Cash A/c			23,520
	(Purchased goods)			
July 05	Cash A/c	Dr.	8,400	
	To Sales A/c			7,500
	To Output CGST A/c			450
	To Output SGST A/c			450
	(Goods sold)			
July 06	Furniture A/c	Dr.	5,000	
	Input CGST A/c	Dr.	300	
	Input SGST A/c	Dr.	300	
	To Banerjee Bros. A/c			5,600
	(Furniture purchased)			
July 11	Mahendra A/c	Dr.	11,200	
	To Sales A/c			10,000
	To Output CGST A/c			600
	To Output SGST A/c			600
	(Goods sold)			
July 12	Cash A/c	Dr.	11,200	
	To Mahendra A/c			11,200
	(Received from Mahendra)			
July 16	Ramesh & Co. A/c	Dr.	5,600	
	To Sales A/c			5,000
	To Output CGST A/c			300
	To Output SGST A/c			300
	(Goods sold)			
July 20	Purchases A/c	Dr.	20,000	
	Input IGST A/c	Dr.	2,400	
	To S. Seth & Bros. A/c			22,400
	(Goods purchased)			
July 23	Purchases A/c	Dr.	2,250	
	Input IGST A/c	Dr.	270	

	To Cash A/c (Goods purchased)			2,520
July 26	Cash A/c To Ramesh & Co. A/c (Paid to Ramesh & Co. on account)	Dr.	2,500	2,500
July 28	S. Seth & Bros. A/c To Bank A/c To Discount Received A/c (Paid to S. Seth & Bros., received discount)	Dr.	22,400	22,000 400
July 31	Rent A/c To Rent Outstanding A/c (Rent outstanding)	Dr.	1,000	1,000

Answer 14:

Journal

Date	Particulars	L.F	Debit Amount (Rs)	Credit Amount (Rs)
2018 Jan.01	Cash A/c To Capital A/c (Started business with Cash)	Dr.	50,000	50,000
Jan.02	Bank A/c To Cash A/c (Deposited cash into bank)	Dr.	3,50,000	3,50,000
Jan.10	Machinery A/c Input CGST A/c Input SGST A/c To Bank A/c (Purchased machinery @ 6% CGST and SGST)	Dr.	1,00,000 6,000 6,000	1,12,000
Jan.15	Machinery A/c To Cash A/c (Paid installation charges)	Dr.	2,000	2,000
Jan.20	Purchase A/c Input CGST A/c Input SGST A/c	Dr.	18,000 1,080 1,080	

	To Singh & Co. (Purchased timber @ 6% CGST and SGST)			20,160
Jan.25	Furniture A/c To Purchases A/c To Input CGST A/c To Input SGST A/c (Timber used for office furniture and GST reversed)	Dr.	5,600	5,000 300 300
Jan.31	Rakesh A/c To Sales A/c To Output CGST A/c To Output SGST A/c (Sold goods to Rakesh @ 6% CGST and SGST)	Dr.	10,080	9,000 540 540
Feb.10	Singh & Co. To Bank A/c To Discount Received A/c (Sent cheque to Singh & Co. and discount received)	Dr.	20,160	20,000 160
Feb.15	Cash A/c Discount Allowed A/c To Rakesh (Received Cash from Rakesh and discount allowed)	Dr. Dr.	10,000 80	10,080
Feb.20	Wages A/c To Cash A/c (Paid wages)	Dr.	15,000	15,000
Feb.25	Rent A/c To Bank A/c (Paid rent)	Dr.	5,000	5,000

Note: In the entry dated Feb 10 the amount paid exceeds the amount due to Singh and Co. and in the entry dated Feb 15 the amount received exceeds the amount due from Rakesh. These 2 are not possible. So, the amount paid and received has been assumed.

Answer 15:

**Books of Suresh
Journal**

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018 April	Bank A/c Dr.		60,000	

01	To Capital A/c (Paid into Bank as Capital)			60,000
April 02	Purchases A/c	Dr.	24,000	
	Input CGST A/c	Dr.	1,440	
	Input SGST A/c	Dr.	1,440	
	To Bank A/c (Bought goods for cheque @ 6% CGST and SGST)			26,880
April 03	Mukand & Co.	Dr.	7,504	
	To Sales A/c			6,700
	To Output CGST A/c			402
	To Output SGST A/c			402
	(Sold Goods to Mukand & Co. @ 6% CGST and SGST)			
April 04	Cash A/c	Dr.	12,208	
	To Sales A/c			10,900
	To Output CGST A/c			654
	To Output SGST A/c			654
	(Sold goods for Cash @ 6% CGST and SGST)			
April 05	Sundry Expenses A/c	Dr.	3,000	
	To Cash A/c (Paid Sundry Expenses)			3,000
April 08	Furniture A/c	Dr.	4,000	
	To Bank A/c (Bought Office furniture by cheque)			4,000
April 09	Purchases A/c	Dr.	10,600	
	Input IGST A/c	Dr.	1,272	
	To Ramesh and Bros. (Bought goods from Ramesh and Bros. @ 12% IGST)			11,872
April 10	Mahendra A/c	Dr.	20,944	
	To Sales A/c			18,700
	To Output CGST A/c			1,122

	To Output SGST A/c (Sold goods to Mahendra @ 6% CGST and SGST)			1,122
April 11	Ramesh and Bros. Dr.	1,680		
	To Purchase Return A/c		1,500	
	To Input IGST A/c		180	
	(Good returned to Ramesh and Bros. and IGST @12% reversed)			
April 12	Ramesh Bros. A/c Dr.	10,192		
	To Bank A/c		9,000	
	To Discount Received A/c		1,192	
	(Cheque sent to Ramesh and Bros. and discount received)			
April 14	Cash A/c Dr.	5,488		
	To Sales A/c		4,900	
	To Output CGST A/c		294	
	To Output SGST A/c		294	
	(Sold goods for Cash @ 6% CGST and SGST)			
April 30	Interest A/c Dr.	200		
	To Bank A/c		200	
	(Bank charged Interest)			
April 30	Cash A/c Dr.	50,000		
	To Loan from Ridhi A/c		50,000	
	(Borrowed from Ridhi @10% per annum)			
April 30	Cash A/c Dr.	6,000		
	To Mahendra		6,000	
	(Received from Mahendra on account)			
April 30	Cash A/c Dr.	2,000		
	To Capital A/c		2,000	
	(Sold household furniture and paid the amount into business)			
April	Cash A/c Dr.	7,280		

30	To Sales A/c			6,500
	To Output CGST A/c			390
	To Output SGST A/c			390
	(Sold goods for Cash @ 6% CGST and SGST)			
April 30	Sunil	Dr.	22,550	
	To Sales A/c			20,000
	To Output CGST A/c			1,200
	To Output SGST A/c			1,200
	To Cartage A/c			150
	(Sold goods to Anil @ 6% CGST and SGST and cartage charges levied; profit on sales is 20% i.e. profit on cost is 25%)			

Answer 16:

List Price (500×200)	1,00,000
Less: Trade Discount @ 10%	10,000
Value of Goods	90,000
Add: IGST @ 12%	10,800
Invoice Value	1,00,800

Answer 17:

List Price (500×200)	1,00,000
Less: Trade Discount @ 15%	15,000
Value of Goods	85,000
Add: CGST @ 6%	5,100
Add: SGST @ 6%	5,100
Invoice Value	95,200
Less: Cash Discount @ 5%	4,760
Amount Payable	90,440

Answer 18:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2018 Apr	Cash in Hand A/c	Dr.	11,200	

01				
	Cash at Bank A/c	Dr.	2,57,600	
	Bills Receivable A/c	Dr.	68,800	
	Jai Ram A/c	Dr.	16,000	
	Ram Kumar A/c	Dr.	48,080	
	Office Furniture A/c	Dr.	52,800	
	Stock in Trade A/c	Dr.	4,16,000	
	To Daulat Ram A/c			1,74,720
	To Hari Ram A/c			2,16,960
	To Bills Payable A/c			80,000
	To Capital A/c (<i>Balancing Figure</i>)			
	(Balances of Assets and Liabilities brought forward)			

Opening Capital = Opening Assets – Opening Liabilities

Opening Capital = 8,70,480 – 4,71,680 = Rs 3,98,800

Answer 19:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2018 Apr 01	Stock in Hand A/c	Dr.	2,88,000	
	Cash at Bank A/c	Dr.	2,16,000	
	Plant & Machinery A/c	Dr.	1,20,000	
	Owings by Debtors A/c	Dr.	60,000	
	Investments A/c	Dr.	2,40,000	
	To Owings to Creditors A/c			96,000
	To Loan from S.K. Garg A/c			1,80,000
	To Bills Payable A/c			48,000
	To Capital A/c (<i>Balancing Figure</i>)			6,00,000
	(Balances of Assets and Liabilities brought forward)			

Opening Capital = Opening Assets – Opening Liabilities

Opening Capital = 9,24,000 – 3,24,000 = Rs 6,00,000

Answer 20:

List Price (500×100)	50,000
Less: Trade Discount @ 10%	5,000
Value of Goods	45,000

Note: No cash discount will be allowed as the payment is received after the stipulated time period of 7 days.

Answer 21:**Journal**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
	Ajay A/c Dr. To Bank A/c To Discount Received A/c (Paid to Ajay in full and final settlement)		5,000	4,800 200

Answer 22:**Journal**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
	Cash A/c Dr. Discount Allowed A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold and discount allowed)		9,878 202	9,000 540 540

Working Notes:

List Price	10,000
Less: Trade Discount @ 10%	10,000
Value of Goods	9,000
Add: CGST @ 6%	540
Add: SGST @ 6%	540
Invoice Value	10,080
Less: Cash Discount @ 2%	202
Amount Received	9,878

Answer 23:**Journal**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
	Purchases A/c Dr. Input IGST A/c Dr. To Ayur Products A/c (Goods purchased on credit)		21,250 2,550	23,800

Working Notes:

List Price	25,000
Less: Trade Discount @ 15%	3,750
Value of Goods	21,250
Add: IGST @ 12%	2,550
Amount Payable	23,800

Answer 24:**Journal**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Cash A/c To Discount Received A/c (Goods purchased and discount received)		13,500 810 810	14,666 454

Working Notes:

List Price	15,000
Less: Trade Discount @ 10%	1,500
Value of Goods	13,500
Add: CGST @ 6%	810
Add: SGST @ 6%	810
Invoice Value	15,120
Less: Cash Discount @ 3%	454
Amount Paid	14,666

Answer 25:**Journal**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
	Purchases A/c Dr.		1,08,000	
	Input IGST A/c Dr.		12,960	
	To Hero Cycles A/c (Goods purchased @ 10% trade discount)			1,20,960
	Hero Cycles A/c Dr.		12,096	
	To Purchases Return A/c			10,800
	To Input IGST A/c (Returned 10 cycles)			1,296
	Hero Cycles A/c Dr.		1,08,864	
	To Cash A/c			1,05,598
	To Discount Received A/c (Balance paid and received cash discount of 3%)			3,266

Answer 26:**Journal**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
Jan 04	Gupta Shawls A/c Dr.		16,800	
	To Sales A/c			15,000
	To Output IGST A/c (Goods sold @ 25% trade discount)			1,800
Jan 14	Cash A/c Dr.		8,400	
	To Gupta Shawls A/c (50% payment received)			8,400
Feb 10	Cash A/c Dr.		8,400	
	To Gupta Shawls A/c (Balance 50% payment received)			8,400

Answer 27:**Journal**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Cash A/c Discount Allowed A/c To Hari Krishan's A/c (Received in full settlement)	Dr. Dr.	11,700 300	12,000
(ii)	Cash A/c To Shyam's A/c (Received from Shyam on account)	Dr.	11,700	11,700
(iii)	Cash A/c Bad Debts A/c To Rajagopal's A/c (Received 70 paise in a rupee from Rajagopal)	Dr. Dr.	4,900 2,100	7,000
(iv)	A.K. Mandal's A/c To Cash A/c To Discount Received A/c (Paid in full settlement)	Dr.	3,000	2,880 120
(v)	S.K. Gupta's A/c To Cash A/c (Paid on account to S.K. Gupta)	Dr.	2,880	2,880

Answer 28:**Journal**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2018 Apr 01	Bank A/c To Cash A/c (Paid into bank for opening a Current A/c)	Dr.	21,000	21,000
Apr 02	Drawings A/c To Cash A/c (Withdrew for private expenses)	Dr.	5,000	5,000
Apr 04	Cash A/c	Dr.	3,000	

	To Bank A/c (Withdrew from bank for office use)			3,000
Apr 5	Fixed Deposit A/c To Bank A/c (Placed on FD by transfer from Current A/c)	Dr.	5,000	5,000
Apr 10	Cheques in Hand A/c Discount Allowed A/c To Shiv & Co. A/c (Received from Shiv & Co. and allowed 2% discount)	Dr. Dr.	2,940 60	3,000
Apr 14	Bank A/c To Cheques in Hand A/c (Shiv & Co.'s cheque banked)	Dr.	2,940	2,940
Apr 16	Shiv & Co. A/c To Bank A/c (Shiv & Co.'s cheque dishonoured)	Dr.	2,950	2,950
Apr 17	Bank A/c To Shiv & Co. A/c To Interest A/c (Shiv & Co. settled his account)	Dr.	3,000	2,950 50

Note for Apr 17: Cheque of Rs 2,940 dishonoured. Bank charged Rs 10 (to be recovered from Shiv & Co.). Total due from Shiv & Co. Rs 2,950. New cheque received for Rs 3,000, so interest charged should be Rs 50 (not Rs 40, as given in the book).

Answer 29:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Drawings A/c To Purchases A/c To Input CGST A/c To Input SGST A/c (Goods used for personal use)	Dr.	5,600	5,000 300 300
(ii)	Bad Debts A/c To Sohan's A/c (Debtors proved bad)	Dr.	2,000	2,000

(iii)	Loss of Stock by Fire A/c To Purchases A/c To Input CGST A/c To Input SGST A/c (Uninsured goods lost by fire)	Dr.	6,720	6,000 360 360
(iv)	Machine A/c To Cash A/c (Wages paid for installation of machine)	Dr.	4,000	4,000
(v)	Cash A/c Discount Allowed A/c To Sales A/c To Output IGST A/c (Goods sold and discount allowed)	Dr. Dr.	19,152 1,008	18,000 2,160
(vi)	Cash A/c To Bad Debts Recovered A/c (Debtor written-off previously recovered)	Dr.	2,000	2,000
(vii)	Charity A/c To Purchases A/c To Input CGST A/c To Input SGST A/c (Goods given as charity)	Dr.	2,200	1,000 600 600
(viii)	Cash A/c Discount Allowed A/c To Ramesh's A/c (Received from Ramesh in full settlement)	Dr. Dr.	9,750 250	10,000
(ix)	Prepaid Rent A/c To Cash A/c (Paid rent in advance)	Dr.	4,000	4,000

Answer 30:**Journal**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Cash A/c Dr. Bad-Debts A/c Dr. To Raj's A/c (Received 60 paise in full and final settlement)		15,000 10,000	25,000
(ii)	Rent A/c Dr. To Rent Outstanding A/c (Owed rent to landlord)		10,000	10,000
(iii)	Depreciation A/c Dr. To Furniture A/c (10% depreciation charged on furniture)		5,000	5,000
(iv)	Salaries A/c Dr. To Salaries Outstanding A/c (Salaries due to employees)		20,000	20,000
(v)	Cash A/c Dr. Discount Allowed A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold)		8,500 1,580	9,000 540 540
(vi)	Interest on Capital A/c Dr. To Capital A/c (Interest on capital allowed @ 10% p.a.)		10,000	10,000
(vii)	Loss of Stock by Theft A/c Dr. To Purchases A/c To Input IGST A/c (Goods lost by theft)		5,600	5,000 600

Answer 31:**Journal**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	No Entry			
(ii)	Cash A/c Dr To Advance from Ak & Co. (Advance received for order)	. .	25,000	25,000
(iii)	Outstanding Salary A/c Dr To Cash A/c (Payment of outstanding salaries)	. .	40,000	40,000
(iv)	Bharat's A/c Dr To Sales A/c To Output IGST A/c (Goods sold)	. .	11,200	10,000 1,200
	Sales Return A/c Dr Output IGST A/c Dr To Bharat's A/c (1/5th goods returned by Bharat)	. . .	2,000 240	2,240
(v)	Feroz's A/c Dr To Bank A/c (Cheque issued by Feroz dishonoured)	. .	20,000	20,000
(vi)	Cash A/c Dr Bad Debts A/c Dr To Feroz's A/c (Received 40 paise in a rupee as full and final settlement from Feroz)	. . .	8,000 12,000	20,000
(vii)	Cheque in Hand A/c Dr	.	25,000	

	To Mohan's A/c (Received cheque from Mohan)			25,000
(viii)	Purchases A/c	Dr	10,000	
)	Input IGST A/c	Dr	1,200	
	To Barun's A/c (Goods purchased)			11,200
	Arun's A/c	Dr	22,400	
	To Sales A/c			20,000
	To Output IGST A/c (Goods sold)			2,400
(ix)	Sales Return A/c	Dr	6,000	
	Output IGST A/c	Dr	720	
	To Arun's A/c (Goods returned by Arun)			6,720
	Barun's A/c	Dr	6,720	
	To Purchases Return A/c To Input IGST A/c (Goods returned to Barun)			6,000 720
(x)	TV A/c	Dr	2,00,000	
	Input IGST A/c	Dr	24,000	
	To Cash A/c (TV purchased)			2,24,000
	Cash A/c	Dr	2,80,000	
	To TV A/c			2,00,000
	To Profit on Sale of TV A/c			50,000
	To Output CGST A/c			15,000
	To Output SGST A/c (TV sold)			15,000
(xi)	Insurance A/c	Dr	12,000	

	Input CGST A/c	Dr	720	
	Input SGST A/c	Dr	720	
	To Cash A/c (Paid insurance)			13,440
(xii)	Cash A/c	Dr	1,00,000	
	To Capital A/c			1,00,000
	(Sold personal car and invested the proceeds into business)			
(xiii)	Insurance Company A/c	Dr	1,12,000	
	To Purchases A/c			1,00,000
	To Input CGST A/c			6,000
	To Input SGST A/c			6,000
	(Claim lodged with insurance company, including CGST and SGST)			
	Bank A/c	Dr	75,000	
	Loss of Stock by Fire A/c	Dr	37,000	
	To Insurance Company A/c			1,12,000
(xiv)	Machinery A/c	Dr	65,000	
	Input IGST A/c	Dr	6,000	
	To Cash A/c (Purchased machinery)			71,000
(xv)	Bank A/c	Dr	47,416	
	Discount Allowed A/c	Dr	968	
	To Sales A/c			43,200
	To Output CGST A/c			2,592
	To Output SGST A/c			2,592
	(Goods sold @ 10% trade discount, 2% cash discount)			

(xvi)	Machinery A/c	Dr.	50,000	
)	Bank Charges A/c	Dr.	500	
	To Bank A/c			50,500
	(Purchased machinery and paid by band draft)			

Answer 32:

**Books of D. Chadha
Journal**

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018 Jan.0 1	Cash A/c To Capital A/c (Started business with Cash)	Dr.	25,000	25,000
Jan.0 2	Bank A/c To Cash A/c (Opened Bank Account with his Savings Bank Account Cheque)	Dr.	2,25,000	2,25,000
Jan.0 3	Purchases A/c Input CGST A/c Input SGST A/c To Ramesh & Co (Bought goods from Ramesh & Co @ 6% CGST and SGST)	Dr. Dr. Dr.	54,000 3,240 3,240	60,480
Jan.0 3	Rajesh To Sales A/c To Output CGST A/c To Output SGST A/c (Sold goods to Rajesh @ 6% CGST and SGST)	Dr.	67,200	60,000 3,600 3,600
Jan.0 7	Purchases A/c Input IGST A/c To Rahul (Bought goods from Rahul @ 12% IGST)	Dr. Dr.	65,000 7,800	72,800

Jan.0 8	Wages A/c	Dr.	800	
	To Cash A/c (Paid Wages)			800
Jan.0 8	Mahesh	Dr.	67,200	
	To Sales A/c			60,000
	To Output IGST A/c			7,200
	(Sold goods to Mahesh @ 12% IGST)			
Jan.1 0	Bank A/c	Dr.	66,000	
	Discount Allowed A/c	Dr.	1,200	
	To Rajesh			67,200
	(Received cheque from Rajesh and discount allowed)			
Jan.1 0	Bank A/c	Dr.	66,000	
	To Cash			66,000
	(Paid into Bank)			
Jan.1 1	Ramesh & Co	Dr.	54,000	
	To Cash A/c			51,300
	To Discount Received			2,700
	(Paid to Ramesh & Co and Discount Received)			
Jan.1 2	Prepaid Rent A/c	Dr.	15,000	
	Input CGST A/c	Dr.	900	
	Input SGST A/c	Dr.	900	
	To Cash A/c			16,800
	(Paid rent in advance upto March plus 6% CGST and SGST)			
Jan.1 5	Wages A/c	Dr.	8,000	
	Expenses A/c	Dr.	700	
	To Cash A/c			8,700
	(Paid wages and office expenses in cash)			
Jan.2 1	Mahesh	Dr.	28,000	
	To Sales A/c			25,000
	To Output CGST A/c			1,500
	To Output SGST A/c			1,500
	(Sold goods to Mahesh Chand)			

Jan.2 2	Expenses A/c To Cash A/c (Paid office expenses)	Dr.	500	500
Jan.2 2	Rahul To Bank A/c To Discount Received A/c (Paid to Rahul and discount received)	Dr.	64,500	61,300 3,200
Jan.2 5	Bank A/c Discount Allowed A/c To Mahesh Chand (Received Cheque from Mahesh Chand and discount allowed)	Dr. Dr.	65,700 1,500	67,200
Jan.2 7	Sales Return A/c Output CGST A/c Output SGST A/c To Mahesh (Goods returned by Mahesh Chand and GST @ 6% reversed)	Dr. Dr. Dr.	2,000 120 120	2,240
Jan.2 9	Wages A/c To Cash A/c (Paid wages in Cash)	Dr.	10,000	10,000
Jan.3 1	Expenses A/c Salaries A/c To Cash A/c (Paid office expenses and salaries in cash)	Dr. Dr.	400 20,000	20,400

Answer 33:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2018 Jan 01	Cash A/c Dr.		50,000	

	To Capital A/c (Commenced business with cash)			50,000
Jan 02	Bank A/c	Dr.	3,50,000	
	To Capital A/c (Cheque deposited from Savings A/c to Firm's A/c)			3,50,000
Jan 10	Machinery A/c	Dr.	1,00,000	
	Input IGST A/c	Dr.	12,000	
	To Bank A/			97,000
	To Capital A/c (Machinery purchased in exchange for old personal machinery, balance paid through cheque)			15,000
Jan 15	Machinery A/c	Dr.	2,000	
	To Cash A/c (Installation charges paid)			2,000
Jan 20	Purchases A/c	Dr.	18,000	
	Input CGST A/c	Dr.	1,080	
	Input SGST A/c	Dr.	1,080	
	To Singh & Co. (Purchased timber)			20,160
Jan 25	Office Furniture A/c	Dr.	5,600	
	To Purchases A/c			5,000
	To Input CGST A/c			300
	To Input SGST A/c (Timber used for furnishing office)			300
Jan 31	Rakesh A/c	Dr.	10,080	
	To Sales A/c			9,000
	To Output CGST A/c			540
	To Output SGST A/c (Goods sold)			540
Jan 31	Old Furniture A/c	Dr.	500	
	Input CGST A/c	Dr.	30	
	Input SGST A/c		30	
	To Rakesh A/c			560

	(Old furniture taken from Rakesh)			
Feb 10	Singh & Co. A/c	Dr.	20,160	
	To Bank A/c			19,000
	To Discount Received A/c			1,160
	(Sent cheque in full and final settlement)			
Feb 15	Cash A/c	Dr.	9,000	
	Discount Allowed A/c		520	
	To Rakesh A/c			9,520
	(Received in full and final settlement from Rakesh)			
Feb 20	Wages A/c	Dr.	15,000	
	To Cash A/c			15,000
	(Paid wages)			
Feb 25	Rent A/c	Dr.	5,000	
	To Bank A/c			5,000
	(Paid rent)			

Answer 34:

**Books of Manoj Store
Journal**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Purchases A/c	Dr.	18,000	
	Input IGST A/c	Dr.	2,160	
	To Ramesh's A/c			20,160
	(Goods purchased from Ramesh at 20% trade discount plus IGST @ 12%)			
(ii)	Krishna's A/c	Dr.	10,080	
	To Sales A/c			9,000
	To Output IGST A/c			1,080
	(Goods worth Rs 7,000 sold to Krishna for Rs 9,000 plus IGST @ 12%)			
(iii)	Bank A/c	Dr.	11,200	
	To Sales A/c			10,000

	To Output IGST A/c (Goods worth Rs 10,000 sold and IGST charged @ 12%)			1,200
(iv)	Bank A/c To Cash A/c (Cash deposited into Savings A/c)	Dr.	5,000	5,000
(v)	Machinery A/c To Advance (on order) To Capital A/c (Note) To Bank A/c (Machinery purchased for exchange of personal machine and by issuing cheque)	Dr.	4,00,000	40,000 1,60,000 2,00,000
(vi)	Machinery A/c To Cash A/c (Wages paid for installation of machine)	Dr.	2,500	2,500

Note: An old machine(personal) given in exchange of Rs 30,000 and cheque of Rs 1,30,000 from Saving A/c will increase the Capital A/c of proprietor.

Answer 35:

**Books of Vikas
Journal**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2017 April 01	Land & Building A/c Dr. Plant & Machinery A/c Dr. Chandra & Son's A/c Dr. Closing Stock A/c Dr. Cash A/c Dr. Bank A/c Dr. To Salary Payable A/c To Magic Traders's A/c To Babbar & Co.Ltd's A/c To Capital A/c (<i>Balancing Figure</i>) (Opening entry made)		1,50,000 2,50,750 71,270 56,250 15,700 75,250	15,000 27,220 11,770 5,65,230

Chapter 2. Ledger

Answer 1:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2018 Apr.01	Cash A/c To Capital A/c (Business started with cash)	Dr.	50,000	50,000
Apr.03	Purchases A/c To Rita (Goods purchased from Rita on credit)	Dr.	20,000	20,000
Apr.04	Rita To Cash A/c (Cash paid to Rita)	Dr.	10,000	10,000
Apr.06	Rohit To Sales A/c (Goods sold to Rohit on credit)	Dr.	25,000	25,000
Apr.08	Cash A/c To Rohit (Cash received from Rohit)	Dr.	20,000	20,000
Apr.12	Purchases A/c To Rita (Goods purchased from Rita on credit)	Dr.	12,000	12,000
Apr.18	Rita To Cash A/c (Cash paid to Rita)	Dr.	20,000	20,000
Apr.25	Rohit To Sales A/c (Goods Sold to Rohit)	Dr.	10,000	10,000
Apr.30	Cash A/c To Rohit (Cash received from Rohit)	Dr.	6,000	6,000

Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			

Apr.01	Capital A/c		50,000	Apr.04	Rita		10,000
Apr.08	Rohit		20,000	Apr.18	Rita		20,000
Apr.30	Rohit		6,000	Apr.30	Balance c/d		46,000
			76,000				76,000
May.01	Balance b/d		46,000				

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
Apr.30	Balance c/d		50,000	Apr.01	Cash A/c		50,000
			50,000				50,000
				May.01	Balance b/d		50,000

Purchases Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
Apr.03	Rita		20,000	Apr.30	Balance c/d		32,000
Apr.12	Rita		12,000				32,000
			32,000				
May.01	Balance b/d		32,000				

Rita

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
Apr.04	Cash A/c		10,000	Apr.03	Purchases A/c		20,000
Apr.18	Cash A/c		20,000	Apr.12	Purchases A/c		12,000
Apr.30	Balance c/d		2,000				
			32,000				32,000
				May.01	Balance b/d		2,000

Rohit

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.06 Apr.25	Sales A/c Sales A/c		25,000 10,000	2018 Apr.08 Apr.30 Apr.30	Cash A/c Cash A/c Balance c/d		20,000 6,000 9,000
			35,000				35,000
May.01	Balance b/d		9,000				

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.30	Balance c/d		35,000	2018 Apr.06 Apr.25	Rohit Rohit		25,000 10,000
			35,000				35,000
				May.01	Balance b/d		35,000

Answer 2:

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018 Jan 01	Cash A/c Dr. To Capital A/c (Started business with cash)		1,00,000	1,00,000
Jan 02	Purchases A/c Dr. To Cash A/c (Goods purchased)		20,000	20,000
Jan 03	Cash A/c Dr. To Sales A/c (Goods sold)		7,000	7,000
Jan 15	Shravan A/c Dr.		6,000	

	To Sales A/c (Goods sold)			6,000
Jan 18	Purchases A/c	Dr.	50,000	
	To Anurag A/c (Goods purchased)			50,000
Jan 19	Anurag A/c	Dr.	5,000	
	To Purchases Return A/c (Goods returned)			5,000
Jan 20	Cash A/c	Dr.	30,000	
	To Sales A/c (Goods sold)			30,000
Jan 22	Electricity Expenses A/c	Dr.	1,000	
	To Cash A/c (Paid electricity bill)			1,000
Jan 28	Telephone Expenses A/c	Dr.	500	
	To Cash A/c (Paid telephone bill)			500
Jan 29	Rent A/c	Dr.	800	
	To Cash A/c (Paid rent)			800
Jan 31	Wages A/c	Dr.	3,000	
	To Cash A/c (Paid wages)			3,000

Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Jan 01	Capital A/c		1,00,000	Jan 02	Purchases A/c		20,000
Jan 03	Sales A/c		7,000	Jan 22	Electricity Expenses A/c		1,000
Jan 20	Sales A/c		30,000	Jan 28	Telephone Expenses A/c		500
				Jan 29	Rent A/c		800

				Jan 31	Wages A/c		3,000
				Jan 31	Balance c/d		1,11,700
			1,37,000				1,37,000

Capital Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Jan 01	Cash A/c		1,00,000	Jan 31	Balance c/d		1,00,000
			1,00,000				1,00,000

Purchases Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Jan 02	Cash A/c		20,000	Jan 31	Balance c/d		70,000
Jan 18	Anurag A/c		50,000				
			70,000				70,000

Sales Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Jan 31	Balance c/d		43,000	Jan 03	Cash A/c		7,000
				Jan 15	Shravan A/c		6,000
				Jan 20	Cash A/c		30,000
			43,000				43,000

Shravan Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Jan 15	Sales A/c		6,000	Jan 31	Balance c/d		6,000

			6,000			6,000	

Anurag Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Jan 19	Purchases Return A/c		5,000	Jan 18	Purchases A/c		50,000
Jan 31	Balance c/d		45,000				
			50,000				50,000

Purchases Return Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Jan 31	Balance c/d		5,000	Jan 19	Anurag A/c		5,000
			5,000				5,000

Electricity Expenses Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Jan 22	Cash A/c		1,000	Jan 31	Balance c/d		1,000
			1,000				1,000

Telephone Expenses Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Jan 28	Cash A/c		500	Jan 31	Balance c/d		500
			500				500

Rent Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Jan 29	Cash A/c		800	Jan 31	Balance c/d		800
			800				800

Wages Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Jan 31	Cash A/c		3,000	Jan 31	Balance c/d		3,000
			3,000				3,000

Answer 3:

Journal of Afjal, Kolkata

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018 Jan.01	Cash A/c Dr. To Capital A/c (Business started with cash)	.	1,00,000	1,00,000
Jan.03	Purchases A/c Dr. Input IGST A/c Dr. To Gupta & Co. (Goods purchased on credit @ 12% IGST)	. . .	20,000 2,400	22,400
Jan.05	Cash A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c	5,600	5,000 300 300

	(Goods sold for cash @ 6% CGST and SGST)			
Jan.08	Purchases	Dr	8,000	
		.		
	Input CGST A/c	Dr	480	
		.		
	Input SGST A/c	Dr	480	
		.		
	To Cash A/c			8,960
	(Goods purchased for cash @ 6% CGST and SGST)			
Jan.10	Ahmed & Co.	Dr	11,200	
		.		
	To Sales A/c			10,000
	To Output IGST A/c			1,200
	(Goods sold on credit @ 12% IGST)			
Jan.11	Bank A/c	Dr	50,000	
		.		
	To Cash A/c			50,000
	(Cash deposited into bank)			
Jan.13	Computers A/c	Dr	20,000	
		.		
	Input CGST A/c	Dr	1,200	
		.		
	Input SGST A/c	Dr	1,200	
		.		
	To Cash A/c			22,400
	(Computers purchased @ 6% CGST and SGST)			
Jan.15	Cash A/c	Dr	70,000	
		.		
	To Loan from Mehboob			70,000
	(Loan taken from Mehboob)			
Jan.16	Sales Return A/c	Dr	2,000	
		.		
	Output IGST A/c	Dr	240	
		.		
	To Ahmed & Co.			2,240
	(Goods returned by Ahmed & Co.)			
Jan.17	Furniture A/c	Dr	10,000	
		.		
	Input CGST A/c	Dr	600	
		.		
	Input SGST A/c	Dr	600	11,200
		.		
	To Mehfil Mart			

	(Furniture purchased @ 6% CGST and SGST)			
Jan.1 8	Interest on Mehboob Loan A/c	Dr	2,000	
	To Cash A/c	.		2,000
	(Interest on Loan paid)			
Jan.1 9	Insurance Claim A/c	Dr	1,000	
	To Ahmed & Company	.		1,000
	(Insurance Claim due)			
Jan.2 2	Rent A/c	Dr	2,000	
	Input CGST A/c	Dr	120	
	Input SGST A/c	Dr	120	2,240
	To Bank A/c	.		
	(Rent paid with 6% CGST and SGST)			
Jan.2 4	Cash A/c	Dr	20,000	
	To Bank A/c	.		20,000
	(Cash withdrawn from bank)			
Jan.2 5	Cash A/c	Dr	10,080	
	To Sales A/c	.		9,000
	To Output CGST A/c			540
	To Output SGST A/c			540
	(Goods sold for cash @ 6% CGST and SGST)			
Jan.2 6	Loss by Accident A/c	Dr	11,200	
	To Purchases A/c	.		10,000
	To Input IGST A/c			1,200
	(Goods lost by accident and IGST reversed)			
Jan.2 7	Advertisement A/c	Dr	5,000	
	Input CGST A/c	Dr	300	
	Input SGST A/c	Dr	300	
	To Bank A/c	.		5,600
	(Advertisement expenses with 6% intrastate GST paid)			
Jan.2	Bank A/c	Dr	7,000	

8	Discount Allowed A/c	Dr	960	
	To Ahmed & Company (Payment Received in full settlement)			7,960
Jan.2 9	Gupta & Company	Dr	20,000	
	To Bank A/c			18,000
	To Discount Received A/c (Payment made)			2,000
Jan.3 1	Cash A/c	Dr	560	
	To Sundry Income A/c			500
	To Output CGST A/c			30
	To Output SGST A/c (Sundry Income received with 6% intra state GST)			30

**Ledger
Cash Account**

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018				2018			
Jan.01	Capital		1,00,000	Jan.08	Purchases		8,960
Jan.05	Sales		5,000	Jan.11	Bank		50,000
Jan.15	Loan from Mehboob		70,000	Jan.13	Computer		22,400
Jan.24	Bank		20,000	Jan.18	Interest on Mehboob Loan		2,000
Jan.25	Sales		10,080	Jan.31	Balance c/d		1,22,280
Jan.31	Sundry income		560				
			2,05,640				2,05,640
Feb.01	Balance b/d		1,22,280				

Purchases Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018				2018			
Jan.03	Gupta & Company		20,000	Jan.26	Loss by Accident		10,000
Jan.08	Cash		8,000	Jan.31	Balance c/d		18,000
			28,000				28,000
Feb.01	Balance b/d		18,000				

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.31	Balance c/d		1,00,000	2018 Jan.01	Cash		1,00,000
			1,00,000				1,00,000
				Feb.01	Balance b/d		1,00,000

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.31	Balance c/d		24,000	2018 Jan.05	Cash		5,000
				Jan.10	Ahmed & Company		10,000
				Jan.25	Cash		9,000
			24,000				24,000
				Feb.01	Balance b/d		24,000

Gupta & Company

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.29	Bank		18,000	2018 Jan.03	Purchases		20,000
Jan.29	Discount		2,000	Jan.03	Input IGST A/c		2,400
Jan.29	Received						
	Balance c/d		2,400				
			22,400				22,400

Ahmed & Company

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.10	Sales		10,000	2018 Jan.16	Sales returns		2,000
				Jan.16	Output IGST A/c		240
Jan.10	Output IGST A/c		1,200	Jan.19	Insurance claim		1,000
				Jan.28	Bank		7,000
				Jan.28	Discount Allowed		960
			11,200				11,200

Bank Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.11	Cash		50,000	2018 Jan.2	Rent		2,240
Jan.28	Ahmed & Company		7,000	Jan.2 4	Cash		20,000
				Jan.2 7	Advertisement		5,600
				Jan.2 9	Gupta & Company		18,000
				Jan.3 1	Balance c/d		11,160
			57,000				57,000
Feb.0 1	Balance b/d		11,160				

Computers Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.13	Cash		20,000	2018 Jan.31	Balance c/d		20,000
			20,000				20,000
Feb.01	Balance b/d		20,000				

Loan from Mehboob

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.3 1	Balance c/d		70,000	2018 Jan.15	Cash		70,000
			70,000				70,000
				Feb.0 1	Balance b/d		70,000

Insurance Claim Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount	Date	Particulars	J.F.	Amount

			(₹)				(₹)
2018 Jan.19	Ahmed & Company		1,000	2018 Jan.31	Balance c/d		1,000
			1,000				1,000
Feb.01	Balance b/d		1,000				

Rent Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.22	Bank		2,000	2018 Jan.31	Balance c/d		2,000
			2,000				2,000
Feb.01	Balance b/d		2,000				

Loss by Accident Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.26	Purchases		10,000	2018 Jan.31	Balance c/d		11,200
Jan.26	Input IGST A/c		1,200				
			11,200				11,200
Feb.01	Balance b/d		11,200				

Advertisement Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.27	Bank		5,000	2018 Jan.31	Balance c/d		5,000
			5,000				5,000
Feb.01	Balance b/d		5,000				

Sales Returns Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.16	Ahmed & Company		2,000	2018 Jan.31	Balance c/d		2,000
			2,000				2,000
Feb.01	Balance b/d		2,000				

Furniture Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.17	Mehfil Mart		10,000	2018 Jan.31	Balance c/d		10,000
			10,000				10,000
Feb.01	Balance b/d		10,000				

Mehfil Mart

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.31	Balance c/d		11,200	2018 Jan.17	Furniture		10,000
			11,200	Jan.17	Input CGST A/c		600
				Jan.17	Input SGST A/c		600
							11,200
				Feb.01	Balance b/d		11,200

Interest on Mehboob Loan Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.18	Cash A/c		2,000	2018 Jan.31	Balance c/d		2,000
			2,000				2,000
Feb.01	Balance b/d		2,000				

Discount Allowed Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.28	Ahmed & Company		960	2018 Jan.31	Balance c/d		960
			960				960
Feb.01	Balance b/d		960				

Discount Received Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)

2018 Jan.31	Balance c/d		2,000	2018 Jan.29	Gupta & Company		2,000
			2,000				2,000
				Feb.01	Balance b/d		2,000

Sundry Incomes Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.31	Balance c/d		500	2018 Jan.31	Cash		500
			500				500
				Feb.01	Balance b/d		500

Input IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.03	Gupta & Co.		2,400	2018 Jan.26	Loss by Accident		1,200
Jan.05	Sales		5,000	Jan.31	Balance c/d		6,200
			7,400				7,400
Feb.01	Balance b/d		6,200				

Output IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 Jan.16	Ahmed & Co.		240	2018 Jan.10	Ahmed & Co.		1,200
Jan.31	Balance c/d		960				1,200
			1,200				
Feb.01	Balance b/d		960				

Input CGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)

2018				2018			
Jan.08	Cash		480	Jan.31	Balance c/d		2,700
Jan.13	Cash		1,200				
Jan.17	Mehfil Mart		600				
Jan. 22	Bank		120				
Jan.27	Bank		300				
			2,700				2,700
Feb.01	Balance b/d		2,700				

Output CGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018				2018			
Jan.31	Balance c/d		870	Jan.05	Cash		300
				Jan.25	Cash		540
				Jan.31	Cash		30
			870				870
				Feb.01	Balance b/d		870

Input SGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018				2018			
Jan.08	Cash		480	Jan.31	Balance c/d		2,700
Jan.13	Cash		1,200				
Jan.17	Mehfil		600				
Jan.22	Mart		120				
Jan.27	Bank		300				
			2,700				2,700
Feb.01	Balance b/d		2,700				

Output SGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018				2018			
Jan.31	Balance c/d		870	Jan.05	Cash		300
				Jan.25	Cash		540
				Jan.31	Cash		30

			870				870
				Feb.01	Balance b/d		870

Answer 4:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2018 Apr 01	Cash A/c Dr. To Capital A/c (Started business with cash)		1,50,000	1,50,000
Apr 02	Bank A/c Dr. To Cash A/c (Opened Bank A/c)		50,000	50,000
Apr 03	Furniture A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Cash A/c (Furniture purchased)		20,000 1,200 1,200	22,400
Apr 07	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Cash A/c (Goods purchased)		30,000 1,800 1,800	33,600
Apr 08	Purchases A/c Dr. Input IGST A/c Dr. To M/s Hema Traders A/c (Goods purchased)		42,000 5,040	47,040
Apr 10	Cash A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold)		33,600	30,000 1,800 1,800

Apr 14	M/s Gupta Traders A/c	Dr.	13,440	
	To Sales A/c			12,000
	To Output IGST A/c (Goods sold)			1,440
Apr 16	Rent A/c	Dr.	4,000	
	Input CGST A/c	Dr.	240	
	Input SGST A/c	Dr.	240	
	To Cash A/c (Rent paid)			4,480
Apr 18	Electricity Expenses A/c	Dr.	1,000	
	To Cash A/c (Paid electricity expenses)			1,000
Apr 20	Cash A/c	Dr.	12,000	
	To Gupta Traders A/c (Cash received from Gupta Traders)			12,000
Apr 22	Hema Traders A/c	Dr.	2,240	
	To Purchases Return A/c			2,000
	To Input IGST A/c (Goods returned)			240
Apr 23	Hema Traders A/c	Dr.	40,000	
	To Cash A/c (Cash paid)			40,000
Apr 25	Postage A/c	Dr.	100	
	To Cash A/c (Bought postage stamps)			100
Apr 30	Salary A/c	Dr.	4,000	
	To Cash A/c (Paid salary)			4,000

Cash Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 01	Capital A/c		1,50,000	Apr 02	Bank A/c		50,000

Apr 10	Sales A/c		30,000	Apr 03	Furniture A/c		20,000
Apr 10	Output CGST A/c		1,800	Apr 03	Input CGST A/c		1,200
Apr 10	Output SGST A/c		1,800	Apr 03	Input SGST A/c		1,200
Apr 20	Gupta Traders A/c		12,000	Apr 07	Purchases A/c		30,000
				Apr 07	Input CGST A/c		1,800
				Apr 07	Input SGST A/c		1,800
				Apr 16	Rent A/c		4,000
				Apr 16	Input CGST A/c		240
				Apr 16	Input SGST A/c		240
				Apr 18	Electricity Expenses A/c		1,000
				Apr 23	Hema Traders A/c		40,000
				Apr 25	Postage A/c		100
				Apr 30	Salary A/c		4,000
				Apr 30	Balance c/d		40,020
			1,95,600				1,95,600

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 01	Cash A/c		1,50,000	Apr 30	Balance c/d		1,50,000
			1,50,000				1,50,000

Bank Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 02	Cash A/c		50,000	Apr 30	Balance c/d		50,000
			50,000				50,000

Furniture Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 03	Cash A/c		20,000	Apr 30	Balance c/d		20,000
			20,000				20,000

Input CGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 03	Cash A/c		1,200	Apr 30	Balance c/d		3,240
Apr 07	Cash A/c		1,800				
Apr 16	Cash A/c		240				
			3,240				3,240

Input SGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 03	Cash A/c		1,200	Apr 30	Balance c/d		3,240
Apr 07	Cash A/c		1,800				
Apr 16	Cash A/c		240				
			3,240				3,240

Purchases Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 07	Cash A/c		30,000	Apr 30	Balance c/d		72,000
Apr 08	M/s Hema Traders A/c		42,000				
			72,000				72,000

Hema Traders Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 22	Purchases		2,000	Apr 08	Purchases		42,000
Apr 22	Return A/c		240	Apr 08	Input IGST		5,040
Apr 23	Cash A/c		40,000				
Apr	Balance c/d		4,800				

30							
			47,040				47,040

Sales Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 30	Balance c/d		42,000	Apr 10	Cash A/c		30,000
				Apr 14	Gupta Traders A/c		12,000
			42,000				42,000

Output CGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 30	Balance c/d		1,800	Apr 10	Cash A/c		1,800
			1,800				1,800

Output SGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 30	Balance c/d		1,800	Apr 10	Cash A/c		1,800
			1,800				1,800

Input IGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 08	Hema Traders A/c		5,040	Apr 22	Hema Traders A/c		240
				Apr 30	Balance c/d		4,800
			5,040				5,040

Output IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 30	Balance c/d		1,440	Apr 14	Gupta Traders A/c		1,440
			1,440				1,440

Gupta Traders Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 14	Sales A/c		12,000	Apr 20	Cash A/c		12,000
Apr 14	Output IGST A/c		1,440	Apr 30	Balance c/d		1,440
			13,440				13,440

Rent Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 16	Cash A/c		4,000	Apr 30	Balance c/d		4,000
			4,000				4,000

Electricity Expenses Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 18	Cash A/c		1,000	Apr 30	Balance c/d		1,000
			1,000				1,000

Purchases Return Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 30	Balance c/d		2,000	Apr 22	Hema Traders A/c		2,000

			2,000			2,000	

Postage Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 25	Cash A/c		100	Apr 30	Balance c/d		100
			100				100

Salary Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
Apr 30	Cash A/c		4,000	Apr 30	Balance c/d		4,000
			4,000				4,000

Answer 5:

Books of M/s Gupta Brothers Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2018 Mar.01	Cash A/c Dr. To Capital A/c (Started business with Cash)		2,00,000	2,00,000
Mar.02	Bank A/c Dr. To Cash A/c (Opened Bank account with SBI)		80,000	80,000
Mar.04	Purchases A/c Dr. Input IGST A/c Dr. To Raj (Purchased goods on credit @ 12% IGST)		22,000 2,640	24,640
Mar.05	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr.		30,000 1,800 1,800	

	To Cash A/c (Purchased goods in cash @ 6% CGST and SGST)			33,600
Mar.08	Naman A/c To Sales A/c To Output CGST A/c To Output SGST A/c (Sold good to on credit @ 6% CGST and SGST)	Dr.	13,440	12,000 720 720
Mar.10	Raj To Cash A/c (Cash Paid to Raj)	Dr.	22,000	22,000
Mar.15	Cash A/c Discount Allowed A/c To Naman (Cash received from Naman and discount allowed)	Dr. Dr.	11,700 300	12,000
Mar.16	Wages A/c To Cash (Paid Wages)	Dr.	200	200
Mar.18	Furniture A/c Input CGST A/c Input SGST A/c To Cash (Purchased furniture in cash @ 6% CGST and SGST)	Dr. Dr. Dr.	5,000 300 300	5,600
Mar.20	Drawings A/c To Bank A/c (Withdrawn from bank for personal use)	Dr.	4,000	4,000
Mar.22	Rent A/c Input CGST A/c Input SGST A/c To Bank A/c (Paid Rent through cheque with 6% CGST and SGST)	Dr. Dr. Dr.	3,000 180 180	3,360
Mar.23	Drawings A/c To Purchases A/c To Input IGST A/c (Goods taken for personal use and IGST reversed)	Dr.	2,240	2,000 240
Mar.24	Cash A/c To Bank (Cash withdrawn from bank)	Dr.	6,000	6,000
Mar.26	Cash A/c	Dr.	1,120	

	To Commission A/c			1,000
	To Output CGST A/c			60
	To Output SGST A/c			60
	(Cash received for commission plus CGST and SGST @ 6% each)			
Mar.27	Bank Charges A/c	Dr.	300	
	Input CGST A/c	Dr.	18	
	Input SGST A/c	Dr.	18	
	To Bank A/c			336
	(Bank Charges debited plus CGST and SGST @ 6% each)			
Mar.28	Drawings A/c	Dr.	3,000	
	To Bank			3,000
	(Amount withdrawn to pay Insurance Premium of proprietor)			
Mar.29	Salary A/c	Dr.	10,000	
	To Cash A/c			10,000
	(Paid Salary)			
Mar.30	Cash A/c	Dr.	20,000	
	To Sales A/c			20,000
	To Output CGST A/c			1,200
	To Output SGST A/c			1,200
	(Sold goods for Cash plus CGST and SGST @6% each)			

**Ledger
Cash Account**

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
Mar.01	Capital		2,00,000	Mar.02	Bank		80,000
Mar.15	Naman		11,700	Mar.05	Purchases		30,000
Mar.24	Bank		6,000	Mar.05	Input CGST		1,800
Mar.26	Commission		1,000	Mar.05	Input SGST		1,800
Mar.26	Output CGST		60	Mar.10	Raj		22,000
Mar.26	Output SGST		60	Mar.16	Wages		200
Mar.30	Sales		20,000	Mar.18	Furniture		5,000
Mar.30	Output CGST		1,200	Mar.18	Input CGST		300
Mar.30	Output SGST		1,200	Mar.18	Input SGST		300
				Mar.29	Salary		10,000
				Mar.31	Balance c/d		89,820
			2,41,220				2,41,220

Bank Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Mar.02	Cash		80,000	2018 Mar.20	Drawings		4,000
				Mar.22	Rent		3,000
				Mar.22	Input CGST		180
				Mar.22	Input SGST		180
				Mar.24	Cash		6,000
				Mar.27	Bank Charges		300
				Mar.27	Input CGST		18
				Mar.27	Input SGST		18
				Mar.28	Drawings		3,000
				Mar.31	Balance C/d		63,304
			80,000				80,000

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Mar.31	Balance c/d		2,00,000	2018 Mar.01	Cash		2,00,000
			2,00,000				2,00,000

Purchases Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018 Mar.04	Raj		22,000	2018 Mar.23	Drawings		2,000
Mar.05	Cash		30,000	Mar.31	Balance c/d		50,000
			52,000				52,000

Raj Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018 Mar.10	Cash		22,000	2018 Mar.04	Purchase		22,000
Mar.31	Balance c/d		2,640	Mar.04	Input IGST		2,640

			24,640			24,640

Sales Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018				2018			
Mar.31	Balance c/d		32,000	Mar.08	Naman		12,000
			32,000	Mar.30	Cash		20,000
							32,000

Naman

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018				2018			
Mar.08	Sales		12,000	Mar.15	Cash		11,700
Mar.08	Output CGST		720	Mar.15	Discount Allowed		300
Mar.08	Output SGST		720	Mar.31	Balance c/d		1,440
			13,440				13,440

Discount Allowed Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018				2018			
Mar.15	Naman		300	Mar.31	Balance c/d		300
			300				300

Wages Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018				2018			
Mar.16	Cash		200	Mar.31	Balance c/d		200
			200				200

Furniture Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018 Mar.18	Cash		5,000	2018 Mar.31	Balance c/d		5,000
			5,000				5,000

Drawings Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018 Mar.20	Bank		4,000	2018			
Mar.23	Purchases A/c		2,000	Mar.31	Balance c/d		9,240
Mar.23	Input IGST		240				
Mar.28	Bank		3,000				
			9,240				9,240

Commission Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018 Mar.31	Balance c/d		1,000	2018 Mar.26	Cash		1,000
			1,000				1,000

Bank Charges Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018 Mar.22	Bank A/c		300	2018 Mar.31	Balance c/d		300
			300				300

Rent Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018 Mar.22	Bank		3,000	2018 Mar.22	Balance c/d		3,000
			3,000				3,000

Salary Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018 Mar.29	Cash		10,000	2018 Mar.31	Balance c/d		10,000
			10,000				10,000

Input IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Mar.04	Raj		2,640	2018 Mar.23	Drawings		240
				Mar.31	Balance c/d		2,400
			2,640				2,640

Input CGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Mar.05	Cash		1,800	2018 Mar.31	Balance c/d		2,298
Mar.18	Cash		300				
Mar.22	Bank		180				
Mar.27	Bank		18				

			2,298				2,298

Output CGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Mar.31	Balance c/d		1,980	2018 Mar.08	Naman		720
				Mar.26	Cash		60
				Mar.30	Cash		1,200
			1,980				1,980

Input SGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Mar.05	Cash		1,800	2018 Mar.31	Balance c/d		2,298
Mar.18	Cash		300				
Mar.22	Bank		180				
Mar.27	Bank		18				
			2,298				2,298

Output SGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Mar.31	Balance c/d		1,980	2018 Mar.08	Naman		720
				Mar.26	Cash		60
				Mar.30	Cash		1,200
			1,980				1,980

Answer 6:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2018 April 01	Cash A/c Dr. Stock A/c Dr. Ram Dr. Machinery A/c Dr. To Rajesh To Capital A/c (<i>Balancing Figure</i>) (Balance Brought forward)		50,000 30,000 50,000 60,000	30,000 1,60,000
April 04	Cash A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Sold Goods for Cash plus CGST and SGST @ 6% each)		7,840	7,000 420 420
April 06	Sales Return A/c Dr. Output CGST A/c Dr. Output SGST A/c Dr. To Ram (Goods returned and GST reversed)		1,000 60 60	1,120
April 10	Purchases A/c Dr. Input IGST A/c Dr. To Rajesh (Bought goods from Rajesh plus IGST @ 12%)		9,000 1,080	10,080
April 15	Purchases A/c Dr. Input IGST A/c To Rakesh To Cash (5,130+1,620) To Discount Received A/c (5% Net of GST) (Bought goods from Rakesh, 40% of price paid immediately and availed 5% cash discount on payment)		13,500 1,620	8,100 6,750 270
April 20	Rajesh A/c Dr. To Cash A/c To Discount Received		40,080	38,600 1,480

	(Paid to Rajesh and discount received)			
April 25	Drawings A/c	Dr.	500	
	To Cash A/c			500
	(Paid Life Insurance Premium of Proprietor)			
April 30	Cash A/c	Dr.	2,240	
	To Commission A/c			2,000
	To Output CGST A/c			120
	To Output SGST A/c			120
	(Received Commission plus CGST and SGST @ 6% each)			

Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
April 01	Balance b/d		50,000	April 15	Purchases		5,130
April 04	Sales		7,000	April 15	Input IGST		1,620
April 04	Output CGST		420	April 20	Rajesh		38,600
April 04	Output SGST		420	April 25	Drawings		500
April 30	Commission		2,000	April 30	Balance c/d		14,230
April 30	Output CGST		120				
April 30	Output SGST		120				
			60,080				60,080

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
April 30	Balance c/d		1,60,000	April 01	Balance b/d		1,60,000
			1,60,000				1,60,000

Rakesh

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
Apr.30	Balance c/d		8,100	Apr.15	Purchases		8,100

			8,100			8,100	

Stock Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 01	Balance b/d		30,000	2018 April 30	Balance c/d		30,000
			30,000				30,000

Ram

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018 April 01	Balance b/d		50,000	2018 April 06	Sales Return		1,000
				April 06	Output CGST A/c		60
				April 06	Output SGST A/c		60
				April 30	Balance c/d		48,880
			50,000				50,000

Machinery Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018 April 01	Balance b/d		60,000	2018 April 30	Balance c/d		60,000
			60,000				60,000

Rajesh Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018 April 20	Cash		38,600	2018 April 01	Balance b/d		30,000
April 20	Discount Received		1,480	April 10	Purchases		9,000
			40,080	April 10	Input IGST A/c		1,080
							40,080

Sales Return Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 06	Ram		1,000	2018 April 30	Balance c/d		1,000
			1,000				1,000

Drawings Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 25	Cash		500	2018 April 30	Balance c/d		500
			500				500

Commission Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 30	Balance c/d		2,000	2018 April 30	Cash		2,000
			2,000				2,000

Discount Received

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 30	Balance c/d		1,750	2018 April 15	Purchases		270
			1,750	April 20	Rajesh		1,480
							1,750

Purchases Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018 April	Rajesh		9,000	2018 April	Balance c/d		22,500

10				30			
April	Rakesh		8,100				
15							
April	Cash A/c		5,130				
15							
April	Discount Received		270				
15	A/c						
			22,500				22,500

Sales Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018				2018			
April 30	Balance c/d		7,000	April 04	Cash A/c		7,000
			7,000				7,000

Input IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
Apr.10	Rajesh		1,080	Apr.30	Balance c/d		3,348
Apr.15	Cash		1,620				
Apr.15	Cash		648				
			3,348				3,348

Output CGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
Apr.06	Ram		60	Apr.30	Cash		120
Apr.30	Balance c/d		60				
			120				120

Output SGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.06	Ram		60	2018 Apr.30	Cash		120
Apr.30	Balance c/d		60				
			120				120

Answer 7:

Cash in Hand Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 01	Balance b/d		300	Apr 30	Salaries		300
			300				300

Cash at Bank Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 01	Balance b/d		7,000	Apr 15	Gobind A/c		1,500
Apr 18	Sharma A/c		2,000	Apr 20	Rent A/c		200
				Apr 20	Input CGST A/c		12
				Apr 20	Input SGST A/c		12
				Apr 30	Balance c/d		7,276
			9,000				9,000

Bills Payable Account

Dr.	Cr.
-----	-----

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 30	Balance c/d		1,000	Apr 01	Balance b/d		1,000
			1,000				1,000

Zahir Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 01	Balance b/d		800	Apr 30	Balance c/d		2,480
Apr 08	Sales A/c		500				
Apr 08	Output IGST A/c		60				
Apr 25	Sales A/c		1,000				
Apr 25	Output IGST A/c		120				
			2,480				2,480

Stock Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 01	Balance b/d		4,000	Apr 30	Balance c/d		4,000
			4,000				4,000

Gobind Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 15	Bank A/c		1,500	Apr 01	Balance b/d		2,000
Apr 30	Balance c/d		1,508	Apr 02	Purchases A/c		900
				Apr 02	Input CGST A/c		54
				Apr 02	Input CGST A/c		54

			3,008			3,008

Sharma Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 01	Balance b/d		1,500	Apr 18	Bank A/c		2,000
Apr 03	Sales A/c		1,000	Apr 18	Discount Allowed A/c		50
Apr 03	Output IGST A/c		120	Apr 30	Balance c/d		1,466
Apr 20	Sales A/c		800				
Apr 20	Output IGST A/c		96				
			3,516				3,516

Rahul Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
	Balance c/d		2,244	Apr 01	Balance b/d		900
				Apr 05	Purchases A/c		1,200
				Apr 05	Input CGST A/c		72
				Apr 05	Input CGST A/c		72
			2,244				2,244

Capital Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 01	Balance b/d		9,700	Apr 30	Balance c/d		9,700
			9,700				9,700

Purchases Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 02	Gobind A/c		900	Apr 30	Balance c/d		2,100
Apr 05	Rahul A/c		1,200				
			2,100				2,100

Input CGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 02	Gobind A/c		54	Apr 30	Balance c/d		138
Apr 05	Rahul A/c		72				
Apr 20	Bank A/c		12				
			138				138

Input SGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 02	Gobind A/c		54	Apr 30	Balance c/d		138
Apr 05	Rahul A/c		72				
Apr 20	Bank A/c		12				
			138				138

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 30	Balance c/d		3,300	Apr 03	Sharma A/c		1,000
				Apr 08	Zahir A/c		500
				Apr 20	Sharma A/c		800
				Apr	Zahir A/c		1,000

			25			
			3,300			3,300

Output IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 30	Balance c/d		396	Apr 03	Sharma A/c		120
				Apr 08	Zahir A/c		60
				Apr 20	Sharma A/c		96
				Apr 25	Zahir A/c		120
			396				396

Discount Allowed Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 18	Sharma A/c		50	Apr 30	Balance c/d		50
			50				50

Rent Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 20	Bank A/c		200	Apr 30	Balance c/d		200
			200				200

Salary Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
Apr 30	Cash A/c		300	Apr 30	Balance c/d		300
			300				300

**Trial Balance
as on Apr 30, 2018**

S.No.	List of Items	Debit Balances	Credit Balances
1	Bank	7,276	
2	Bills Payable		1,000
3	Zahir	2,480	
4	Stock	4,000	
5	Gobind		1,508
6	Sharma	1,466	
7	Rahul		2,244
8	Capital		9,700
9	Purchases	2,100	
10	Input CGST A/c	138	
11	Input SGST A/c	138	
12	Sales		3,300
13	Output IGST A/c		396
14	Discount Allowed	50	
15	Rent	200	
16	Salary	300	
	Total	18,148	18,148

Answer 8:

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2018 April 01	Premises A/c Dr.		2,00,000	
	Delivery Van A/c Dr.		50,000	
	Fixtures A/c Dr.		5,000	
	Stock A/c Dr.		75,000	
	Hariharan Dr.		30,000	
	Rajhans Dr.		50,000	
	Bank A/c Dr.		45,000	
	Cash A/c Dr.		30,000	
	To Jawahar			1,00,000

	To Vikas			45,000
	To Telephone Expenses Payable A/c			4,000
	To Output CGST A/c			240
	To Output SGST A/c			240
	To Electricity Expenses Payable A/c			4,520
	To Salaries Payable A/c			7,000
	To Capital A/c (<i>Balancing Figure</i>)			3,24,000
	(Balance forwarded from the last month)			
April 01	Rent A/c	Dr.	5,000	
	To Bank A/c			5,000
	(Rent paid by cheque)			
April 02	Purchases A/c	Dr.	30,000	
	Input IGST A/c	Dr.	3,600	
	To Prabhat			16,800
	To Rajan			8,960
	To Passi			7,840
	(Goods purchased from Prabhat, Rajan and Passi @ 12% IGST)			
April 03	Rakesh	Dr.	19,040	
	Devender	Dr.	28,000	
	To Sales A/c			42,000
	To Output CGST A/c			1,020
	To Output SGST A/c			1,020
	To Output IGST A/c			3,000
	(Sold goods to Rakesh of Gurum @ 6% CGST and SGST, Devender of Delhi @ 12% IGST)			
April 04	Delivery Van Expenses A/c	Dr.	5,700	
	To Cash A/c			5,700
	(Paid for petrol expenses of Delivery Van)			
April 05	Drawings A/c	Dr.	4,000	
	To Cash A/c			4,000
	(Cash drawn by proprietor)			
April 07	Salaries A/c	Dr.	7,000	
	To Cash A/c			7,000
	(Paid salaries)			
April 09	Cash A/c	Dr.	5,600	
	To Sales A/c			5,000

	To Output CGST A/c			300
	To Output SGST A/c			300
	(Goods Sold for Cash @ 6% CGST and SGST)			
April 11	Sales Return A/c	Dr.	6,000	
	Output CGST A/c	Dr.	300	
	Output SGST A/c	Dr.	300	
	Output IGST A/c	Dr.	120	
	To Rakesh			5,600
	To Devender			1,120
	(Goods returned by Rakesh of Gurugram and Dvender of Delhi; GST reversed)			
April 12	Bank A/c	Dr.	60,000	
	To Hariharan			20,000
	To Rajhans			40,000
	(Received Cheques from Hariharan and Rajhans)			
April 16	Prabhat	Dr.	4,480	
	Rajan	Dr.	1,120	
	To Purchases Return A/c			5,000
	To Input IGST A/c			600
	(Goods returned to Prabhat and Rajan and GST reversed)			
April 20	Jawahar	Dr.	50,000	
	Vikas	Dr.	10,000	
	To Bank A/c			60,000
	(Cheques issued to Jawahar and Vikas)			
April 22	Cheques-in-hand A/c	Dr.	35,000	
	To Hariharan			10,000
	To Rajhans			10,000
	To Rakesh			10,000
	To Devender			5,000
	(Received post dated cheques from Hariharan, Rajhans, Rakesh and Devender dated 25th May, 2018)			
April 24	Bank A/c	Dr.	14,864	
	Interest A/c	Dr.	136	
	To Cheques-in-hand A/c			15,000
	(Rakesh and Devender's Cheque discounted with bank at interest of 10% p.a [15,000 × 10% × (33/365)])			

April 25	Cash A/c	Dr.	21,000	
	Discount A/c	Dr.	880	
	To Devender			21,880
	(Cash Received from Devender and discount allowed)			

Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
April 01	Balance b/d		30,000	April 04	Delivery Van Exp.		5,700
April 25	Devender		21,000	April 05	Drawings		4,000
				April 07	Salaries		7,000
				April 09	Sales		5,000
				April 09	Output CGST		300
				April 09	Output SGST		300
				April 30	Balance c/d		28,700
			51,000				51,000

Bank Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
April 01	Balance b/d		45,000	April 01	Rent		5,000
April 12	Hari Haran		20,000	April 20	Jawahar		50,000
April 12	Rajhans		40,000	April 20	Vikas		10,000
April 22	Hari Haran		10,000	April 30	Balance c/d		74,864
April 22	Rajhans		10,000				
April 24	Cheques in Hand		14,864				
			1,39,864				1,39,864

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
April 30	Balance c/d		3,24,000	April 01	Balance b/d		3,24,000
			3,24,000				3,24,000

Premises Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 01	Balance b/d		2,00,000	2018 April 30	Balance c/d		2,00,000
			2,00,000				2,00,000

Delivery Van Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 01	Balance b/d		50,000	2018 April 30	Balance c/d		50,000
			50,000				50,000

Fixture Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 01	Balance b/d		5,000	2018 April 30	Balance c/d		5,000
			5,000				5,000

Stock Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 01	Balance b/d		75,000	2018 April 30	Balance c/d		75,000
			75,000				75,000

Hariharan

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)

2018 April 01	Balance b/d		30,000	2018 April 12	Bank		20,000
				April 22	Cheques in hand		10,000
			30,000				30,000

Rajhans

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 01	Balance b/d		50,000	2018 April 12	Bank		40,000
				April 22	Bank		10,000
			50,000				50,000

Jawahar

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 20	Bank		50,000	2018 April 01	Balance b/d		1,00,000
April 30	Balance c/d		50,000				
			1,00,000				1,00,000

Vikas

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 20	Bank		10,000	2018 April 01	Balance b/d		45,000
April 30	Balance c/d		35,000				
			45,000				45,000

Telephone Expense Payable Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)

2018 April 30	Balance c/d		4,000	2018 April 01	Balance b/d		4,000
			4,000				4,000

Electricity Expenses Payable Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (Rs)	Date	Particulars	L.F.	Amount (Rs)
2018 April 30	Balance c/d		4,520	2018 April 01	Balance b/d		4,520
			4,520				4,520

Salaries Payable Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 30	Balance c/d		7,000	2018 April 01	Balance b/d		7,000
			7,000				7,000

Output IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 11	Devender		120	2018 April 03	Devender		3,000
April 11	Balance c/d		2,880				3,000
			3,000				

Output CGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 11	Rakesh		300	2018 April 01	Balance b/d		240
April 30	Balance c/d		1,260	April 03	Rakesh		1,020
				April 09	Cash		300

			1,560			1,560

Output SGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 11 April 30	Rakesh Balance b/d		300 1,260	2018 April 01 April 03 April 09	Balance b/d Rakesh Cash		240 1,020 300
			1,560				1,560

Input IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 02	Prabhat Rajan Passi		1,800 960 840	2018 April 16 April 16 April 30	Prabhat Rajan Balance c/d		480 120 3,000
			3,600				3,600

Cheques in hand Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 22 April 22 April 22 April 22	Hariharan Rajhans Rakesh Devender		10,000 10,000 10,000 5,000	2018 April 24 April 24 April 24	Bank Interest Balance c/d		14,864 136 20,000
			35,000				35,000

Dr.				Prabhat				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)				
2018				2018							
April 16	Purchases		4,000	April 02	Purchases		15,000				
16	Return		480	April 02	Input IGST		1,800				
April 16	Input IGST										
16											
April 30	Balance c/d		12,320								
			16,800				16,800				

Dr				Rajan				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)				
2018				2018							
April 16	Purchases Return		1,000	April 02	Purchases		8,000				
April 16	Input IGST		120	April 02	Input IGST		960				
				April 02							
April 30	Balance c/d		7,840								
			8,960				8,960				

Dr				Passi				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)				
2018				2018							
April 30	Balance c/d		7,840	April 02	Purchases		7,000				
				April 02	Input IGST		840				
			7,840				7,840				

Rakesh

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 03 April 03 April 03	Sales Output CGST Output SGST		17,000 1,020 1,020	2018 April 11 April 11 April 11 April 22 April 30	Sales Return Output CGST Output SGST Cheques in hand Balance c/d		5,000 300 300 10,000 3,440
			19,040				19,040

Devender

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 03 April 03	Sales Output IGST		25,000 3,000	2018 April 11 April 11 April 22 April 25 April 25	Sales Return Output IGST Cheques in hand Cash Discount		1,000 120 5,000 21,000 880
			28,000				28,000

Interest Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 24	Cheques in hand		136	2018 April 30	Balance c/d		136
			136				136

Discount Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 25	Devender		880	2018 April 30	Balance c/d		880
			880				880

Trial Balance
as on April,30,2018

S. No.	Particulars	DEBIT	CREDIT
1.	Cash A/c	12,656	
2.	Bank A/c	42,580	
3.	Stock A/c	15,000	
4.	Furniture A/c	4,500	
5.	Poonam	6,320	
6.	Sonu	16,720	
7.	Ashok		16,800
8.	Pankaj		27,100
9.	Capital A/c		76,500
10.	Purchases A/c	20,000	
11.	Discount Received A/c		500
12.	Sales A/c		17,000
13.	Stationery A/c	1,200	
14.	Telephone Bill A/c	3,500	
15.	Salaries A/c	6,000	
16.	Discount Allowed A/c	1,500	
17.	Input IGST A/c	3,800	
18.	Input CGST A/c	582	
19.	Input SGST A/c	5,582	
20.	Output IGST A/c		2,040
		1,39,940	1,39,940

Answer 9:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2018 Apr.01	Cash A/c	Dr.	20,000	
	Bank A/c	Dr.	35,000	
	Stock A/c	Dr.	15,000	
	Furniture A/c	Dr.	4,500	
	Poonam	Dr.	20,000	
	Sonu	Dr.	10,000	
	Input SGST	Dr.	5,000	
	Input IGST	Dr.	2,000	
	To Ashok			13,500
	To Pankaj			21,500

	To Capital A/c (Opening entry made)			76,500
Apr.04	Purchases A/c	Dr.	5,000	
	Input CGST A/c	Dr.	300	
	Input SGST A/c	Dr.	300	
	To Pankaj (Goods purchased from Pankaj on credit plus 6% Intra State GST)			5,600
Apr.07	Ashok	Dr.	13,500	
	To Bank A/c			13,000
	To Discount Received A/c (Payment made to Ashok)			500
Apr.10	Poonam	Dr.	12,320	
	To Sales A/c			11,000
	To Output IGST A/c (Goods sold to Poonam on credit plus 12% inter state GST)			1,320
Apr.12	Purchases A/c	Dr.	15,000	
	Input IGST A/c	Dr.	1,800	
	To Ashok (Goods purchased from Ashok on Credit plus 12% inter state GST)			16,800
Apr.15	Sonu	Dr.	6,720	
	To Sales A/c			6,000
	To Output IGST A/c (Goods sold to Sonu on credit plus 12% inter state GST)			720
Apr.18	Bank A/c	Dr.	24,500	
	Discount Allowed A/c	Dr.	1,500	
	To Poonam (Payment received from Poonam)			26,000
Apr.25	Stationery A/c	Dr.	1,200	
	Input CGST A/c	Dr.	72	
	Input SGST A/c	Dr.	72	
	To Cash A/c (Stationery purchased in cash plus 6% intra state GST)			1,344
Apr.27	Telephone Bill A/c	Dr.	3,500	
	Input CGST A/c	Dr.	210	
	Input SGST A/c	Dr.	210	
	To Bank A/c (Rent paid by cheque plus 6% intra state GST)			3,920

Apr.30	Salaries A/c To Cash A/c (Salaries paid)	Dr.		6,000	6,000
--------	---	-----	--	-------	-------

Ledger

Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.01	Balance b/d		20,000	2018 Apr.25	Stationery A/c		1,200
				Apr.25	Input CGST A/c		72
				Apr.25	Input SGST A/c		72
				Apr.30	Salaries A/c		6,000
				Apr.30	Balance c/d		12,656
			20,000				20,000
May.01	Balance b/d		12,656				

Bank Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.01	Balance b/d		35,000	2018 Apr.07	Ashok		13,000
Apr.18	Poonam		24,500	Apr.27	Telephone Bill A/c		3,500
				Apr.27	Input CGST A/c		210
				Apr.27	Input SGST A/c		210
				Apr.30	Balance c/d		42,580
			59,500				59,500
May.01	Balance b/d		42,580				

Stock Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.01	Balance b/d		15,000	2018 Apr.30	Balance c/d		15,000
			15,000				15,000
May.01	Balance b/d		15,000				

Furniture Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.01	Balance b/d		4,500	2018 Apr.30	Balance c/d		4,500
			4,500				4,500
May.01	Balance b/d		4,500				

Poonam

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.01	Balance b/d		20,000	2018 Apr.18	Bank A/c		24,500
Apr.10	Sales A/c		11,000	Apr.18	Discount Allowed		1,500
Apr.10	Output IGST A/c		1,320	Apr.30	Balance c/d		6,320
			32,320				32,320
May.01	Balance b/d		6,320				

Sonu

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.01	Balance b/d		10,000	2018 Apr.30	Balance c/d		16,720
Apr.15	Sales A/c		6,000				
Apr.15	Output IGST A/c		720				16,720
			16,720				
May.01	Balance b/d		16,720				

Ashok

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.07	Bank A/c		13,000	2018 Apr.01	Balance b/d		13,500
Apr.07	Discount Received		500	Apr.12	Purchases a/c		15,000
Apr.30	Balance c/d		16,800	Apr.12	Input IGST A/c		1,800

			30,300				30,300
				May.01	Balance b/d		16,800

Pankaj

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.30	Balance c/d		27,100	2018 Apr.01	Balance b/d		21,500
				Apr.04	Purchases a/c		5,000
				Apr.04	Input CGST A/c		300
				Apr.04	Input SGST A/c		300
			27,100				27,100
				May.01	Balance b/d		27,100

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.30	Balance c/d		76,500	2018 Apr.01	Balance b/d		76,500
			76,500				76,500
				May.01	Balance b/d		76,500

Purchases Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.04	Pankaj		5,000	2018 Apr.30	Balance c/d		20,000
Apr.12	Ashok		15,000				
			20,000				20,000
May.01	Balance b/d		20,000				

Discount Received Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.30	Balance c/d		500	2018 Apr.07	Ashok		500

			500				500
				May.01	Balance b/d		500

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.30	Balance c/d		17,000	2018 Apr.10	Poonam		11,000
				Apr.15	Sonu		6,000
			17,000				17,000
				May.01	Balance b/d		17,000

Stationery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.25	Cash A/c		1,200	2018 Apr.30	Balance c/d		1,200
			1,200				1,200
May.01	Balance b/d		1,200				

Telephone Bill Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.27	Bank A/c		3,500	2018 Apr.30	Balance c/d		3,500
			3,500				3,500
May.01	Balance b/d		3,500				

Salaries Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.30	Cash A/c		6,000	2018 Apr.30	Balance c/d		6,000

May.01	Balance b/d	6,000	6,000
		6,000	

Discount allowed Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.18	Poonam		1,500	2018 Apr.30	Balance c/d		1,500
			1,500				1,500
May.01	Balance b/d		1,500				

Input IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.01	Balance b/d		2,000	2018			
Apr.12	Ashok		1,800	Apr.30	Balance c/d		3,800
			3,800				3,800
May.01	Balance b/d		3,800				

Input CGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.04	Pankaj		300	2018 Apr.30	Balance c/d		582
Apr.25	Cash A/c		72				
Apr.27	Telephone Bill A/c		210				582
			582				
May.01	Balance b/d		582				

Input SGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.01	Balance b/d		5,000	2018			
Apr.04	Pankaj		300	Apr.30	Balance c/d		5,582

Apr.25	Cash A/c		72				
Apr.27	Telephone Bill A/c		210				
			5,582				5,582
May.01	Balance b/d		5,582				

Output IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Apr.30			2,040	2018 Apr.10	Poonam		1,320
				Apr.15	Sonu		720
			2,040				2,040
				May.01	Balance b/d		2,040

Trial Balance as on April,30,2018

S. No.	Particulars	DEBIT	CREDIT
1.	Cash A/c	12,656	
2.	Bank A/c	42,580	
3.	Stock A/c	15,000	
4.	Furniture A/c	4,500	
5.	Poonam	6,320	
6.	Sonu	16,720	
7.	Ashok		16,800
8.	Pankaj		27,100
9.	Capital A/c		76,500
10.	Purchases A/c	20,000	
11.	Discount Received A/c		500
12.	Sales A/c		17,000
13.	Stationery A/c	1,200	
14.	Telephone Bill A/c	3,500	
15.	Salaries A/c	6,000	
16.	Discount Allowed A/c	1,500	
17.	Input IGST A/c	3,800	
18.	Input CGST A/c	582	
19.	Input SGST A/c	5,582	
20.	Output IGST A/c		2,040
		1,39,940	1,39,940

Answer 10:

Books of Ashok, Delhi Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2018 April 01	Cash A/c Dr. To Capital (Started business with Cash)		40,000	40,000
April 02	Bank A/c Dr. To Cash A/c (Deposited into bank)		3,00,000	3,00,000
April 05	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Bank A/c (Bought goods against cheque plus 6% intra state GST)		50,000 3,000 3,000	56,000
April 07	Amit Dr. To Sales To Output IGST A/c (Sold goods to Amit plus 12% inter state GST)		28,000	25,000 3,000
April 09	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c To Parvat (Bought goods from Parvat plus 12% inter state GST)		51,000 3,060 3,060	57,120
April 12	Bank A/c Dr. Discount Allowed A/c Dr. To Amit (Cheque received from Amit and discount allowed)		19,500 500	20,000
April 13	Parvat Dr. To Bank A/c To Discount Received		40,000	39,000 1,000

	(Issued cheque to Parvat and discount received)			
April 16	Drawings A/c Dr.		10,000	
	To Cash A/c (Cash drawn for personal use)			10,000
April 17	Bank A/c Dr.		5,000	
	To Amit (Received cash from Amit and deposited into bank)			5,000
April 25	Rent A/c Dr.		9,000	
	Input CGST A/c Dr.		540	
	Input SGST A/c Dr.		540	
	To Bank A/c (Paid rent by cheque plus 6% inter state GST)			10,080
April 29	Romy Dr.		53,760	
	To Sales A/c			48,000
	To Output CGST A/c			2,880
	To Output SGST A/c (Goods sold to Romy plus 6% intra state GST)			2,880

Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
Apr01	Capital		40,000	Apr 02	Bank		3,00,000
Apr12	Amit		1,950	Apr 07	Purchases		5,000
Apr14	Sales		2,750	Apr 13	Parvat		3,900
				Apr 16	Drawings		1,000
				Apr 20	Sundry Trade Expenses		250
				Apr 25	Rent		450
				Apr 28	Dinesh		2,300
				Apr 30	Carriage		50
				Apr 30	Balance c/d		1,750
			44,700				44,700

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 30	Balance c/d		40,000	2018 April 01	Cash		40,000
			40,000				40,000

Purchases Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 05	Bank		50,000	2018			
April 09	Parvat		51,000				
April 28	Dinesh		2,350	April 30	Balance c/d		12,450
			12,450				12,450

Bank Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 02	Cash		3,00,000	2018 April 05	Purchases		50,000
				April 05	Input CGST		3,000
				April 05	Input SGST		3,000
April 17	Amit		500	April 30	Balance c/d		30,500
			30,500				30,500

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018 April 07	Amit		25,000
April 30	Balance c/d		10,000	April 14	Cash		2,750
			10,000	April 29	Romy		4,750
							10,000

Amit

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 07	Sales		25,000	2018 April 12	Cash		1,950
April 07	Output IGST		3,000	April 17	Discount Allowed		50
					Bank		500
			28,000				2,500

Parvat

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 13	Cash		3,900	2018 April 09	Purchases		51,000
	Discount Received		100	April 09	Input CGST		3,060
April 30	Balance c/d		1,100	April 09	Input SGST		3,060

Discount Allowed Account

Dr				Cr			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 12	Amit		50	2018 April 30	Balance c/d		50
			50				50

Discount Received Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
April 30	Balance c/d		150	April 13	Parvat		100
				April 28	Dinesh		50

			150			150

Dinesh

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 28	Cash		2,300	2018 April 15	Purchases		2,350
	Discount Received		50				
			2,350				2,350

Drawings Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 16	Cash		1,000	2018 April 30	Balance c/d		1,000
			1,000				1,000

Sundry Trade Expenses Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 20	Cash		250	2018 April 30	Balance c/d		250
			250				250

Rent Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 25	Cash		450	2018 April 30	Balance c/d		450
			450				450

Romy

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 29	Sales		4,750	2018 April 30	Balance c/d		4,750
			4,750				4,750

Carriage Account

Dr				Cr			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 30	Cash		50	2018 April 30	Balance c/d		50
			50				50

Output IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018 April 07	Amit		3,000

Output CGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 16	Cash		1,000	2018 April 30	Balance c/d		1,000
			1,000				1,000

Output SGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 20	Cash		250	2018 April 30	Balance c/d		250
			250				250

Input IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 25	Cash		450	2018 April 30	Balance c/d		450
			450				450

Input CGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 05 April 09 April 09	Bank Parvat		3,000 3,060	2018 April 30	 Balance c/d		

Input SGST Account

Dr				Cr			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 05 April 09	Bank Parvat		3,000 3,060	2018 April 30	Balance c/d		

Trial Balance
as on April 30, 2018

Accountt Title	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
Cash		1,750	
Capital			40,000
Purchases		12,450	
Bank		30,500	
Sales			10,000
Parvat			1,100
Discount Allowed		50	
Discount Received			150
Drawings		1,000	
Sundry Trade Expenses		250	
Rent		450	
Romy		4,750	
Carriage		50	
		51,250	51,250

Answer 11:

Books of S.K. Gupta
Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2017 April 01	Cash A/c Dr. Bank A/c Dr. To Capital A/c (Commenced business with cash and bank)		40,000 60,000	1,00,000
April 02	Furniture and Fittings A/c Dr. To Cash A/c (Bought Furniture and Fittings)		20,000	20,000
April 05	Purchases A/c Dr. To Cash A/c (Bought goods in cash)		16,000	16,000
April 08	Purchase A/c Dr. To Ramesh (Bought goods from Ramesh)		1,100	1,100
April 12	Sameer Dr.		2,100	

	To Sales A/c (Sold goods to Sameer)			2,100
April 13	Stationery A/c To Cash A/c (Bought stationery for cash)	Dr.	1,800	1,800
April 13	Ramesh A/c To Cash A/c To Discount Received A/c (Paid to Ramesh and discount received)	Dr.	1,100	1,000 100
April 17	Cash A/c To Bank A/c (Withdrawn cash for office use)	Dr.	4,000	4,000
April 18	Purchases A/c To Sen (Bought goods from Sen)	Dr.	3,000	3,000
April 19	Cash A/c Discount Allowed A/c To Sameer (Cash received from Sammer and discount allowed)	Dr. Dr.	2,000 100	2,100
April 20	Raj Banwari To Sales A/c (Sold to Raj Banwari)	Dr.	4,000	4,000
April 28	Cash A/c To Sales A/c (Sold goods for cash)	Dr.	1,400	1,400
April 30	Salary A/c Rent A/c General Trade Expenses A/c To Cash A/c (Paid salary, rent and general trade expenses)	Dr. Dr. Dr.	800 500 200	1,500
April 30	Bank A/c To Cash A/c (Paid cash into bank)	Dr.	2,000	2,000

Furniture and Fitting Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017				2017			

April 02	Cash		20,000	April 30	Balance c/d		20,000
			20,000				20,000

Purchases Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017				2017			
April 05	Cash		16,000				
April 08	Ramesh		1,100				
April 18	Sen		3,000	April 30	Balance c/d		20,100
			20,100				20,100

Ramesh

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017				2017			
April 13	Cash		1,000	April 08	Purchases		1,100
April 04	Discount Received		100				
			1,100				1,100

Sameer

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017				2017			
April 12	Sales		2,100	April 19	Cash		2,000
					Discount Allowed		100
			2,100				2,100

Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017				2017			
April 01	Capital		40,000	April 02	Furniture and fitting		20,000
April 17	Bank		4,000	April 05	Purchases		16,000

April 19	Sameer		2,000	April 13	Stationery		1,800
April 28	Sales		1,400	April 13	Ramesh		1,000
				April 30	Salary		800
				April 30	Rent		500
				April 30	General Trade Expenses		200
				April 30	Bank		2,000
				April 30	Balance c/d		5,100
			47,400				47,400

Bank Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 April 01	Capital		60,000	2017 April 17	Cash		4,000
April 30	Cash		2,000	April 30	Balance c/d		58,000
			62,000				62,000

Capital Account

Dr				Cr			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 April 30	Balance c/d		1,00,000	2017 April 01	Cash		60,000
			1,00,000		Bank		40,000
							1,00,000

Raj Banwari

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 April 20	Sales		4,000	2017 April 30	Balance c/d		4,000
			4,000				4,000

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 April 30	Balance c/d		7,500	2017 April 12	Sameer		2,100
				April 20	Raj Banwari		4,000
				April 28	Cash		1,400
			7,500				7,500

Salary Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 April 30	Cash		800	2017 April 30	Balance c/d		800
			800				800

Rent Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 April 30	Cash		500	2017 April 30	Balance c/d		500
			500				500

Stationery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 April 13	Cash		1,800	2017 April 30	Balance c/d		1,800
			1,800				1,800

Discount Received Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)

2017 April 30	Balance c/d		100	2017 April 13	Ramesh		100
			100				100

Sen

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 April 30	Balance c/d		3,000	2017 April 18	Purchases		3,000
			3,000				3,000

Discount Allowed Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 April 19	Sameer		100	2017 April 30	Balance c/d		100
			100				100

General Trade Expenses Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 April 30	Cash		200	2017 April 30	Balance c/d		200
			200				200

Trial Balance

S. No.	Account Title	J.F.	Debit Amount (Rs)	Credit Amount (Rs)
1	Cash		5,100	1,00,000
2	Bank		58,000	
3	Capital			
4	Furniture and Fittings		20,000	
5	Purchases		20,100	
6	Raj Banwari		4,000	

7	Sales		7,500
8	Salary	800	
9	Rent	500	
10	Stationery	1,800	
11	Discount Received		100
12	Sen		3,000
13	Discount Allowed	100	
14	General Trade Expenses	200	
		1,10,600	1,10,600

Answer 12:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
	Cash A/c Dr.		15,000	
	Bank A/c Dr.		55,000	
	Stock A/c Dr.		28,000	
	Debtors A/c Dr.		25,000	
	Computer and Printer A/c Dr.		50,000	
	Furniture A/c Dr.		10,000	
	Delivery Van A/c Dr.		25,000	
	To Bank Loan A/c			90,000
	To Creditors A/c			20,000
	To Bills payable A/c			10,000
	To Capital A/c			88,000
	(Opening entry made)			
(i)	Purchases A/c Dr.		9,000	
	To Bank A/c			8,820
	To Discount Received A/c			180
	(Goods purchased by cheque)			
(ii)	Bank A/c Dr.		9,800	
	Discount Allowed A/c Dr.		200	
	To Debtors A/c			10,000
	(Payment received from Abhay)			
(iii)	Bank A/c Dr.		10,000	
	To Debtors A/c			10,000
	(Payment received from Alok)			

(iv)	Bank A/c	Dr.	3,750	
	Bad Debts A/c	Dr.	1,250	
	To Debtors A/c			5,000
	(Only 75% of the claim received from Sunil)			
(v)	Charity A/c	Dr.	1,000	
	To Purchases A/c			1,000
	(Goods given in charity)			
(vi)	Drawings A/c	Dr.	500	
	To Purchases A/c			500
	(Goods given in personal affairs)			
(vii)	Salary A/c	Dr.	15,000	
	To Cash A/c			15,000
	(Salaries paid for the month of March)			
(viii)	Cash A/c	Dr.	5,000	
	To Bad Debts Recovered A/c			5,000
	(Bad debts recovered)			
(ix)	Purchases A/c	Dr.	10,00,000	
	To Cash A/c			1,00,000
	To Creditors A/c			9,00,000
	(Goods purchased on cash and credit)			
(x)	Cash A/c	Dr.	15,00,000	
	Debtors A/c	Dr.	3,00,000	
	To Sales A/c			18,00,000
	(Goods sold on cash and credit)			
(xi)	Creditors A/c	Dr.	8,90,000	
	To Bank A/c			8,90,000
	(Payment made to creditors through cheque)			
(xii)	Bank Loan A/c	Dr.	20,000	
	To Cash A/c			20,000
	(Loan repaid of Rs 20,000)			

Ledger

Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)

Balance b/d	15,000	Purchases	1,00,000
Bad Debts Recovered	5,000	Bank Loan	20,000
Sales A/c	15,00,000	Salary	15,000
		Balance c/d	13,85,000
	15,20,000		15,20,000
Balance b/d	15,20,000		

Bank Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Balance b/d		55,000		Purchases		8,820
	Debtors		9,800		Creditors		8,90,000
	Debtors		10,000				
	Debtors		3,750				
	Balance c/d		8,20,270				
			8,98,820				8,98,820
					Balance b/d		8,20,270

Stock Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Balance b/d		28,000		Balance c/d		28,000
			28,000				28,000
	Balance b/d		28,000				

Debtors Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Balance b/d		25,000		Bank		9,800
	Sales		3,00,000		Discount Allowed		200
					Bank		10,000
					Bank		3,750
					Bad debts		1,250
					Balance c/d		3,00,000

			3,25,000				3,25,000
	Balance b/d		3,00,000				

Computer and Printer Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Balance b/d		50,000		Balance c/d		50,000
			50,000				50,000
	Balance b/d		50,000				

Furniture Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Balance b/d		10,000		Balance c/d		10,000
			10,000				10,000
	Balance b/d		10,000				

Delivery Van Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Balance b/d		25,000		Balance c/d		25,000
			25,000				25,000
	Balance b/d		25,000				

Bank Loan Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Cash		20,000		Balance b/d		90,000
	Balance c/d		70,000				

			90,000				90,000
				Balance b/d			20,000

Creditors Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Bank		8,90,000		Balance b/d		20,000
	Balance c/d		30,000		Purchases		9,00,000
			9,20,000				9,20,000
					Balance b/d		30,000

Bills Payable Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Balance c/d		10,000		Balance b/d		10,000
			10,000				10,000
					Balance b/d		10,000

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Balance c/d		88,000		Balance b/d		88,000
			88,000				88,000
					Balance b/d		88,000

Salary Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Cash A/c		15,000		Balance c/d		15,000

			15,000				15,000
	Balance b/d		15,000				

Purchases Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Bank		8,820		Charity		1,000
	Discount Received		180		Drawings		500
	Cash		1,00,000		Balance c/d		10,07,500
	Creditors		9,00,000				
			10,09,000				10,09,000
	Balance b/d		10,07,500				

Discount Received Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Balance c/d		180		Purchases		180
			180				180
					Balance b/d		

Discount Allowed Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Debtors		200		Balance c/d		200
			200				200
	Balance b/d		200				

Bad Debts Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)

	Debtors		1,250		Balance c/d		1,250
			1,250				1,250
	Balance b/d		1,250				

Charity Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Purchases		1,000		Balance c/d		1,000
			1,000				1,000
	Balance b/d		1,000				

Drawings Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Purchases		500		Balance c/d		500
			500				500
	Balance b/d		500				

Bad Debts Recovered Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Balance c/d		5,000		Cash		5,000
			5,000				5,000
					Balance b/d		5,000

Sales Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
	Balance c/d		18,00,000		Cash		15,00,000

				Debtors	3,00,000
			18,00,000		18,00,000
				Balance b/d	18,00,000

Chapter 3. Special Purpose Books I- Cash Book

Answer 1:

Cash Book

Dr.				Cr.			
Date	Particulars	L.F.	Cash (₹)	Date	Particulars	L.F.	Cash (₹)
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

Answer 2:

Books of Mr. Ram Gopal of Delhi

Cash Book

Dr.

Cr.

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

Answer 3:

Cash Book

Dr.

Cr.

Date	Particulars	L.F.	Cash (₹)	Date	Particulars	L.F.	Cash (₹)
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

Answer 4:

Books of Ganesh Lal

Cash Book

Dr.

Cr.

Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2018				2018			
Mar.01	Capital		65,000	Mar.03	Purchases		6,850
Mar.09	Sales		30,000	Mar.03	Input CGST		411
Mar.09	Output CGST		1,800	Mar.03	Input SGST		411
Mar.09	Output CGST		1,800	Mar.04	Mr. Mohan		950

Mar.15	Sales	25,000	Mar.06	Bank	40,000
Mar.15	Output CGST	1,500	Mar.06	Office Furniture	4,650
Mar.15	Output CGST	1,500	Mar.06	Input CGST	279
Mar.19	Mr. Trilok Chand	4,850	Mar.06	Input SGST	279
			Mar.12	Wages	1,200
			Mar.13	Stationery	400
			Mar.13	Input CGST	24
			Mar.13	Input SGST	24
			Mar.17	Miscellaneous Expenses	450
			Mar.22	Purchases	2,500
			Mar.22	Input CGST	150
			Mar.22	Input SGST	150
			Mar.22	Salary	4,000
			Mar.25	Rent	900
			Mar.25	Input CGST	54
			Mar.25	Input SGST	54
			Mar.28	Electricity Bill	350
			Mar.29	Advertising	400

				Mar.29	Input CGST		24
				Mar.29	Input SGST		24
				Mar.31	Bank		25,000
				Mar.31	Balance c/d		41,916
			1,31,450				1,31,450

Answer 5:

Cash Book

Dr.

Cr.

Date	Particulars	L.F.	Cash (₹)	Date	Particulars	L.F.	Cash (₹)
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
				Apr 17	Office Expenses A/c		500
				Apr 18	Raman A/c		900
				Apr 19	Electricity Charges A/c		100
				Apr 30	Bank A/c		22,040
				Apr 30	Balance c/d		2,000
			1,54,820				1,54,820

Answer 6:

Cash Book

Dr.

Cr.

Date	Particulars	L.F.	Cash (₹)	Bank (₹)	Date	Particulars	L.F.	Cash (₹)	Bank (₹)
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 & 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

Answer 7:

Cash Book

Dr.

Cr.

Date	Particulars	L.F.	Cash (₹)	Bank (₹)	Date	Particulars	L.F.	Cash (₹)	Bank (₹)
2018					2018				
Jun. 01	Balance b/d		800		Jun.01	Balance b/d (Overdraft)			5,700
Jun. 09	Cheques in hand			3,250	Jun.20	Cheques in hand			3,250
Jun. 31	Balance c/d (Overdraft)			5,850	Jun.30	Drawings A/c			150
					Jun.30	Balance c/d		800	
			800	9,100				1,050	9,100

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
Jun.07	Cheque-in-hand A/c	Dr.	3,250	
	To Bharti			3,250

	(Cheque received from Bharti but not deposited the same day)			
Jun.15	Cheques-in-hand A/c	Dr.	1,200	
	To Panna Lal			1,200
	(Received cheque from Panna Lal)			
Jun.28	Kamal	Dr.	1,200	
	To Cheques-in-hand A/c			1,200
	(Cheque received from Panna Lal endorsed in favour of Kamal)			

Answer 8:

Cash Book

Dr.

Cr.

Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)	Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)
2018					2018				
June 01	Balance b/d		5,000	17,500					

June 05	Investment		5,000		June 07	S. Bose		12,500
June 06	Advances A/c			50,000	June 09	Wages A/c	3,000	
June 20	A Mukherji			6,000	June 21	Cash A/c	C	5,000
June 21	Bank A/c	C	5,000		June 29	Office Salaries A/c	4,000	
June 30	Sales A/c			8,000	June 30	Rent A/c		1,000
June 30	Output CGST A/c			480	June 30	Input CGST A/c		60
June 30	Output SGST A/c			480	June 30	Input SGST A/c		60
June 30	Cash A/c	C		7,500	June 30	Bank A/c	C	7,500
					June 30	Balance c/d	500	71,340
			15,000	89,960			6,500	89,960

Answer 9:

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			2,500
Mar. 15	Raj			19,250	Mar. 25	Drawings A/c			1,000
	(Cheques-in-hand)				Mar. 31	Balance c/d		16,700	33,750
Mar. 20	Cheques in hand			5,000					
Mar. 31	Ashok Mitra			5,000					
			28,200	39,250				28,200	39,250

Note: The closing balances of Cash Column and Bank Column are 16,700 and 33,750 respectively. However, according to Text Book the closing balances should be 14,700 and 33,750 respectively.

Journal

Date	Particulars	L.F.	Debit Amount	Credit Amount

			Rs	Rs
Mar. 18	Cheques-in-hand A/c To Deepak (Cheque received from Deepak but not deposited the same day)	Dr.	5,000	5,000
Mar. 30	Ashok Mitra To Sales A/c To Output IGST A/c (Sold goods @ 12% IGST on credit)	Dr.	11,200	10,000 1,200
	Purchases A/c Input IGST A/c To Chander (Goods purchased @ 12% IGST on credit)	Dr. Dr.	20,000 2,400	22,400

Answer 10:

Cash Book

Dr.

Cr.

Date	Particulars	L.F.	Cash (₹)	Bank (₹)	Date	Particulars	L.F.	Cash (₹)	Bank (₹)
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	Ghanshyamdass & Co. A/c		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

Answer 11:

Cash Book

Dr.

Cr.

Date	Particulars	L.F.	Cash (₹)	Bank (₹)	Date	Particulars	L.F.	Cash (₹)	Bank (₹)
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	
Jan 07	Cheques in Hand A/c			60,000	Jan 27	Purchases A/c			27,500
Jan 12	Tripathi & 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
Jan 25	Cheques in Hand A/c			55,000	Jan 28	Warsi A/c			45,000
Jan 25	Cash A/c	C		45,000	Jan 30	Sundry Expenses A/c		50	
Jan 31	Bank A/c	C	40,000		Jan 30	John & Co A/c		37,500	
Jan 31	Commission A/c			50,000	Jan 31	Office Rent A/c			20,000
Jan 31	Output CGST 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
Jan 31	Output CGST 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
								0

Answer 12:

Cash Book

Dr.

Cr.

Date	Particulars	L.F.	Cash (₹)	Bank (₹)	Date	Particulars	L.F.	Cash (₹)	Bank (₹)
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
Apr 02	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	
Apr 09	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 12	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
Apr 14	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

Answer 13:

Cash Book

Dr.

Cr.

Date	Particulars	L.F.	Cash (₹)	Bank (₹)	Date	Particulars	L.F.	Cash (₹)	Bank (₹)

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
			63,140	34,080				63,140

Answer 14:

Dr.

Cr.

Date	Particulars	L.F.	Cash (₹)	Bank (₹)	Date	Particulars	L.F.	Cash (₹)	Bank (₹)
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			2,000
					Mar.11	Input CGST A/c			120
					Mar.11	Input SGST A/c			120
Mar.20	Dinesh			10,700	Mar.14	Drawings A/c			6,000
Mar.23	Mohan		6,850		Mar.15	Cash A/c	C		14,500
Mar.28	Cheque-in-hand A/c			4,500	Mar.24	Stationery		1,000	
					Mar.24	Input CGST A/c		60	
					Mar.24	Input SGST A/c		60	
					Mar.31	Gupta			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 to Watchman		3,000	
				Mar.31	Balance c/d		27,160	4,280
			62,850	50,200			62,850	50,200

Answer 15:

Cash Book

Dr.

Cr.

Date	Particulars	L.F.	Cash (₹)	Bank (₹)	Date	Particulars	L.F.	Cash (₹)	Bank (₹)
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
Apr 02	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
Apr 03	Output CGST A/c			18,000	Apr 10	Bank A/c	C	3,10,000	

[illegible]

Answer 16:

Petty Cash Book

Dr.

Cr.

Receipts	Date	Voucher No	Particulars	Total Payments (₹)	Postage and Telegram (₹)	Stationery (₹)	Conveyance and travelling Expenses (₹)	Carriage (₹)	Sundries (₹)
20,000	2018								
	April 01		Cash						
	April 02		Postage	1,600	1,600				
	April 05		Stationery	1,000		1,000			
	April 08		Advertisement	2,000					2,000
	April 12		Wages	800					800
	April 16		Carriage	600				600	
	April 20		Conveyance	880			880		
	April 25		Travelling Expenses	3,200			3,200		
	April 27		Postage	480	480				
	April 28		Office Cleaning	400					400
	April 29		Telegram	800	800				
	April 30		Legal Charges	190	190				
			Balance c/d	8,050					
20,000				20,000	3,070	1,000	4,080	600	3,200

Answer 18:

Books of Sri R
Petty Cash Book

Dr.

Cr.

Receipts	Date	Voucher No	Particulars	Total Payments (₹)	Postage and Stationery (₹)	Entertainment (₹)	Travelling and Conveyance (₹)	Repairs (₹)	Expenses (₹)
	2017								
1,349	Sep.07		Balance b/d						
3,651	Sep.07		Cash						
	Sep.07		Postage	123	123				
	Sep.07		Stationery	321	321				
	Sep.07		Entertainment	54		54			
	Sep.08		Travelling and Conveyance	126			126		
	Sep.08		Miscellaneous Expenses	11					11
	Sep.08		Entertainment	72		72			
	Sep.09		Repairs	1,567				1,567	
	Sep.10		Postage	174	174				

	Sep.10	Entertainment	127		127			
	Sep.10	Travelling	673			673		
	Sep.11	Stationery	41	41				
	Sep.11	Entertainment	12		12			
	Sep.12	Miscellaneous Expenses	201					201
	Sep.12	Travelling	51			51		
	Sep.12	Postage	483	483				
	Sep.12	Repairs	30				30	
		Balance c/d	934					
5,000			5,000	1,142	265	850	1,597	212
934	Sep.13	Balance b/d						
4,066	Sep.13	Cash						

Answer 19:

Petty Cash Book														
Cash Receipts	Date	Particulars	V No.	Total Amount Paid	Conveyance	Stationery	Wages	Postage & Stamps	Repair	Electricity Bill	Locks Purchased	Input CGST	Input SGST	Misc Exp

15,000	2017																			
	June 04	Cash A/c																		
	June 04	Conveyance A/c	500	500																
	June 04	Wages A/c	1,500				1,500													
	June 05	Bus Fare A/c	200	200																
	June 05	Stationery A/c	1,000			1,000														
	June 05	Input CGST A/c	60												60					
	June 05	Input SGST A/c	60														60			
	June 06	Postage A/c	400						400											
	June 06	Postage A/c	1,000						1,000											
	June 06	Postage A/c	500						500											
	June 07	Repairs A/c	400							400										
	June	Electricity Expenses	1,700									1,700								

	07	A/c												
	June 08	Wages A/c	400			400								
	June 08	Conveyance A/c	500	500										
	June 08	Postage A/c	1,000				1,000							
	June 08	Locks A/c	800						800					
	June 08	Input CGST A/c	48								48			
	June 08	Input SGST A/c	48									48		
	June 08	Stationery A/c	400		400									
	June 08	Input CGST A/c	24								24			
	June 08	Input SGST A/c	24									24		
	June 08	General Expenses A/c	200										200	
		Total Payment	10,764	1,200	1,400	1,900	2,900	400	1,700	800	132	132	200	

	June 30	Balance c/d	4,236										
15,000		Grand Total	15,000										
4,236	July 01	Balance b/d											
10,764	July 01	Cash A/c											

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2017				
June 30	Conveyance A/c Dr.		1,200	
	Stationery A/c Dr.		1,400	
	Wages A/c Dr.		1,900	
	Postage & Stamps A/c Dr.		2,900	
	Repairs A/c Dr.		400	
	Electricity Expenses A/c Dr.		1,700	
	Locks A/c Dr.		800	
	Input CGST A/c Dr.		132	
	Input SGST A/c Dr.		132	
	Miscellaneous Expenses A/c Dr.		200	

	To Petty Cash A/c			10,764
	(Petty expenses charged to petty cash)			

Chapter 4. Special Purpose Books II- Other Books

Answer 1:

Purchases Book

Date	Particulars	Invoice No.	L.F.	Details	Cost	Input CGST	Input SGST	Input IGST	Total
May 01	M/s Chunni Lal Mam Raj, Delhi								
	100 bags of ITC Wheat Atta @ Rs 530 per bag			53,000					
	50 bags of Rice Basmati @ Rs 500 per bag			25,000					
				78,000					
	Less: 10% T.D.			7,800					
				70,200					
	Add: CGST @ 6%			4,212					
	Add: SGST @ 6%			4,212					
				78,624	70,200	4,212	4,212	—	78,624
May 03	M/s Kanodia Oil Mills, Delhi								
	40 tins Oil @ Rs 1,500 per tin			60,000					
	20 tins Banaspati Oil @ Rs 900 per tin			18,000					
				78,000					

May 03	Less: 5% T.D.		3,900					
			74,100					
	Add: CGST @ 6%		4,446					
	Add: SGST @ 6%		4,446					
			82,992	74,100	4,446	4,446	—	82,992
	M/s Gupta Bros., Hapur							
	25 bags gram @ Rs 480 per bag		12,000					
	40 bags Oats @ Rs 25 per bag		1,000					
			13,000					
	Less: 5% T.D.		650					
			12,350					
	Add: IGST @ 12%		1,482					
			13,832	12,350	—	—	1,482	13,832
				1,56,650	8,658	8,658	1,482	1,75,448

Answer 2:**Purchases Book of Verma Bros., Kolkata**

Date	Particulars	Invoice No.	L.F.	Details	Cost	Input CGST	Input SGST	Input IGST	Total
Jan 03	M/s Birla Mills, Kolkata								
	100 pieces long cloth @ Rs 800 each			80,000					
	50 pieces shirting @ Rs 500 each			25,000					
				1,05,000					
	Add: CGST @ 6%			6,300					
	Add: SGST @ 6%			6,300					
				1,17,600	1,05,000	6,300	6,300	–	1,17,600
Jan 15	M/s Arvind Mills, Ahmedabad								
	20 pieces coating @ Rs.2,000 each			40,000					
	10 pieces shirting @ Rs.500 each			5,000					
				45,000					
	Add: IGST @ 12%			5,400					
				50,400	45,000	-	-	5,400	50,400
Jan 31					1,50,000	6,300	6,300	5,400	1,68,000

Answer 3:**Purchases Book of Kamal, Guwahati**

Date	Particulars	Invoice No.	L.F.	Details	Cost	Input CGST	Input SGST	Input IGST	Freight Charges	Total
2018 April 01	Videocon India Ltd., Kolkata 30 Color T.Vs. @ Rs.15,000 each <i>Less: 10% T.D.</i> <i>Add:IGST @ 12%</i> <i>Add:Freight Charges</i>			4,50,000 45,000 4,05,000 48,600 2,000 4,55,600	4,05,000	—	—	48,600	2,000	4,55,600
April 15	Sony India Ltd., Guwahati 10 Color T.Vs. @ Rs.20,000 each <i>Less: 10% T.D.</i> <i>Add: CGST @ 6%</i> <i>Add: SGST @ 6%</i>			2,00,000 20,000 1,80,000 10,800 10,800 2,01,600	1,80,000	10,800	10,800	—	—	2,01,600
April 20	Music India Ltd., Delhi									

	10 Music Systems @ Rs.10,000 each		1,00,000						
	Less: 15% T.D.		15,000						
			85,000						
	Add: IGST @ 12%		10,200						
			95,200	85,000	–	–	10,200		95,200
April 30	Videocon India Ltd., Kolkata								
	5 Washing Machines @ 15,000 each		75,000						
	Less: 20% T.D.		15,000						
			60,000						
	Add: IGST @ 12%		7,200						
April 30	Add: Freight Charges		1,000						
			68,200	60,000		–	7,200	1,000	68,200
				7,30,000	10,800	10,800	66,000	3,000	8,20,600

Purchases Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018							
April 30	Sundries of Purchases as per Purchases Book for the month of April		7,30,000				

Soni India Ltd.

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				April 15	Purchases		1,80,000
				April 15	Input CGST		10,800
				April 15	Input SGST		10,800

Music India Ltd.

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				April 20	Purchases		85,000
				April 20	Input IGST		10,200

Input IGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2017			
				April 01	Videocon India Ltd.		48,600
				April 20	Music India Ltd.		10,200

				April 30	Videocon India Ltd.		7,200
--	--	--	--	----------	---------------------	--	-------

Input CGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				April 15	Sony India Ltd.		10,800

Input SGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				April 15	Sony India Ltd.		10,800

Input IGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2017			
				April 01	Videocon India Ltd.		48,600
				April 20	Music India Ltd.		10,200

				April 30	Videocon India Ltd.		7,200
--	--	--	--	----------	---------------------	--	-------

Answer 4:

Books of M/s. B. K. Gupta, Kolkata

Purchases Books

Date	Particulars	L.F.	Details (₹)	Cost (₹)	Input IGST (₹)	Input CGST (₹)	Input SGST (₹)	Packing and Other Charges (₹)	Total (₹)
2018									
April 08	Subodh BrotheRs, Delhi								
	5 chests of tea @ Rs 7,000 per chest		35,000						
	Less: 10% Trade Discount		(3,500)						
			31,500						
	Add: 12% IGST		3,780						
	Add: Packing and Other Charges		500						
			35,780	31,500	3,780	-	-	500	35,780
April 20	Siliguri Tea Agency, Siliguri								
	15 Boxes Tea @ Rs 600 per Box		9,000						
	Less: 10% Trade Discount		(900)						
			8,100						

April 30	Add: 6% SGST		486						
	Add: 6% CGST		486						
	Add: Packing and Other Charges		00050						
			9,122	8,100	-	486	486	50	9,122
				39,600	3,780	486	486	550	44,902

Purchases Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 April 30	Sundries of Purchases as per Purchases Book for the month of April		39,600				

Packing and Other Charges Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018							

April 08	Subodh BrotheRs		500				
April 20	Siliguri Tea Agency		50				

Subodh Brothers

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				April 08	Purchases		31,500
				April 08	Input IGST		3,780
				April 08	Freight and Other Charges		500

Siliguri Tea Agency

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				April 20	Purchases		8,100
				April 20	Input CGST		486
				April 20	Input SGST		486
				April 20	Freight and Other Charges		50

Input IGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 April 08	Subodh Brothers		3,780				

Input CGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 April 20	Siliguri Tea Agency		486				

Input SGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 April 20	Siliguri Tea Agency		486				

Answer 5:**Sales Book of Hema Traders, Kolkata**

Date	Particulars	Invoice No.	L.F.	Details (Rs)	Sales Value (Rs)	Output IGST (Rs)	Output CGST (Rs)	Output SGST (Rs)	Total (Rs)
2018									
April 01	M/s Gupta Furniture House, Delhi								
	100 Chairs@ Rs 1,500 per chair			1,50,000					
	40 Tables @ Rs 2,000per table			80,000					
				2,30,000					
	Less: 5% Trade Discount			(11,500)					
				2,18,500					
	Add: 12% IGST			26,220					
				2,44,720	2,18,500	26,220	-	-	2,44,720
April 10	M/s. Ajit Singh & Sons, Kolkata								
	150 Desks @ Rs 1,000 per desk			1,50,000					
	160 Chairs @ Rs 1,500 per chair.			2,40,000					
				3,90,000					
	Less: 5% Trade Discount			(19,500)					
				3,70,500					

April 15	Add: 6% CGST			22,230					
	6% SGST			<u>22,230</u>					
				<u>4,14,960</u>	3,70,500	-	22,230	22,230	4,14,960
	M/s. Ideal Furniture House, Darjeeling								
	10 Sofa sets @ Rs 75,000 each			7,50,000					
	5 Almirahs @ each Rs 3,000 each			15,000					
	25 Office Tables @ Rs 4,000 each			1,00,000					
				8,65,000					
	Less: 10% Trade Discount			<u>(86,500)</u>					
				7,78,500					
April 30	Add: 6% CGST			46,710					
	6% SGST			<u>46,710</u>					
				8,71,920	7,78,500		46,710	46,710	8,71,920
					13,67,500	26,220	68,940	68,940	15,31,600

Sales Account

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
				2018 April 30	Sundries as per the Sales Book		13,67,500

M/s. Gupta Furniture House, Delhi

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018							
April 01	Sales		2,18,500				
April 01	Output IGST		26,220				

M/s. Ajit Singh & Sons, Kolkata

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018							
April 10	Sales		3,70,500				
April 10	Output CGST		22,230				
April 10	Output SGST		22,230				

M/s. Ideal Furniture House, Darjeeling

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018							
April 15	Sales		7,78,500				
April 15	Output CGST		46,710				
April 15	Output SGST		46,710				

Output IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			

				April 01	M/s Gupta Furniture House		26,220
--	--	--	--	----------	---------------------------	--	--------

Output CGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				April 10	M/s. Ajit Singh & Sons		22,230
				April 15	M/s. Ideal Furniture House		46,710

Output SGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				April 10	M/s. Ajit Singh & Sons		22,230
				April 15	M/s. Ideal Furniture House		46,710

Answer 6:

Books of M/s. B. K. Gupta, Kolkata

Purchases Books

Date	Particulars	Invoice No.	L.F.	Details (₹)	Sale Value (₹)	Output IGST (₹)	Output CGST (₹)	Output SGST (₹)	Total (₹)
2018									
July 01	M/s Stationery Mart, Delhi 10 reams white paper @ Rs.300 per ream Add: 6% CGST 6% SGST			3,000 180 180 <u>3,360</u>	3,000	-	180	180	3,360
July 02	M/s Puran Chand & Company, Chandigarh 6 dozens of pens @ Rs.200 per dozen Add: 12% IGST			1,200 144 <u>1,344</u>	1,200	144	-	-	1,344
July 25	M/s Rahim & Co., Varanasi 10 Drawing Boards @ Rs.500 per piece Add: 12% IGST			5,000 <u>600</u>					

July 30	M/s Kay Cee & Co., Delhi			5,600	5,000	600	-	-	5,600
	4 Portable Study Tables @ Rs.5,000 per table			20,000					
	Add: 6% CGST			1,200					
	6% SGST			1,200					
				22,400	20,000	-	1,200	1,200	22,400
July 31					29,200	744	1,380	1,380	32,704

Sales Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				July 31	Sundries of Sales as per Sales Book for the month of July		29,200

M/s Stationery Mart, Delhi

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018							
July 01	Sales		3,000				
July 01	Output CGST		180				
July 01	Output SGST		180				

M/s Puran Chand & Co., Chandigarh

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018							
July 02	Sales		1,200				
July 02	Output IGST		144				

M/s Rahim & Co., Varanasi

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018							

July 20	Sales		5,000				
July 20	Output IGST		600				

Output IGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				July 02	M/s Puran Chand & Co., Chandigarh		144
				July 20	M/s Rahim & Co., Varanasi		600

Output CGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				July 01	M/s Stationery Mart, Delhi		180
				July 30	M/s Kay Cee & Co., Delhi		1,200

Output SGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				July 01	M/s Stationery Mart, Delhi		180
				July 01	M/s Kay Cee & Co., Delhi		1,200

M/s Kay Cee & Co., Delhi

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018							
July 30	Sales		20,000				
July 30	Output CGST		1,200				
July 30	Output SGST		1,200				

Answer 7:

2018								
Jan.05	Hari & Co., Kolkata							
		20 Chairs@ Rs 1,000 per chair	20,000					
		10 Tables @ Rs 1,100 per table	11,000					
			31,000					
		Add: 6% CGST	1,860					
		6% SGST	1,860					
			<u>34,720</u>	31,000	-	1,860	1,860	34,720
Jan.10	M/s. Sharma & Co., Delhi							
		5 Almirahas @ Rs. 5,000 each	25,000					
		5 Stools @ Rs. 1,000 each	5,000					
			30,000					
		Add: 12% IGST	<u>3,600</u>					
			<u>33,600</u>	30,000	3,600	-	-	33,600
Jan. 25	M/s. Sohan Lal & Brothers, Kolkata							
		5 Tables @ Rs 2,500 each	12,500					
		1 Revolving Chair @ Rs. 5,000 each	<u>5,000</u>					
			17,500					
		Add: 6% CGST	1,050					

Jan 31	6% SGST			<u>1,050</u>				
				19,600	17,500	-	1,050	19,600
					78,500	3,600	2,910	87,920

Sales Account

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
				2018 Jan 31	Sundries as per the Sales Book		78,500

Hari & Co., Kolkata

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Jan 05	Sales		31,000				
Jan 05	Output CGST		1,860				
Jan 05	Output SGST		1,860				

M/s. Sharma & Co. , Delhi

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Jan 10	Sales		30,000				

Jan 10	Output IGST		3,600				
--------	-------------	--	-------	--	--	--	--

M/s. Sohan Lal & Brothers, Kolkata

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 Jan 25	Sales		17,500				
Jan 25	Output CGST		1,050				
Jan 25	Output SGST		1,050				

Output IGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018 Jan 10	M/sSharma & Co.		3,600

Output CGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				Jan 05	M/s. Hari & Co.		1,860
				Jan 25	M/s. Sohan Lal Brothres		1,050

Output SGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				Jan 05	M/s. Hari & Co.		1,860
				Jan 25	M/s. Sohan Lal Brothres		1,050

Answer 8:

Purchases Book of Rahul, Bengaluru

Date	Particulars	Invoice No.	L.F.	Details	Cost	Input IGST	Total
2018							
Jan. 01	M/s Uma Dutt, Mumbai						
	1,000 Registers @ Rs. 80 each			80,00 0			
	50 Reams Paper@ Rs. 250per ream			12,50 0			
				92,50 0			
	Less: 10% T.D.			23,12 5			
				69,37 5			
	Add: IGST @ 5%			3,469			
				72,84 4	69,375	3,469	72,844
Jan. 08	BILT, Delhi						
	100 Reams Ruled Paper @ Rs. 600 per ream			60,00 0			

Jan. 25	Less: 15% T.D.			9,000			
				51,000			
	Add: IGST @ 5%			2,550			
				53,550	51,000	2,550	53,550
	Hari Ram, Delhi						
	1,000 Pens @ Rs. 10 each			10,000			
	Less: 15% T.D.			1,500			
				8,500			
	Add: IGST @ 5%			425			
Jan. 31				8,925	8,500	425	8,925
					1,28,875	6,444	1,35,319

Sales Book of Rahul, Bengaluru

Date	Particulars	Invoice No.	L.F.	Details (Rs)	Sales Value (Rs)	Output IGST (Rs)	Output CGST (Rs)	Output SGST (Rs)	Total (Rs)
2018									

Jan. 02	Shri Dayal, Bengalur								
	250 Registers @ Rs. 85 each			21,250					
	5 Reams Paper @ Rs. 300 per ream			1,500					
				22,750					
	Add: 2.5% CGST			569					
	2.5% SGST			569					
				<u>23,888</u>	22,750	-	569	569	23,888
Jan. 12	M/s.Gupta Bros., Delhi								
	250 Registers @ Rs. 85 each			21,250					
	50 Reams Ruled Paper @ Rs. 700 per ream			35,000					
				56,250					
	Less: 5% Trade Discount			(2,812)					
				53,438					
	Add: 5% IGST			<u>2,672</u>					
				<u>56,110</u>	53,438	2,672	-	-	56,110
Jan. 18	Ram Saran Das								
	20 copies Double Entry Book Keeping @ Rs. 85 each			1,700					
					1,700	-	-	-	1,700

Jan. 31	Rishi Kumar, Bengaluru								
	300 Registers @ Rs. 90 each			27,00					
				0					
	50 Reams Ruled Paper @ Rs. 700 per ream			35,00					
				0					
	20 Reams Paper @ Rs. 300 per ream			<u>6,000</u>					
				68,00					
				0					
	Less: 10% Trade Discount			<u>6,800</u>					
				61,20					
				0					
	Add: 2.5% CGST			1,530					
	2.5% SGST			<u>1,530</u>					
				64,26	61,200	-	1,530	1,530	64,260
				0					
Jan. 31					1,39,088	2,672	2,099	2,099	1,45,958

Answer 9:

Books of Aruna Stores
Purchases Return Book

Date	Particulars	Debit Note No	L.F.	Details (Rs)	Cost (Rs)	Input CGST (Rs.)	Input CGST (Rs.)	Input IGST (Rs.)	Total (Rs.)
2018									
Jan.10	Sohan & Sons, Kolkata								
	10 Rohtas Fan 36" @ 1,250 each			12,500					
	Less: 10% Trade Discount			(1,250)					
				11,250					
	Add: 6% CGST			675					
	6% SGST			675					
				12,600	11,250	675	675	-	12,600
Jan.25	Ram & Co.								
	25 Tubelights @ Rs. 200 each			5,000					
	Add: 12% IGST			600					
				5,600	5,000	-	-	600	5,600
Jan. 31					16,250	675	675	600	18,200

Answer 10:

Books of Kamla Stores Purchases Return Book

Date	Particulars	Debit Note No	L.F.	Details (Rs)	Cost (Rs.)	Input CGST (Rs.)	Input SGST (Rs.)	Input IGST (Rs.)	Total (Rs.)
2018									
April 06	Ramesh Brothers, Delhi			5,000					
	Add: 6% CGST			300					
	6% SGST			<u>300</u>					
				<u>5,600</u>	5,000	300	300	-	5,600
April 08	Sohan Brothers, Meerut			10,000					
	Add: 12% IGST			<u>1,200</u>					
				<u>11,200</u>	10,000	-	-	1,200	11,200
April 17	Mahesh Brothers			2,000					
	Add: 6% CGST			120					
	6% SGST			<u>120</u>					
				<u>2,240</u>	2,000	120	120	-	2,240
April 30					17,000	420	420	1,200	19,040

Answer 11:

Sales Return Book of Shiv Shankar, Delhi

Date	Particulars	Credit Note No.	L.F.	Details (Rs)	Sales Value (Rs)	Output CGST (Rs.)	Output SGST (Rs.)	Output IGST (Rs.)	Total (Rs.)
2018									
Feb.10	Rama Stores, Delhi								
	2 Television Sony sold @ Rs. 20,000 each			40,000					
	Add: 9% CGST			3,600					
	9% SGST			3,600					
				47,200	40,000	3,600	3,600	-	47,200
Feb.20	Sohan Singh & Co., Dehradun								
	3 Washing Machines Videocon sold @ Rs. 10,000 each			30,000					
	Add: 18% IGST			5,400					
				35,400	30,000	-	-	5,400	35,400
Feb. 28					70,000	3,600	3,600	5,400	82,600

Answer 12:**Sales Return Book of Raj Computers, Delhi**

Date	Particulars	Credit Note No	L.F.	Details (Rs)	Sales Value (Rs)	Output CGST (Rs.)	Output SGST (Rs.)	Output IGST (Rs.)	Total (Rs.)
2018									
July 01	Sohan & Sons, Delhi 2 Laptops HP sold @ Rs. 40,000 each Add: 6% CGST 6% SGST			80,000 4,800 <u>4,800</u> <u>89,600</u>	80,000	4,800	4,800	-	89,600
July 02	Ramesh & Sons, Noida 2 Ricoh Printers sold @ Rs. 10,000 each Add: 12% IGST			20,000 <u>2,400</u> <u>22,400</u>	20,000	-	-	2,400	22,400
July 25	Dinesh, Chandigarh 10 HP Desktop sold @ Rs. 20,000 each Add: 12% IGST			2,00,000 <u>24,000</u> <u>2,24,000</u>	2,00,000	-	-	24,000	2,24,000
July					3,00,000	4,800	4,800	26,400	3,36,000

31									

Answer 13:

Returns Inward Book

Date	Particulars	Credit Note No	L.F.	Details (Rs)	Sales Value (Rs)	Output CGST (Rs.)	Output SGST (Rs.)	Output IGST (Rs.)	Total (Rs.)
2018									
March 01	Mathur Bros., New Delhi								
	5 pairs of Shoes @ Rs 2,000 per pair			10,000					
	Less: 10% Trade Discount			(1,000)					
				9,000					
	Add: 18% IGST			<u>1,620</u>					
				<u>10,620</u>	9,000	-	-	1,620	10,620
March 12	Baluja Shoes Co., Delhi								
	12 pairs of Ladies Chappals @ Rs 4,000 per pair			48,000					
	Less: 10% Trade Discount			(4,800)					
				43,200					
	Add: 9% CGST			3,888					
	9% SGST			<u>3,888</u>					

March 31				<u>50,976</u>	43,200	3,888	3,888	-	50,976
					52,200	3,888	3,888	1,620	61,596

Returns Outward Book

Date	Particulars	Debit Note No	L.F.	Details (Rs)	Cost (Rs)	Input CGST (Rs.)	Input SGST (Rs.)	Input IGST (Rs.)	Total (Rs.)
2018									
March 05	Kanpur Leather Private Ltd., Kanpur								
	100 pairs of Chappals @ Rs 300 per pair			30,000					
	Less: 15% Trade Discount			(4,500)					
				25,500					
	Add: 18% IGST			<u>4,590</u>					
				<u>30,090</u>	25,500	-	-	4,590	30,090
March 20	Bata Shoes Pvt. Ltd., Mumbai								
	100 pairs B.S.C Canvas Shoes @ Rs 500 per pair			50,000					
	Less: 15% Trade Discount			<u>(7,500)</u>					
				42,500					
	Add: 9% CGST			3,825					
	9% SGST			<u>3,825</u>					

				50,150	42,500	3,825	3,825	-	50,150
	Return Outward A/c	Cr.			68,000	3,825	3,825	4,590	80,240

Answer 14:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
	Trading A/c Dr.		42,875	
	To Purchases A/c			37,500
	To Carriage Inwards A/c			375
	To Wages A/c			5,000
	(Direct expenses debited to Trading A/c)			
	Sales A/c Dr.		95,000	
	To Trading A/c			95,000
	(Sales credited to Trading A/c)			
	Trading A/c Dr.		52,125	
	To Profit & Loss A/c			52,125

(Transfer of gross profit to Profit & Loss A/c)				
Profit & Loss A/c	Dr.	7,650		
To Discount A/c			150	
To Carriage Outwards A/c			600	
To Bad Debts A/c			750	
To Salaries A/c			3,600	
To Trade Expenses A/c			2,550	
(Indirect expenses debited to P&L A/c)				
Discount A/c	Dr.	175		
Commission A/c	Dr.	2,125		
To Profit & Loss A/c			2,300	
(Indirect incomes credited to P&L A/c)				
Profit & Loss A/c	Dr.	46,775		
To Capital A/c			46,775	
(Transfer of net profit to Capital A/c)				

Answer 15:**Journal**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Trading A/c Dr. To Profit & Loss A/c (Transfer of gross profit to Profit & Loss A/c)		32,000	32,000
(ii)	Profit & Loss A/c Dr. To Sri Sankar Saha's Capital A/c (Transfer of net profit to Capital A/c)		14,500	14,500
(iii)	Sri Sankar Saha's Capital A/c Dr. To Drawings A/c (Withdrawals from capital)		10,000	10,000
(iv)	Cash A/c Dr. To Purchases Return A/c To Input IGST A/c (Goods returned by us)		7,840	7,000 840

(v)	Sales Return A/c	Dr.	6,000	
	Output CGST A/c	Dr.	360	
	Output SGST A/c	Dr.	360	
	To Cash A/c			6,720
	(Goods returned by customers)			

Answer 16:

Journal

S. No.	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2018 March 31	Accrued Interest A/c To Interest A/c (Interest accrued)	Dr.	2,500	2,500
March 31	Wages A/c To Wages Outstanding A/c (Wages for the month of March outstanding)	Dr.	10,000	10,000
March 31	Prepaid Insurance A/c To Insurance A/c (Insurance paid in advance)	Dr.	1,500	1,500
March 31	Manager's Commission A/c To Manager's Commission Payable A/c (Manager Commission Charged on Net Profit)	Dr.	6,000	6,000
	Note: $\text{Manager Commission} = 1,06,000 \times \frac{6}{106}$			

March 31	Interest on Loan A/c To Interest Outstanding A/c (Interest on Loan Outstanding for 9 months) Note: $\text{Interest on Loan} = 1,50,000 \times \frac{9}{100} \times \frac{9}{12}$	Dr.		10,125	10,125
----------	---	-----	--	--------	--------

Answer 17:

Books of Ram Sales Book

Date	Particulars	Invoice No.	L.F.	Details (₹)	Amount (₹)	Output CGST (₹)	Output SGST (₹)	Output IGST (₹)	Total (₹)
2018									
Jan.01	Ramesh, Delhi			15,000					
	Add: 12% IGST			<u>1,800</u>					
				<u>16,800</u>	15,000	-	-	1,800	16,800
Jan.02	Dina Nath, Lucknow			10,000					
	Add: 6% CGST			600					
	6% SGST			<u>600</u>					
				<u>11,200</u>	10,000	600	600	-	11,200
Jan.04	Zakir Hussain, Lucknow			5,000					
	Add: 6% CGST			300					

	6% SGST			<u>300</u>					
				<u>5,600</u>	5,000	300	300	-	5,600
Jan.10	Raja Ram			5,000					
	Less: 5% Trade Discount			<u>250</u>					
				4,750					
				285					
				<u>285</u>					
				5,320	4,750	285	285	-	5,320
Jan 31					34,750	1,185	1,185	1,800	38,920

Purchases Book

Date	Particulars	Invoice No.	L.F.	Details (₹)	Amount (₹)	Input CGST (₹)	Input SGST (₹)	Input IGST (₹)	Total (₹)
2018									
Jan.01	Hari Ram, Kanpur (UP)			8,000					
	Add: 6% CGST			480					
	6% SGST			<u>480</u>					
				<u>8,960</u>	8,000	480	480	-	8,960

Jan.02	Mangal, Kolkata			50,000					
	<i>Add: 12% IGST</i>			<u>6,000</u>					
				<u>56,000</u>	50,000	-	-	6,000	56,000
Jan.09	Raghunath, Delhi			10,000					
	<i>Less: 10% Trade Discount</i>			<u>1,000</u>					
				9,000					
	<i>Add: 12% IGST</i>			<u>1,080</u>					
				10,080	9,000	-	-	1,080	10,080
Jan.31					67,000	480	480	7,080	75,040

Sales Return Book

Date	Particulars	Credit Note No.	L.F.	Details (₹)	Amount (₹)	Output CGST (₹)	Output SGST (₹)	Output IGST (₹)	Total (₹)
2018									
Jan.02	Ramesh, Delhi			1,000					
	<i>Add: 12% IGST</i>			<u>120</u>					
				<u>1,120</u>	1,000	-	-	120	1,120

Jan.05	Zakir Hussain, Lucknow <i>Add: 6% CGST</i>			500					
				30					
	6% SGST			<u>30</u>					
				<u>560</u>	500	30	30	-	560
Jan.31					1,500	30	30	120	1,680

Purchases Return Book

Date	Particulars	Debit Note No.	L.F.	Details (₹)	Amount (₹)	Input CGST (₹)	Input SGST (₹)	Input IGST (₹)	Total (₹)
2018									
Jan.04	Mangal, Kolkata <i>Add: 12% IGST</i>			5,000 <u>600</u>					
				<u>5,600</u>	5,000	-	-	600	5,600
Jan.07	Hari Ram, Kanpur (UP) <i>Add: 6% CGST</i>			500 30					

	6% SGST			<u>30</u>					
				<u>560</u>	500	30	30	-	560
Jan.31					5,500	30	30	600	6,160

Answer 18:

Purchases Book

Date	Particulars	Invoice No.	L.F.	Details (₹)	Cost (₹)	Input CGST (₹)	Input SGST (₹)	Input IGST (₹)	Total (₹)
2018									
April 01	Ram Prasad, Chennai								
	100 metres Silk @ Rs 400 per metre			40,000					
	75 metres Velvet @ Rs 150 per metre			11,250					
				<u>51,250</u>					
	Add: 12% IGST			6,150					
				<u>57,400</u>	51,250	-	-	6,150	57,400
April 22	Man Mohan Lal, Varanasi								
	Shirting Cloth			10,000					
	Saris			60,000					

April 30				70,000					
	Less: 10% Trade Discount			<u>7,000</u>					
				63,000					
	Add: 12% IGST			<u>7,560</u>					
				<u>70,560</u>	63,000	-	-	7,560	70,560
					1,14,250	-	-	13,710	1,27,960

Sales Book

Date	Particulars	Invoice No.	L.F.	Details (₹)	Amount (₹)	Output CGST (₹)	Output SGST (₹)	Output IGST (₹)	Total (₹)
2018									
April 10	Rati Ram, Ahmedabad								
	60 metres Silk @ Rs 500 per metre			30,000					
	10 metres Velvet @ Rs 200 per metre			2,000					
				<u>32,000</u>					
	Add: 12% IGST			<u>3,840</u>					
				<u>35,840</u>	32,000	-	-	3,840	35,840
April 12	Ramaswami, Kochi								

	10 metres Silk @ Rs 550 per metre		5,500						
	10 metres Velvet @ Rs 200 per metre		2,000						
			7,500						
	Add: 6% CGST		450						
	6% SGST		<u>450</u>						
			<u>8,400</u>	7,500	450	450	-	8,400	
April 18	Roop Narain & Sons, Kochi								
	10 metres Silk @ Rs 550 per metre		5,500						
	5 metres Velvet @ Rs 200 per metre		1,000						
			6,500						
	Less: 10% Tade Discount		<u>650</u>						
			5,850						
	Add: 6% CGST		351						
	6% SGST		<u>351</u>						
			<u>6,552</u>	5,850	351	351	-	6,552	
April 23	Brij Mohan & Bros, Mathura								
	Shirting Cloth		7,000						
	Saris		<u>25,000</u>						
			32,000						
	Add: 12% IGST		<u>3,840</u>						

April 30				<u>35,840</u>	32,000	-	-	3,840	35,840
					77,350	801	801	7,680	86,632

Purchases Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018 April 30	Sundries of Purchases as per Purchases Book for the month of April		1,14,250				

Ramprasad , Chennai

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018 April 01	Purchases		51,250
				April 01	Input IGST		6,150

Man Mohan Lal, Varanasi

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				April 22	Purchases		63,000
				April 22	Input IGST		7,560

Rati Ram, Ahmedabad

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018							
April 10	Sales		32,000				
April 10	Output IGST		3,840				

Ramaswami, Kochi

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018							

April 12	Sales		7,500				
April 12	Output CGST		450				
April 12	Output SGST		450				

Roop Narain & Sons, Kochi

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018							
April 18	Sales		5,850				
April 18	Output CGST		351				
April 18	Output SGST		351				

Brijmohan & Brothers, Mathura

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
2018							
April 23	Sales		32,000				
April 23	Output IGST		3,840				

Sales Account

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018 April 30	Sundries as per the Sales Book for the month of April		77,350

Input IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				April 01	Ram Prasad, Chennai		6,150
				April 22	Man Mohan Lal, Varanasi		7,560

Output IGST Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				April 10	Rati Ram, Ahmeabad		3,840
				April 10	Brijmohan & Bros., Mathura		3,840

Output CGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				April 12	Ramaswami, Kochi		450
				April 18	Roopnarain & Sons, Kochi		351

Output SGST Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amount (₹)
				2018			
				April 12	Ramaswami, Kochi		450
				April 18	Roopnarain & Sons, Kochi		351

Answer 19:

Sales Book

Date	Particulars	Bill No.	L.F.	Details	Value	Output CGST	Output SGST	Output IGST	Total
------	-------------	----------	------	---------	-------	-------------	-------------	-------------	-------

Jan 01	Grover & Co., Kanpur								
	10 Crompton Water Coolers @ Rs 6,000 each			60,000					
	5 Pedastal Fans @ Rs 2,000 each			10,000					
				70,000					
	Less: 10% T.D.			7,000					
				63,000					
	Add: IGST @ 12%			7,560					
				70,560	63,000		–	7,560	70,560
Jan 5	Mahesh Bros., Chandigarh								
	5 Crompton Water Coolers @ Rs 7,000 each			35,000					
	2 Pedastal Fans @ Rs 2,500 each			5,000					
				40,000					
	Add: IGST @ 12%			4,800					
				44,800	40,000	–	–	4,800	44,800
					1,03,000	–	–	12,360	1,15,360

Purchases Book

Date	Particulars	Invoice No.	L.F.	Details	Cost	Input CGST	Input SGST	Input IGST	Total
Jan 05	Ram & Bros., Delhi								

Jan 20	25 Videocon Washing Machines @ Rs 7,000 each			1,75,000					
	10 Wall Fans @ Rs 1,500 each			15,000					
				1,90,000					
	Less: 25% T.D.			47,500					
				1,42,500					
	Add: CGST @ 6%			8,550					
	Add: SGST @ 6%			8,550					
				1,59,600	1,42,500	8,550	8,550	–	1,59,600
	Sethi& Co., Delhi								
	20 Toasters @ Rs 800 each			16,000					
	Add: CGST @ 6%			960					
	Add: SGST @ 6%			960					
				17,920	16,000	960	960	–	17,920
					1,66,000	9,510	9,510	–	1,77,520

Purchases Return Book

Date	Particulars	Debit Note No.	L.F.	Details	Cost	Input CGST	Input SGST	Input IGST	Total
Jan 18	Ram & Bros., Delhi								

	2 Videocon Washing Machines @ Rs 7,000 each Less: 25% T.D. Add: CGST @ 6% Add: SGST @ 6%			14,000					
				3,500					
				10,500					
				630					
				630					
				11,760	10,500	630	630	–	11,760
					10,500	630	630	–	11,760

Sales Return Book

Date	Particulars	Credit Note No.	L.F.	Details	Value	Output CGST	Output SGST	Output IGST	Total
Jan 27	Mahesh Bros., Chandigarh 1 Crompton Water Coolers @ Rs 7,000 each Add: IGST @ 12% each			7,000					
				840					
				7,840	7,000	–	–	840	7,840
					1,500	30	30	120	1,680

Answer 20:**Purchases Book**

Date	Particulars	L.F.	Details (Rs)	Amount (Rs)
2017				
March 25	Samanta			2,475
March 29	Samanta			2,805
March 31	Purchases A/c			5,280

Sales Book

Date	Particulars	L.F.	Details (Rs)	Amount (Rs)
2017				
March 11	James			4,125
March 31	Sales Account			4,125

Cash Book**Dr.****Cr.**

Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)	Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)
2017					2017				
March 01	Balance b/d		1,540	8,250	March 02	Machinery			4,675
March 01	Sales		1,925		March 04	Salaries			2,750
March 09	Rajesh			2612.5	March 07	Wages		440	
March 20	Loan from of Baroda			13,750	March 22	Drawings			825
March 30	Sales			3,740	March 27	Corporation Tax			1,155
March 31	Cash	C		2,200	March 31	Bank	C	2,200	
					March	Balanced b/d		825	19,497.5

				31			
			3,465	30552.5		3,465	30552.5

Working Note:

March 31 Cash departed into bank = Cash Received – (Cash paid + Closing Balance of Cost) = 3,465 – (440 + 825) = Rs 2,200

Sales Return Book

Date	Particulars	Credit Note No.	L.F.	Details (Rs)	Amount (Rs)
2017 Mar 11	James				1,100
March 31	Sales Return Account				1,100

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2017 March 09	Discount Allowed A/c Dr. To Rajesh		137.5	137.5

Stock Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 01	Balance b/d		19,250	2017 March 31	Balance c/d		19,250
			19,250				19,250

Plant and Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 01	Balance b/d		44,000	2017 March 31	Balance c/d		48,675
March 02	Bank		4,675				48,675
			48,675				

Rajesh

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 01	Balance b/d		2,750	2017 March 09	Bank		2612.5
			2,750	March 09	Discount Allowed		137.5
							2,750

James

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 01	Balance b/d		1,375	2017 March 13	Sales Return		1,100
March 11	Sales		4,125	March 31	Balance c/d		4,400
			5,500				5,500

Roa

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 18 March 31	Bank Balance c/d		1,650 275 1,925	2017 March 01	Balance b/d		1,925 1,925

Samanta

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 31	 Balance c/d		 8,855 8,855	2017 March 01 March 25	Balance b/d Purchases Purchases		3,575 2,475 2,805 8,855

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 31	 Balance c/d		 71,665 71,665	2017 March 01	Balance b/d		71,665 71,665

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 31	 Balance c/d		 9,790	2017 March 01 March 11 March 30	Cash James Bank		1,925 4,125 3,740

			9,790			9,790

Purchases Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 31	Sundaries as per Purchases Book		5,280	2017 March 31	Balance c/d		5,280
			5,280				5,280

Sales Return Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 13	Sundaries as Per Sales Return Book		1,100	2017 March 31	Balance c/d		1,100
			1,100				1,100

Discount Allowed Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 09	Rajesh		137.5	2017 March 09	Balance c/d		137.5
			137.5				137.5

Loan from Bank of Baroda

Dr.	Cr.
-----	-----

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 31	Balance c/d		13,750	2017 March 20	Bank		13,750
			13,750				13,750

Wages Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 07	Cash		440	2017 March 31	Balance c/d		440
			440				440

Salaries Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 04	Bank		2,750	2017 March 31	Balance c/d		2,750
			2,750				2,750

Drawings Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 22	Bank		825	2017 March 31	Balance c/d		825
			825				825

Corporation Tax Account

Dr.	Cr.
-----	-----

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 March 27	Bank		1,155	2017 March 31	Balance c/d		1,155
			1,155				1,155

Trial Balance
as on March 31, 2017

S. No.	Account Title	L.F.	Debit Balance (Rs)	Credit Balance (Rs)
	Cash		825	
	Bank		19,497.5	
	Stock		19,250	
	Plant and Machinery		48,675	
	James		4,400	
	Samanta			8,855
	Capital			71,655
	Sales			9,790
	Purchases		5,280	
	Sales Return		1,100	
	Discount Allowed		137.5	
	Loan from Bank of Baroda			13,750
	Wages		440	
	Salaries		2,750	
	Drawings		825	
	Corporation Tax		1,155	
	Roa			275
			1,04,335	1,04,335

Note: In order to get the answer equal to Rs 1,03,235 Sales Return Rs 1,100 will be deducted directly from total sales. Then Sales will be shown at Rs (9,790 – 1,100) = Rs 8,690 and Sales Return will not be shown.

Answer 21:

Book of Shri Kailash Chand
Purchases Book

Date	Particulars	L.F.	Details (Rs)	Amount (Rs)
2017 Mar.18	Shyam Lal Wheat Rice		16,000 2,000	18,000
Mar.22	Attar Chand			5,000
Mar.31	Purchases A/c Dr.			23,000

Sales Book

Date	Particulars	L.F.	Details (Rs)	Amount (Rs)
2017 Mar.07	Shri Ramesh Chand Wheat Rice		20,000 5,000	25,000
Mar.15	Jagdish Narain Wheat Rice		6,000 500	6,500
Mar.31	Sales A/c Cr.			31,500

Cash Book

Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)	Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)
2017 Mar.01	Capital		25,000		2017 Mar.01	Purchases		4,750	
Mar.02	Cash	C		15,000	Mar.02	Typewriter		1,700	
Mar.10	Shri Ramesh Chand		11,000		Mar.05	Bank	C	15,000	
Mar.14	Jagdish Narain		2,200		Mar.20	Cash	C		7,000
Mar.20	Bank	C	7,000		Mar.21	Shyam Lal		17,500	
Mar.23	Sales		6,500		Mar.25	Salary		2,500	
Mar.30	Cash	C		8,000	Mar.28	Rent		1,500	

					Mar.30	Bank	C	8,000	
					Mar.31	Drawings		500	
					Mar.31	Balance c/d		250	16,000
			51,700	23,000				51,700	23,000

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2017 Mar.14	Discount Allowed A/c Dr. To Jagdish Narain (Discount allowed to Jagdish Narain on receiving cash)		300	300
Mar.21	Shyam Lal Dr. To Discount Received (Discount Received from Shyam Lal on payment)		500	500

Typewriter Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Mar.02	Cash		1,700	2017 Mar.31	Balance c/d		1,700
			1,700				1,700

Shri Ramesh Chand

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Mar.07	Sales		25,000	2017 Mar.10	Cash		11,000
				Mar.31	Balance c/d		14,000

			25,000			25,000

Jagdish Narain

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Mar.15	Sales		6,500	2017 Mar.15	Cash		2,200
				Mar.15	Discount Allowed		300
				Mar.31	Balance c/d		4,000
			6,500				6,500

Shyam Lal

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Mar.21	Cash		17,500	2017 Mar.18	Purchases		18,000
Mar.21	Discount Received		500				
			18,000				18,000

Attar Chand

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Mar.31	Balance c/d		5,000	2017 Mar.22	Purchases		5,000
			5,000				5,000

Discount Received Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017				2017			

Mar.31	Balance c/d		500	Mar.22	Shyam Lal		500
			500				500

Discount Allowed Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Mar.14	Jagdish Narain		300	2017 Mar.31	Balance c/d		300
			300				300

Salary Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Mar.25	Cash		2,500	2017 Mar.31	Balance c/d		2,500
			2,500				2,500

Purchase Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Mar.01	Cash		4,750	2017			
Mar.31	Sundries as per Purchases Book		23,000	Mar.31	Balance c/d		27,750
			27,750				27,750

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)

2017				2017			
Mar.31	Balance c/d		38,000	Mar.23	Cash		6,500
			38,000	Mar.31	Sundries as per Sales Book		31,500
							38,000

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017	Balance c/d		25,000	2017	Cash		25,000
Mar.31			25,000	Mar.01			25,000

Rent Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017	Cash		1,500	2017	Balance c/d		1,500
Mar.20			1,500	Mar.31			1,500

Drawings Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017	Cash		500	2017	Balance c/d		500
Mar.31			500	Mar.31			500

Trial Balance as on March 31, 2017

S. No.	Account Title	L.F.	Debit Balance	Credit Balance
--------	---------------	------	------------------	-------------------

			(Rs)	(Rs)
	Cash		250	
	Bank		16,000	
	Purchases		27,750	
	Sales			38,000
	Capital			25,000
	Typewriter		1,700	
	Shri Ramesh Chand		14,000	
	Jagdish Narian		4,000	
	Attar Chand			5,000
	Discount Received			500
	Discount Allowed		300	
	Salary		2,500	
	Rent		1,500	
	Drawings		500	
			68,500	68,500

Answer 22:

Books of Ram Sales Book

Date	Particulars	L.F.	Details (Rs)	Amount (Rs)
2017				
Jan.01	R. Raman			5,000
Jan.06	Bimal			7,500
Jan.21	Ramesh			6,000
Jan.31	Sales A/c	Cr.		18,500

Purchases Book

Date	Particulars	L.F.	Details (Rs)	Amount (Rs)
2017				
Jan.02	Man Mohan			10,000
Jan.23	Man Mohan			7,000
Jan.31	Purchases A/c Dr.			17,000

Sales Return Book

Date	Particulars	L.F.	Details (Rs)	Amount (Rs)
2017				
Jan.08	Bimal			1,500
Jan.31	Sales Return A/c Dr.			1,500

Cash Book

Dr.					Cr.				
Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)	Date	Particulars	L.F.	Cash (Rs)	Bank (Rs)
2017					2017				
Jan.01	Capital		12,500	12,500	Jan.03	Stationery		100	
Jan.05	R. Raman		4,700		Jan.10	Bank	C	1,000	
Jan.10	Cash	C		1,000	Jan.12	Wages		1,500	
Jan.12	Bimal			6,000	Jan.19	Wages		1,500	
					Jan.21	Man Mohan			9,500
					Jan.24	Drawings			2,000
					Jan.27	Wages		1,500	
					Jan.31	Balance c/d		11,600	8,000
			17,200	19,500				17,200	19,500

Journal Entries

Date	Particulars	L.F.	Debit Balance (Rs)	Credit Balance (Rs)
2017 Jan.01	Stock A/c Furniture and Fittings A/c To Capital A/c (Ram brought Stock and Furniture as Capital)	Dr. Dr.	20,000 5,000	25,000
Jan.05	Discount Allowed A/c To R. Raman (Discount was allowed to R. Ram for Cash receiving)	Dr.	300	300
Jan.19	Furniture and Fittings A/c To Unions Furniture Co. (Desk Purchased from Union Furniture Co.)	Dr.	1,500	1,500
Jan.21	Man Mohan To Discount Received A/c (Discount allowed by Man Mohan on Paying Cash)	Dr.	500	500
Jan.31	Rent A/c To Rent Outstanding A/c (Rent due to Land Lord)	Dr.	1,000	1,000

Stock Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.01	Capital		20,000	2017 Jan.31	Balance c/d		20,000
			20,000				20,000

Furniture and Fittings Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.01	Capital		5,000	2017			
Jan.13	Union Furniture Co .		1,500	Jan.31	Balance c/d		6,500
			6,500				6,500

Union Furniture Co.

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.31	Balance c/d		1,500	2017 Jan.13	Furniture		1,500
			1,500				1,500

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017				2017 Jan.01	Cash		12,500
					Bank		12,500
					Stock		20,000
Jan.31	Balance c/d		50,000		Furniture & Fittings		5,000
			50,000				50,000

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017				2017			

Jan.31	Balance c/d		18,500	Jan.31	Sundries as per Sales Book		18,500
			18,500				18,500

Purchases Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.31	Sundries as per Purchases Book		17,000	2017 Jan.31	Balance c/d		17,000
			17,000				17,000

R. Raman

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.01	Sales		5,000	2017 Jan.05	Cash		4,700
			5,000		Discount Allowed		300
							5,000

Discount Allowed

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.31	Balance c/d		1,500	2017 Jan.31	Balance c/d		1,500
			300				300

Sales Return Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)

2017 Jan.31	Balance c/d		1,500	2017 Jan.31	Balance c/d		1,500
			1,500				1,500

Man Mohan

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan 21	Bank		9,500	2017 Jan 02	Purchases		10,000
Jan 21	Discount Received		500	Jan 23	Purchases		7,000
Jan 31	Balance c/d		7,000				
			17,000				17,000

Stationery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.03	Cash		100	2017 Jan.31	Balance c/d		100
			100				100

Bimal

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.06	Sales		7,500	2017 Jan.08	Sales Return		1,500
			7,500	Jan.22	Bank		6,000
							7,500

Wages Account

Dr.	Cr.
-----	-----

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.12 Jan.19 Jan.27	Cash Cash Cash		1,500 1,500 1,500 4,500	2017 Jan.31	 Balance c/d		 4,500 4,500

Discount Received Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.31	 Balance c/d		 500 500	2017 Jan.21	 Manmohan		 500 500

Ramesh

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.21			6,000 6,000	2017 Jan.31	 Balance c/d		 6,000 6,000

Drawings Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.31	 Balance c/d		 1,500 2,000	2017 Jan.31	 Balance c/d		 1,500 2,000

Rent Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.31	Balance c/d		1,500	2017 Jan.31	Balance c/d		1,500
			1,000				1,000

Rent Outstanding Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 Jan.31	Balance c/d		1,500	2017 Jan.31	Balance c/d		1,500
			1,000				1,000

Trial Balance as on January 31, 2017

S. No.	Accounts Title	L.F.	Debit (Rs)	Credit (Rs)
(i)	Cash		11,600	
(ii)	Bank		8,000	
(iii)	Capital			50,000
(iv)	Sales			18,500
(v)	Purchase		17,000	
(vi)	Stock		20,000	
(vii)	Furniture and Fittings		6,500	
(viii)	Uniou Furniture Co			1,500
(ix)	Wages		4,500	
(x)	Discount Received			500
(xi)	Ramesh		6,000	
(xii)	Discount Allowed		300	
(xiii)	Sales Return		1,500	
(xiv)	Man Mohan			7,000
(xv)	Stationery		100	
(xvi)	Drawings		2,000	

(xvii)	Rent		1,000	
(xviii)	Rent Outstanding			1,000
			78,500	78,500

Answer 23:

Books of A Gupta Cash Book

Dr.					Cr.				
Date	Particulars	L.F.	Cash	Bank	Date	Particulars	L.F.	Cash	Bank
2017					2017				
July 01	Capital A/c		4,000	6,000	July 04	S. Raj			500
July 11	R. Mukherjee		860		July 05	Typewriter A/c		1,500	
July 14	Sales A/c		3,300		July 06	Purchases A/c			1,500
July 20	T. Rana		1,300		July 10	Drawings A/c		150	
July 25	Cash A/c	C		3,500	July 17	D. Seth		900	
July 31	T. Rana		1,065		July 25	Bank A/c	C	3,500	
					July 31	Wages A/c		480	
					July 31	Balance c/d		3,995	7,500
			10,525	9,500				10,525	9,500

Sales Book

Date	Particulars	L.F.	Details (₹)	Amount (₹)
2017				
July 02	R. Mukherjee			500
July 08	D. Das		1,000	
	Less: Trade Discount @ 5%		(50)	950
July 09	R. Mukherjee			1,200
July 14	T. Rana			2,000
July 17	D. Dass			1,000

July 28	T. Rana			1,500
July 31	Sales A/c	Cr.		7,150

Purchase Book

Date	Particulars	L.F.	Details (₹)	Amount (₹)
2017				
July 01	S. Raj		1,000	
	Less: Trade Discount @ 10%		(100)	900
July 05	D. Seth			2,000
July 09	M. Dey		1,500	
	Less: Trade Discount @ 5%		(75)	1,425
July 14	D. Seth			1,200
July 20	M. Dey			600
July 31	Purchases A/c	Dr.		6,125

Purchase Return Book

Date	Particulars	L.F.	Details (₹)	Amount (₹)
2017				
July 04	S. Raj			300
July 25	M. Dey			400
July 31	Purchases Return A/c	Cr.		700

Sales Return Book

Date	Particulars	L.F.	Details (₹)	Amount (₹)
2017				
July 06	R. Mukherjee			200
July 09	D. Dass			300
July 31	Sales Return A/c	Dr.		500

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2017 July 04	S. Raj Dr. To Discount Received A/c (Payment made to S. Raj and discount received)		25	25
July 11	Discount Allowed A/c Dr. To R. Mukherjee A/c (Cash received from R. Mukherjee and discount allowed)		40	40
July 17	D. Seth Dr. To Discount Received A/c (Paid to D. Seth and discount received)		70	70
July 20	Discount Allowed Dr. To T. Rana (Received from T. Rana and discount allowed to him)		70	70
July 31	Bad Debts A/c Dr. To T. Rana (T. Rana became insolvent and 50 paise realized from his estates)		1,065	1,065

Capital Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017				2017			
July 31	Balance c/d		10,000	July 01	Cash A/c		4,000
			10,000		Bank A/c		6,000
							10,000

R. Mukherjee

Dr.	Cr.
-----	-----

Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017 July 02	Sales A/c		500	2017 July 06	Sales Return A/c		200
July 09	Sales A/c		1,200	July 11	Cash A/c		860
					Discount Allowed		40
				July 31	Balance c/d		600
			1,700				1,700

S. Raj

Dr.

Cr.

Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017 July 04	Purchase Return		300	2017 July 01	Purchases		900
	Bank A/c		500				
	Discount Received		25				
July 31	Balance c/d		75				
			900				900

Discount Received A/c

Dr.

Cr.

Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017				2017			
July 31	Balance c/d		95	July 04	S. Raj		25
			95	July 17	D. Seth		70
							95

D. Seth

Dr.

Cr.

Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017 July 17	Cash A/c		900	2017 July 05	Purchases A/c		2,000
	Discount Received A/c		70	July 14	Purchases A/c		1,200

July 31	Balance c/d		2,230				
			3,200				3,200

Typewriter Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017 July 05	Cash A/c		1,500	2017 July 31	Balance c/d		1,500
			1,500				1,500

Purchases Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017 July 06	Bank A/c		1,500	2017 July 28	Drawings		250
July 31			6,125				7,375
			7,625				7,625
	Sundries from Purchases Book			July 31	Balance c/d		

D. Dass

Dr.				Cr.			
Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017 July 08	Sales A/c		950	2017 July 09	Sales Return		300
July 17			1,000				1,650
			1,950				1,950
	D. Dass			July 31	Balance c/d		

M. Dey

Dr.				Cr.			
Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017				2017			

July 25	Purchases Return		400	July 09	Purchases A/c		1,425
July 31	Balance c/d		1,625	July 20	Purchases A/c		600
			2,025				2,025

Drawing Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017				2017			
July 10	Cash A/c		150				
July 28	Purchases A/c		250	July 31	Balance c/d		400
			400				400

Discount Allowed Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017				2017			
July 11	R. Mukherjee		40				
July 20	T. Rana		70	July 31	Balance c/d		110
			110				110

T. Rana

Dr.				Cr.			
Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017				2017			
July 14	Sales A/c		2,000	July 20	Cash		1,300
July 28	Sales A/c		1,500		Discount Allowed		70
				July 31	Cash A/c		1,065
					Bad Debts A/c		1,065

			3,500			3,500

Wages Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017 July 31	Cash A/c		480	2017 July 31	Balance c/d		480
			480				480

Bad Debts Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017 July 31	T. Rana		1,065	2017 July 31	Balance c/d		1,065
			1,065				1,065

Sales Accounts

Dr.				Cr.			
Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017 July 31	Balance c/d		10,450	2017 July 14 July 31	Cash A/c Sundries of Sales Book		3,300 7,150
			10,450				10,450

Sales Return Accounts

Dr.				Cr.			
Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017				2017			

July 31	Sundries of Sales Return Book		500	July 31	Balance c/d		500
			500				500

Purchases Return Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount (₹)	Date	Particulars	L.F.	Amount (₹)
2017 July 31	Balance c/d		700	2017 July 31	Sundries of Purchase Return Book		700
			700				700

Trial Balance as on July 31, 2017

S. No.	Account Title	Debit Amount (₹)	Credit Amount (₹)
1	Cash	3,995	
2	Bank	7,500	
3	Sales		10,450
4	Purchases	7,375	
5	Sales Return	500	
6	Purchases Return		700
7	Capital		10,000
8	R. Mukherjee	600	
9	S. Raj		75
10	Discount Received		95
11	Discount Allowed	110	
12	D. Seth		2,230
13	Typewriter	1,500	
14	D. Dass	1,650	
15	M. Dey		1,625
16	Drawings	400	
17	Wages	480	

18	Bad Debts	1,065	
		25,175	25,175

Chapter 5. Bank Reconciliation Statement

Answer 1:

Bank Reconciliation Statement

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Debit balance as per the Cash Book	15,000	
(ii)	Cheques deposited but not cleared		1,000
(iii)	Cheques issued but not presented	1,500	
(iv)	Bank Interest	200	
	Credit Balance as per the Pass Book		15,700
		16,700	16,700

Answer 2:

Bank Reconciliation Statement

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Balance as per the Cash Book	75,000	
	Cheques Rs 2,000 and Rs 3,000 drawn to S.Sahai and Man Mohan respectively but was not presented for payment	5,000	
(ii)	Cheques paid into bank but not credited		1,900
(iii)	Bank Charges not yet entered in the Cash Book		100
	Balance as per the Pass Book		78,000
		80,000	80,000

Answer 3:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Balance as per the Cash Book	15,000	
	Cheques Issued but not presented for payment (1,850+1,000+1,750)	4,600	
(ii)	Cheques deposited but not yet cleared		4,100
	Balance as per the Pass Book		15,500
		19,600	19,600

Answer 4:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Balance as per the Cash Book	72,950	
(ii)	Cheques sent to bank but not yet cleared		43,769
	Cheques issued but not yet presented for payment	29,344	
	Balance as per the Pass Book		58,525
		1,02,294	1,02,294

Answer 5:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Balance as per the Cash Book	75,000	
(ii)	Two cheques Rs 5,000 and Rs 7,000 were deposited but were not cleared		12,000
(iii)	Three cheques Rs 6,000 , Rs 8,000 and Rs 12,000 were issued but were not presented for payment	26,000	
(iv)	Bank allowed Interest	1,250	
(v)	Bank Charges		150
	Insurance premium less charged		4,500
	Balance as per the Pass Book		85,600
		1,02,250	1,02,250

Answer 6:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Balance as per the Cash Book	23,000	
(ii)	Cheques deposited but not cleared		12,000
(iii)	Three cheques Rs 6,000 , Rs 8,000 and Rs 12,000 were issued but were not presented for payment	26,000	
	Bank allowed Interest	125	

(iv)	Bank Charges		100
(v)	Bank Charges reversed	500	
	Balance as per the Pass Book		37,525
		49,625	49,625

Answer 7:

Bank Reconciliation Statement
as on June 30, 2017

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
	Balance as per the Cash Book	12,000	
(i)	Cheques paid in to bank but not cleared		1,500
(ii)	Receipt side of Cash Book undercast	200	
(iii)	Amount directly deposited by customer	3,000	
(iv)	Cheque issued in June but presented in July	2,200	
(v)	Bank allowed Interest	330	
	Bank Charges		60
	Balance as per the Pass Book		16,170
		17,730	17,730

Answer 8:

Bank Reconciliation Statement

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
	Balance as per the Cash Book	12,500	
(i)	Cheques Issued but not yet presented for payment	6,000	
(ii)	Cheques deposited into bank but not collected		9,000
(iii)	Bank paid Insurance Premium		5,000
(iv)	Bank Charges		300
(v)	Amount directly deposited by a customer	8,000	
(vi)	Interest on Investment Collected by bank	2,000	
(vii)	Cash discount debited to bank column		200
	Balance as per the Pass Book		14,000
		28,500	28,500

Answer 9:

Bank Reconciliation Statement
as on December 31, 2008

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Balance as per the Cash Book	10,000	
(ii)	A cheque for Rs 500 issued to Karan was not presented for payment	500	
(iii)	Rebate of retiring bill was not recorded	20	
(iv)	Cheque deposited and dishonoured		295
(v)	A sum of Rs 800 deposited in bank recorded wrongly as Rs 80 in the pass book		720
(vi)	Payment side of the Cash book undercast		200
(vii)	Dishonour of bill has not been recorded in the Cash book		1,000
	Balance as per the Pass Book		8,305
		10,520	10,520

Answer 10:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
	Balance as per the Cash Book	23,650	
(i)	Cash deposited into bank but not entered in the Pass book		2,860
(ii)	Bank Charges not entered the Cash Book		70
(iii)	Bank Charges for discounting bill not recorded in the Cash Book		270
(iv)	Cheques issued but not presented for payment	16,720	
(v)	Amount directly deposited by the debtor	1,000	
(vi)	Cheque received from Ram Babu was dishonoured and not recorded in Cash Book		550
	Balance as per the Pass Book		37,620
		41,370	41,370

Answer 11:

Bank Reconciliation Statement
as on July 31, 2017

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Balance as per the Pass Book	50,000	
(ii)	Three Cheques of Rs 6,000, Rs 3,937, Rs 1,525 were issued but not presented for payment in July, 2015		11,462
(iii)	Cheques sent to bank for collection but not entered in the Pass Book	1,150	
(iv)	Bank charges not entered in the Cash Book	460	
(v)	Bank allowed interest		100
	Balance as per the Cash Book		40,048
		51,610	51,610

Answer 12:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Balance as per the Pass Book	10,000	
(ii)	Cheque deposited but not entered in the Cash book		500
(iii)	Cheque entered in the Cash Book but not deposited in the bank	1,200	
(iv)	Credit side of the Cash Book undercast	200	
(v)	Insurance premium paid directly by the bank but not entered in the Cash Book	600	
(vi)	Bank charges entered twice in the Cash book		20
(vii)	Cheque issued but not presented for payment		500
(viii)	Cheque received entered twice in the Cash Book	1,000	
(ix)	Bill discounted and dishonoured but not entered in the Cash Book	5,000	
(x)	Interest allowed by the bank to be reversed		5,000
	Balance as per the Cash Book		11,980
		18,000	18,000

Answer 13:

Bank Reconciliation Statement
as on March 31, 2011

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Balance as per the Pass Book	6,000	
(ii)	Cheque Issued but not presented for payment (1,500 – 900)		600
(iii)	Cheque deposited but not entered in the Pass Book	800	
(iv)	Bank allowed Interest		85
(v)	Cheque deposited but not entered in the Cash Book		510
	Balance as per the Cash Book		5,605
		6,800	6,800

Answer 14:

Bank Reconciliation Statement
as on September 30, 2016

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Balance as per the Pass Book	10,000	
(ii)	Cheque deposited but not entered in the Cash Book		500
(iii)	Cheque entered in the Cash Book but not sent to bank	1,200	
(iv)	Insurance premium paid directly by bank	800	
(v)	Bank Charges entered twice in the Cash Book		20
(vi)	Cheque received entered twice in the Cash Book	1,000	
(vii)	Bill discounted dishonoured not entered in the Cash Book	5,000	
	Balance as per the Cash Book		17,480
		18,000	18,000

Answer 15:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Balance as per the Pass Book	62,000	
	Cheque deposited but not credited not credited in the Pass	8,000	

	book during March 2017 (3,500 + 2,500 + 2,000)		
(ii)	Cheques Issued but not presented in March 2017 (4,000 + 4,500)		8,500
(iii)	Cheque received from Customer was recorded in Cash Book but not sent to Bank	1,000	
(iv)	Bank Charges	1,000	
	Bank allowed interest		2,000
(v)	Interest on Investment Collected by bank but not entered in the Cash Book		2,500
	Balance as per the Cash Book		59,000
		72,000	72,000

Answer 16:

Bank Reconciliation Statement

as on January 01, 2018

Particulars	Plus Items (Rs)	Minus Items (Rs)
Overdraft as per the Cash Book		40,000
Cheques deposited but not Cleared		10,000
Cheques Issued but not presented for payment	7,000	
Bank Charged Interest		600
Bank Charges		500
Overdraft as per the Pass Book	44,100	
	51,100	51,100

Answer 17:

Bank Reconciliation Statement

as on March 31, 2018

Particulars	Plus Items (Rs)	Minus Items (Rs)
Overdraft as per the Cash Book		18,000
Cheque deposited in March but cleared in April		6,000
Cheque Issued in March but presented for payment in April	7,000	
Bank Charged Interest		500
Bank Charges		20
Overdraft as per the Pass Book	17,520	
	24,520	24,520

Answer 18:

Bank Reconciliation Statement
as on March 31, 2018

S. No	Particulars	Plus Items (Rs)	Minus Items (Rs)
	Overdraft as per the Cash Book		1,72,985
(i)	Cheques issued but not presented for payment	60,000	
(ii)	Cheques deposited but not collected		75,000
(iii)	Cheque deposited but dishonoured		15,000
(iv)	Bill sent for collection honoured but not entered in the Cash Book	1,50,000	
(v)a	Bank Charges		1,500
(v)b	Bank Interest on overdraft		8,500
(vi)	Overdraft balance wrongly taken as debit balance (Note)		1,000
	Overdraft as per the Pass Book	63,985	
		2,73,985	2,73,985

Note: Overdraft balance has credit balance but taken as debit balance, so to correct the error credit cash book by double amount.

Therefore, 1,000 should be shown in the minus side.

Answer 19:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
	Overdraft as per the Cash Book		40,500
(i)	Cheque issued but not presented for payment	5,000	
(ii)	Post-dated Cheque entered in the Cash Book but not deposited in the bank		900
(iii)	Cheques deposited into bank but not collected		10,200
	Cheque dishonoured		4,000
(iv)	Rebate on retiring of bill not entered in the Cash Book	150	
	Overdraft as per the Pass Book	50,450	
		55,600	55,600

Answer 20:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
	Credit bank balance as per the Cash Book		10,500
(i)	Cheque issued but not presented for payment	540	
(ii)	Post-dated Cheque entered in the Cash Book but not deposited in the Bank		100
(iii)	Cheque deposited but not cleared		1,200
	Cheque dishonoured		400
(iv)	Insurance premium paid by bank was not entered in the Cash Book		50
(v)	Bank Charges		15
	Bank allowed Interest	25	
	Overdraft as per the Pass Book	11,700	
		12,265	12,265

Note: Cheque dated 15th April, 2018 issued to M & Co. dishonoured will have no impact as this statement is as on 31st March 2018.

Answer 21:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Overdraft as per the Cash Book		52,100
(ii)	Cheques of Rs 94,400 deposited in March but cheques of Rs 11,160 not cleared in April		11,160
(iii)	Cheques issued but not presented for payment in the March (38,580 + 4,320)	42,900	
(iv)	Payment made to creditor by bank but not entered in the Cash Book		10,500
(v)	Amount directly deposited by debtor into Bank	9,000	
(vi)	Bank Charges		120
	Bank credited interest	180	
	Overdraft as per the Pass Book	21,800	
		73,880	73,880

Note: Point (vii) will have no affect on the statement as error in recording cash deposit entry is already rectified.

Answer 22:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Overdraft as per the Pass Book		2,500
	Cheques issued for Rs 5,000 but cheques of Rs 3,000 cleared till March 31		2,000
(ii)	Cheque issued but not entered in the Cash Book	1,000	
(iii)	Cheque deposited but cleared in April	500	
(iv)	Bill dishonoured	1,000	
(v)	Cheque entered in the Cash Book but not deposited	500	
(vi)	Interest allowed not recorded in the Cash Book		200
	Overdraft as per the Cash Book	1,700	
		4,700	4,700

Answer 23:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Overdraft as per the Pass Book		36,000
(ii)	Cheques issued but not presented for payment		19,700
(iii)	Cheques deposited with bank but not collected	25,000	
(iv)	Cheques entered in the Cash book but not deposited in bank	9,000	
(v)	Amount directly deposited by Customer		11,000
	Overdraft as per the Cash Book	32,700	
		66,700	66,700

Answer 24:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Overdraft as per the Pass Book		10,700
	Cheque issued in March 2018 but presented after that date		900

(ii)	Cheques deposited but not cleared during March 2018	2,200	
(iii)	Interest on Overdraft	1,200	
(iv)	Interest on Investment not recorded in the Cash Book		5,000
(v)	Bank Charges	50	
(vi)	Amount of bill dishonoured not entered in the Cash Book	800	
	Overdraft as per the Cash Book	12,350	
		16,600	16,600

Answer 25:

Bank Reconciliation Statement

as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
	Debit Balance as per the Pass Book		10,000
(i)	Cheque issued in March but presented for payment in April		5,000
(ii)	Cheques deposited but not cleared in March	2,800	
(iii)	Bank Charges not entered in the Cash Book	25	
	Interest on Investment collected by bank not entered in the Cash Book		350
(iv)	Cheque entered in the Cash Book but not deposited in bank	600	
(v)	Bill discounted with bank not recorded in cash book		5,000
	Credit Balance (Overdraft) as per the Cash Book	16,925	
		20,350	20,350

Answer 26:

Bank Reconciliation Statement

as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
	Overdraft as per the Pass Book		5,220
(i)	Cheques deposited but not cleared	6,000	
(ii)	Cheques dishonoured not entered in the Cash Book	800	
(iii)	Bank Charges	50	
(iv)	Interest on Overdraft excess credited in the Cash Book		200

(v)	Amount wrongly credited in the Pass Book		900
(vi)	Cheques issued but not presented for payment		400
	Balance as per the Cash Book		130
		6,850	6,850

Answer 27:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Debit balance as per the Pass Book		2,500
(ii)	Cheques issued but not presented in March		2,000
(iii)	Cheque deposited in March but cleared in April	500	
(iv)	Bill dishonoured was not entered in the Cash Book	2,000	
(v)	Cheque debited in the Cash book but not deposited into bank	300	
	Interest allowed by bank but was not entered in the Cash Book		400
	Overdraft as per the Cash Book	2,100	
		4,900	4,900

Answer 28:

Bank Reconciliation Statement
as on October 31, 2017

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Overdraft as per the Pass Book		16,500
(ii)	Interest on Overdraft	1,250	
(iii)	Bank Charges	35	
(iv)	Cheques issued but not presented for payment		11,500
(v)	Cheques deposited but not cleared	2,500	
(vi)	Interest on Investment was not recorded in the Cash Book		1,800
	Overdraft as per the Cash Book	26,015	
		29,800	29,800

Answer 29:**Bank Reconciliation Statement***as on March 31, 2018*

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Overdraft as per the Pass Book		33,000
(ii)	Cheques issued but not presented for payment		17,500
(iii)	Cheques deposited but not collected	21,000	
(iv)	Cheques recorded in the Cash Book but not sent to bank for collection	4,000	
(v)	Payment directly deposited by customer in the bank		7,000
(vi)	Bank Charges	40	
(vii)	Insurance Premium of life Insurance policy directly paid from the bank but not recorded in the Cash Book	360	
(viii)	Bill dishonoured	6,000	
	Noting charged paid by bank	20	
	Overdraft as per the Cash Book	26,080	
		57,500	57,500

Answer 30:**Bank Reconciliation Statement***as on March 31, 2018*

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Overdraft as per the Pass Book		12,000
(ii)	Cheques issued but not presented for payment		67,000
(iii)	Cheques deposited but not collected	3,000	
(iv)	Bank Charged Interest on Overdraft	500	
(v)	Amount directly paid by a debtor		400
	Interest received on Investment		600
(vi)	A Cheque entered in the Cash book but not sent to bank for collection	200	
	Overdraft as per the Cash Book	76,300	
		80,000	80,000

Answer 31:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Overdraft as per the Pass Book		10,000
(ii)	Cheques issued but not presented for payment during March		20,000
(iii)	Interest charged by bank on Overdraft	1,500	
(iv)	Cheques deposited in to bank but not collected	20,000	
(v)	Insurance premium paid by bank but not entered in the Cash Book	100	
(vi)	Bank charging commission not entered in the cash book	200	
	Overdraft as per the Cash Book	8,200	
		30,000	30,000

Answer 32:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
	Overdraft as per the Pass Book		33,575
(ii)	Amount directly collected by the bank		2,800
(iii)	Amount deposited in March but credited in April	7,500	
(iv)	Cheque issued in March but presented for payment in April		2,500
(v)	Credit wrongly given by the bank to be reversed		5,500
	Overdraft as per the Cash Book	36,875	
		44,375	44,375

Note: In adjustment (i) as cheque is dishonoured on April 01, 2018 i.e. after the period for which Balance as per Pass Book is given. Thus, no adjustment is required in either of two books.

Answer 33:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Overdraft as per the Pass Book		16,500
(ii)	Cheques issued but not presented for payment		8,750
(iii)	Cheques deposited but not collected	10,500	
(iv)	Cheques entered in the Cash Book but not sent to bank for collection	2,000	
(v)	Amount directly deposited into bank by customer		3,500
(vi)	Bank Charges	200	
(vii)	Insurance Premium paid by bank not recorded in the Cash Book	1,980	
(viii)	Bill dishonoured	3,000	
	Noting Charges paid by bank	100	
	Overdraft as per the Cash Book	10,970	
		28,750	28,750

Answer 34:

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Overdraft as per the Pass Book		17,800
(ii)	Cheques issued but not presented for payment		6,800
(iii)	Cheques deposited but not cleared in March	4,200	
(iv)	A Cheque entered in the Cash Book but not deposited into bank	1,200	
(v)	Insurance premium paid by bank	1,450	
(vi)	Bill dishonoured	6,200	
(vii)	Bank Charges	350	
	Overdraft as per the Cash Book	11,200	
		24,600	24,600

Answer 35:**Bank Reconciliation Statement***as on March 31, 2018*

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Overdraft as per the Pass Book (Account no I)		14,724
(ii)	Cheques issued but not presented for payment		6,429
(iii)	Cheques deposited but not cleared	9,751	
(iv)	Interest Charged on Overdraft	607	
(v)	Bank Charges	140	
(vi)	Transfer of funds from Account No II to Account No I not entered in the Cash Book		5,000
	Overdraft as per the Cash Book	15,655	
		26,153	26,153

Answer 36:**(a)** Without correcting Cash Book Balance**Bank Reconciliation Statement***as on March 31, 2018*

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Bank Balance as per Cash Book	40,000	
(ii)	Cheques issued but not encashed	10,000	
(iii)	Cheques deposited but not cleared		15,000
(iv)	Interest on Investments collected by Bank	500	
(v)	Cheques deposited directly in Bank	12,500	
(vi)	Bank Charges		100
	Balance as per the Pass Book		47,900
		63,000	63,000

(b) After correcting Cash Book Balance**Cash Book (Adjusted)***for the month of March 31, 2018***Dr.****Cr.**

Date	Particulars	Bank (Rs)	Date	Particulars	Bank (Rs)
2018 Mar.31	Balance b/d	40,000	2018 Mar.31	Bank Charges	100
	Interest on Investments	500		Balance c/d	52,900

	Cheques omitted to enter	12,500			
		53,000			53,000

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Adjusted Balance as per the Cash Book	52,900	
(ii)	Cheque issued but not encashed	10,000	
	Cheques deposited but not cleared		15,000
	Balance as per the Pass Book		47,900
		62,900	62,900

Answer 37:

Cash Book (Adjusted)
for the month of March 31, 2018

Dr.			Cr.		
Date	Particulars	Bank (Rs)	Date	Particulars	Bank (Rs)
2018 Mar.31	Cheques Omitted to enter	3,000	2018 Mar.31	Balance b/d (Overdraft)	80,000
	Bills Collection	20,000		Adjustment for undercasting	1,000
	Bank Charges	100		Cheques returned	4,000
	Balance c/d	66,900		Cheque recorded twice	5,000
		90,000			90,000

Bank Reconciliation Statement
as on March 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Overdraft as per the (adjusted) Cash Book		66,900
	Cheques recorded in the Cash Book but not sent to bank for collection		10,000
(ii)	Cheque issued but not cleared on technical grounds	3,000	
	Overdraft as per the Pass Book	73,900	
		76,900	76,900

Answer 38:

Bank Reconciliation Statement

as on January 31, 2018

S. No.	Particulars	Plus Items (Rs)	Minus Items (Rs)
(i)	Balance as per the Cash Book	5,610	
	Three Cheques of M. Mohan & Bros, T.P. Bhalla & Co and S. Leader & Sons of Rs 1,550 Rs 740 and Rs 2,130 respectively were received but not cleared		4,420
(ii)	Three Cheques of V. Kumar & Co, R. Ramdas & Co and B. Bansal & Bros. of Rs 300, Rs 780 and Rs 340 respectively were issued but not presented for payment	1,420	
(iii)	Bank Charges		10
(iv)	Life Insurance premium paid by bank not recorded in the Cash Book		250
(v)	Interest on Government Securities received by bank	300	
	Balance as per the Pass Book		2,650
		7,330	7,330

Note: In Cash Book cheque received from G. Basu & Co is debited with Rs 1,000 and at the time of dishonour entry is reversed by crediting G. Basu & Co with Rs 1,000. Therefore its net effect is nil in Cash Book.

Chapter 6. Trial Balance

Answer 1:

Trial Balance

S. No.	Account Title	Debit Balance (Rs)	Credit Balance (Rs)
(i)	Capital		2,00,000
(ii)	Stock	70,000	
(iii)	Cash	1,80,000	
(iv)	Debtors	3,00,000	
(v)	Creditors		1,00,000
(vi)	Bank Loan		1,50,000
(vii)	Sales		3,00,000
(viii)	Purchases	2,00,000	
		7,50,000	7,50,000

Answer 2:

**Books of Mohan
Journal**

Date	Particular	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2018 April 01	Cash A/c To Capital A/c (Commenced business with Cash)	Dr.	1,00,000	1,00,000
April 03	Purchases A/c To Cash A/c (Bought goods)	Dr.	5,000	5,000
April 04	Gopal To Sales A/c (Goods Sold to Gopal)	Dr.	4,000	4,000

April 10	Purchases A/c To Ram (Bought goods from Ram)	Dr.	8,000	8,000
April 15	Trade Expenses A/c To Cash A/c (Paid trade expenses)	Dr.	2,000	2,000
April 20	Cash A/c Discount Allowed A/c To Gopal (Cash received from Gopal and discount allowed)	Dr. Dr.	3,950 50	4,000
April 25	Wages A/c To Cash (Paid Wages)	Dr.	700	700
April 27	Ram To Cash A/c To Discount Received A/c (Paid to Ram and discount received from him)	Dr.	8,000	7,700 300
April 30	Rent A/c To Cash A/c (Paid Rent)	Dr.	1,500	1,500

Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018				2018			
April 01	Capital		1,00,000	April 03	Purchases		5,000
April 20	Gopal		3,950	April 15	Trade Expenses		2,000
				April 25	Wages		700
				April 27	Ram		7,700
				April 30	Rent		1,500
					Balance c/d		87,050
			1,03,950				1,03,950

Capital Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 30	Balance c/d		1,00,000	2018 April 01	Cash		1,00,000
			1,00,000				1,00,000

Purchases Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 03	Cash		5,000	2018 April 30	Balance c/d		13,000
April 10	Ram		8,000				13,000
			13,000				

Sales Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 30	Balance c/d		4,000	2018 April 04	Gopal		4,000
			4,000				4,000

Gopals' Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 04	Sales		4,000	2018 April 20	Cash		3,950
			4,000	April 20	Discount Allowed		50
							4,000

Ram's Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 27	Cash		7,700	2018 April 10	Purchases		8,000
	Discount Received		300				
			8,000				8,000

Trade Expenses Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 15	Cash		2,000	2018 April 30	Balance c/d		2,000
			2,000				2,000

Discount Received Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 20	Balance c/d		300	2018 April 20	Ram		300
			300				300

Wages Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 25	Cash		700	2018 April 30	Balance c/d		700
			700				700

Discount Allowed Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 27	Gopal		50	2018 April 01	Balance c/d		50

			50				50

Rent Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2018 April 30	Cash		1,500	2018 April 30	Balance c/d		1,500
			1,500				1,500

Trial Balance

S. No.	Account Title	L.F.	Debit Balance (Rs)	Credit Balance (Rs)
(i)	Cash		87,050	
(ii)	Capital			1,00,000
(iii)	Sales			4,000
(iv)	Trade Expenses		2,000	
(v)	Discount Received			300
(vi)	Wages		700	
(vii)	Discount Allowed		50	
(viii)	Rent		1,500	
(ix)	Purchases		13,000	
			1,04,300	1,04,300

Answer 3:

Trial Balance

as on March 31, 2018

S.No.	List of Items	Debit Balances	Credit Balances
1	Bank Overdraft		85,000
2	Sales		8,10,000
3	Purchases Return		22,500

4	Debtors	4,00,500	
5	Wages	96,000	
6	Capital		1,58,750
7	Purchases	4,45,000	
8	Cash in hand	8,500	
9	Creditors		2,15,000
10	Sales Return	15,750	
11	Equipment	25,000	
12	Opening Stock	3,00,500	
	Total	12,91,250	12,91,250

Answer 4:

Trial Balance

as on March 31, 2018

S.No.	List of Items	Debit Balances	Credit Balances
1	Capital		24,000
2	Opening Stock	8,500	
3	Furniture	2,600	
4	Purchases	8,950	
5	Cash	7,300	
6	Carriage	300	
7	Sales		22,500
8	Building	12,000	
9	Returns Inward	1,900	
10	Returns Outwards		350

11	Trade Expenses	1,000	
12	Discount Received		970
13	Salary	3,000	
14	Office Rent	2,270	
	Total	47,820	47,820

Answer 5:

Trial Balance

as on March 31, 2018

S.No.	List of Items	Debit Balances	Credit Balances
1	Cash	2,000	
2	Capital		80,000
3	Purchases	85,000	
4	Sales		1,08,400
5	Purchases Return		6,000
6	Sales Return	4,000	
7	Transportation	1,800	
8	Discount Allowed	500	
9	Printing	5,000	
10	Sundry Debtors	70,000	
11	Input CGST A/c	2,500	
12	Input SGST A/c	2,500	
13	Input IGST A/c	4,000	
14	Sundry Creditors		40,000
15	Investments	8,000	

16	Plant & Machinery	15,000	
17	Building	20,000	
18	Furniture	6,000	
19	Electricity	700	
20	Postage	400	
21	Drawings	8,000	
22	Salaries	6,000	
23	Travelling Expenses	2,000	
24	Output CGST A/c		1,500
25	Output SGST A/c		1,500
26	Output IGST A/c		6,000
	Total	2,43,400	2,43,400

Answer 6:

Trial Balance

as on March 31, 2018

S.No.	List of Items	Debit Balances	Credit Balances
1	Capital Accounts		1,25,000
2	Furniture & Fittings	6,400	
3	Motor Car	62,500	
4	Buildings	75,000	
5	Total Debtors	38,000	
6	Total Creditors		25,000
7	Bad Debts	1,250	

8	Opening Stock	34,600	
9	Purchases	54,750	
10	Input IGST A/c	3,000	
11	Output CGST A/c		1,500
12	Sales		1,54,500
13	Bank Overdraft		28,500
14	Purchases Return		1,250
15	Commission (Cr.)		3,750
16	Sales Return	2,000	
17	Advertisement	2,500	
18	Interest Account (Dr.)	1,180	
19	Cash Balance	6,500	
20	Insurance & Tax	12,500	
21	Salaries	40,820	
22	Output SGST A/c		1,500
	Total	3,41,000	3,41,000

Answer 7:

Trial Balance

as on March 31, 2018

S.No.	List of Items	Debit Balances	Credit Balances
1	Sundry Debtors	58,500	
2	Sundry		1,00,000

	Creditors		
3	Rent (Cr.)		6,300
4	Miscellaneous Expenses	3,200	
5	Plant & Machinery	7,08,750	
6	Creditors for Furniture		30,000
7	Opening Stock	40,000	
8	Discount (Cr.)		9,900
9	Buildings	9,81,000	
10	Rent	12,000	
11	Loan (Cr.)		10,00,000
12	Input IGST A/c	2,500	
13	Input CGST A/c	1,000	
14	Interest on Loan	10,000	
15	Conveyance	200	
16	Furniture	30,000	
17	Commission	4,000	
18	Drawings	15,000	
19	Salaries & Wages	25,900	
20	Discount (Dr.)	5,500	
21	Capital		5,00,000
22	Purchases	3,13,450	
23	Sales		5,61,300

24	Input SGST A/c	1,000	
25	Output IGST A/c		4,500
	Total	22,12,000	22,12,000

Answer 8:

Trial Balance

as on March 31, 2018

S.No.	List of Items	Debit Balances	Credit Balances
1	Capital		75,00,000
2	Plant	15,00,000	
3	Cash in Hand	2,500	
4	Commission Received		1,75,000
5	Discount (Dr.)	55,000	
6	Purchases Return		50,000
7	Interest Received		30,000
8	Repairing Charges	1,25,000	
9	General Expenses	3,00,000	
10	Wages	5,00,000	
11	Furnitures	1,20,000	
12	Sales Return	90,000	
13	Loan Advanced	6,00,000	
14	Office Salaries	6,25,000	
15	Building	7,50,000	
16	Opening Stock	12,50,000	

17	Cash at Bank	5,75,000	
18	Rates, Taxes & Insurance	30,000	
19	Discount (Cr.)		45,000
20	Sundry Creditors		2,50,000
21	Sales		62,50,000
22	Book Debts	15,00,000	
23	Rent	62,500	
24	Purchases	48,00,000	
25	Carriage & Freight	75,000	
26	Delivery Van	5,00,000	
27	Travelling Expenses	50,000	
28	Drawings	6,00,000	
29	Suspense A/c	1,90,000	
	Total	1,43,00,000	1,43,00,000

Answer 9:

Trial Balance as on March 31, 2018

S. No.	Particulars	L.F.	Debit Balance (Rs in 000')	Credit Balance (Rs in 000')
(i)	Purchases		1,04,000	
(ii)	Sundry Debtors		18,550	
(iii)	Premises		62,000	
(iv)	Sales			1,49,000
(v)	Return Outwards			8,900
(vi)	Rates and Taxes		780	
(vii)	Cash at Bank		1,560	
(viii)	Carriage Inwards		650	
(ix)	Salaries		3,900	

(x)	Stock (1st April, 2014)	25,000	
(xi)	Drawings	7,950	
(xii)	Sundry Creditors		8,300
(xiii)	Return Inwards	5,360	
(xiv)	Furniture	15,600	
(xv)	Cash in hand	390	
(xvi)	Capital		85,000
(xvii)	Factory Wages	5,830	
(xviii)	Carriage Outwards	260	
(xix)	Rent Received		2,990
(xx)	Insurance	2,100	
(xxi)	Bad Debts	260	
(xxii)	Input IGST A/c	5,000	
(xxiii)	Input CGST A/c	2,500	
(xxiv)	Input SGST A/c	2,500	
(xxv)	Output IGST A/c		10,000
		2,64,190	2,64,190

Answer 10:

Trial Balance

as on March 31, 2018

S.No.	List of Items	Debit Balances	Credit Balances
1	Building	3,00,000	
2	Machinery	85,000	
3	Returns Outward		13,000
4	Bad Debts	14,000	
5	Cash	2,000	
6	Discount Received		15,000
7	Bank Overdraft		50,000
8	Creditors		2,50,000

9	Purchases	5,00,000	
10	Capital		3,68,000
11	Furniture	28,000	
12	Sales		5,20,000
13	Debtors	3,00,000	
14	Interest Received		13,000
	Total	12,29,000	12,29,000

Answer 11:

Trial Balance

as on March 31, 2018

S.No.	List of Items	Debit Balances	Credit Balances
1	Capital		8,000
2	Bad Debts Recovered		250
3	Creditors		1,250
4	Returns Outward		350
5	Bank Overdraft		1,570
6	Rent	360	
7	Salaries	850	
8	Trade Expenses	300	
9	Cash in Hand	210	
10	Opening Stock	2,450	
11	Purchases	11,870	
12	Debtors	7,580	

13	Bank Deposits	2,750	
14	Discount Allowed	40	
15	Drawings	600	
16	Returns Inward	450	
17	Sales		13,690
18	Bills Payable		1,350
19	Grants Received		1,000
	Total	27,460	27,460

Answer 12:

Trial Balance (Corrected)

Debit	Amount (Rs)	Credit	Amount (Rs)
Opening Stock	1,02,600	Creditors	84,000
Return Inwards	9,000	Rent Received	9,000
Salaries	36,000	Bills Payable	60,000
Bank	1,35,000	Capital	1,65,600
Carriage Inward	18,000	Return Outwards	48,000
Discount Allowed	6,000	Discount Received	12,000
Purchases	3,00,000	Sales	4,20,000
Debtors	45,000		
Carriage Outwards	15,000		
Machinery	54,000		
Trade Expenses	18,000		
Building	60,000		
	<u>7,98,600</u>		<u>7,98,600</u>

Answer 13:

Trial Balance

S. No.	Account Title	Debit (Rs)	Credit (Rs)
(i)	Cost of Goods Sold	1,50,000	
(ii)	Closing Stock	40,000	
(iii)	Debtors	60,000	
(iv)	Creditors		30,000
(v)	Fixed Assets	50,000	

(vi)	Expenses	20,000	
(vii)	Sales		2,00,000
(viii)	Capital		90,000
		3,20,000	3,20,000

Chapter 7. Depreciation

Q1

$$\begin{aligned}\text{Amount of Depreciation} &= \frac{\text{Cost of Machine} - \text{Scrap Value of Machine}}{\text{Life in Years}} \\ &= \frac{1,20,000 - 72,000}{4} = \text{Rs } 12,000\end{aligned}$$

$$\begin{aligned}\text{Rate of Depreciation} &= \frac{\text{Amount of Depreciation}}{\text{Cost of Machine}} \times 100 \\ &= \frac{12,000}{1,20,000} \times 100 = 10\% \text{ p.a.}\end{aligned}$$

Q2

Book of X Ltd. Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2014 April 01	Bank		4,00,000	2015 Mar.31	Depreciation		40,000
April 01	Bank (Erection Expense)		50,000		Balance c/d		4,10,000
			4,50,000				4,50,000
2015 April 01	Balance b/d		4,10,000	2016 Mar.31	Depreciation		40,000
			4,10,000		Balance c/d		3,70,000
2016 April 01	Balance b/d		3,70,000	2017 Mar.31	Depreciation		40,000
			3,70,000		Balance c/d		3,30,000
							3,70,000

Calculation of Depreciation:

$$\begin{aligned}\text{Depreciation p. a.} &= \frac{4,00,000 + 50,000 - 50,000 (\text{Scrap Value})}{10 \text{ years}} \\ &= \text{Rs } 40,000 \text{ p. a.}\end{aligned}$$

Q3

Furniture Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2012 April 01	Bank (F1)		55,000	2013 March 31	Depreciation (F1)		5,000
				March 31	Balance c/d (F1)		50,000
			55,000				55,000
2013 April 01	Balance b/d (F1)		50,000	2014 March 31	Depreciation		
April 01	Bank (F2)		9,500	F1	5,000		5,900
				F2	900		
				March 31	Balance c/d		
				F1	45,000		53,600
				F2	8,600		
			59,500				53,600
2014 April 01	Balance b/d			2015 March 31	Depreciation		
	F1 45,000			F1	5,000		5,900
	F2 8,600		53,600	F2	900		
				March 31	Balance c/d		
				F1	40,000		47,700
				F2	7,700		
			53,600				47,700
2015 April 01	Balance b/d			2016 March 31	Depreciation		
	F1 40,000			F1	5,000		6,300
	F2 7,700		47,700	F2	900		
Oct. 01	Bank (F3)		8,400	F3	400		
				March 31	Balance c/d		
				F1	35,000		49,800
				F2	6,800		
				F3	8,000		49,800
			56,100				56,100

Working Notes:

$$\text{Depreciation on F1} = \frac{55,000 - 5,000 (\text{Scrap Value})}{10 \text{ years}} = \text{Rs } 5,000 \text{ p.a.}$$

$$\text{Depreciation on F2} = \frac{9,500 - 500 (\text{Scrap Value})}{10 \text{ years}} = \text{Rs } 900 \text{ p.a.}$$

$$\text{Depreciation on F3} = \frac{8,400 - 400 (\text{Scrap Value})}{10 \text{ years}} = \text{Rs } 800 \text{ p.a.}$$

$$\therefore \text{Depreciation on F3 (for Six Months)} = 800 \times \frac{6}{12} = \text{Rs } 400$$

Q4**Machinery Account**

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2014 April 01	Bank (M1)		2,50,000	2015 March 31	Depreciation		
Oct. 01	Bank (M2)		1,00,000		M1		12,500
					M2 (6 Months)		2,500
				March 31	Balance c/d		15,000
					M1		2,37,500
					M2		97,500
			3,50,000				3,35,000
2015 April 01	Balance b/d			2016 March 31	Depreciation		
	M1 2,37,500				M1		12,500
	M2 97,500		3,35,000		M2		5,000
				March 31	Balance c/d		
					M1		2,25,000

				M2	92,500	3,17,500
						3,35,000
2016 April 01	Balance b/d		2016 Oct. 01	Depreciation (for 6 months)		6,250
	M1 2,25,000		Oct. 01	Bank (M1 sold)		1,43,000
	M2 92,500	3,17,500	Oct. 01	Profit and Loss (loss on sale)		75,750
July 01	Bank (M3)	2,00,000	2017 March 31	Depreciation		
				M2 5,000		
				M3 (for 6 months) 5,000		10,000
			March 31	Balance c/d		
				M2 87,500		
				M3 1,95,000		2,82,500
		5,17,500				5,17,500
2017 April 01	Balance b/d		2018 March 31	Depreciation		
	M2 87,500			M2 5,000		
	M3 1,95,000	2,82,500		M3 10,000		15,000
			March 31	Balance c/d		
				M2 82,500		
				M3 1,85,000		2,67,500
		2,82,500				2,82,500

Working Notes:

1. Calculation of Depreciation

Machine 1 $2,50,000 \times \frac{5}{100} = \text{Rs} 12,500 \text{ p.a}$

Machine 2 $1,00,000 \times \frac{5}{100} = \text{Rs} 5,000 \text{ p.a}$

Machine 3 $2,00,000 \times \frac{4}{100} = \text{Rs} 10,000 \text{ p.a}$

2. Calculation of profit or loss on sale of Machine 1

Particulars	Amount (Rs)
Less	

Book Value on Oct. 01, 2016	2,18,750
Less: Sale Proceeds	(1,43,000)
Loss on Sale of Machine	75,750

Q5

Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particular	J.F.	Amount (Rs)
2016				2017			
Apr.01	Bank (M1)		50,000	Mar.31	Depreciation		
Sept 30	Bank (M2)		20,000		M1		5,000
					M2 (6 months)		1,000
							6,000
				Mar.31	Balance c/d		
					M1		45,000
					M2 (6 months)		19,000
							64,000
			70,000				70,000

Note:

Repair and renewal made on December 31, 2016 will not be recorded in Machinery Account because, this repair was made after putting the Machinery into use.

Q6

Asset Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)

April 01	Balance b/d	8,500	Mar.31	Depreciation	1,000
			Mar.31	Balance c/d	7,500
		8,500			8,500
2012			2013		
April 01	Balance b/d	7,500	Mar.31	Depreciation	1,000
			Mar.31	Balance c/d	6,500
		7,500			7,500
2013			2014		
April 01	Balance b/d	6,500	Mar.31	Depreciation	1,000
			Mar.31	Balance c/d	5,500
		6,500			6,500
2014			2015		
April 01	Balance b/d	5,500	Mar.31	Depreciation	1,000
			Mar.31	Balance c/d	4,500
		5,500			5,500
2015			2016		
April 01	Balance b/d	4,500	Mar.31	Depreciation	1,000
			Mar.31	Bank	600
			Mar.31	Profit and Loss (Loss)	2,900
		4,500			4,500

- (i) Depreciation Expense for the year ended March 31, 2010 is Rs 1000
(ii) The Net Book Value of the asset on March 31, 2014 is Rs 5,500
(iii) Loss on Sale of the asset on March 31, 2016 is Rs 2,900

Q7

Van Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2015				2016			
April 01	Bank (I)		65,000	March 31	Depreciation (I)		6,500
				March 31	Balance c/d (I)		58,500
			65,000				65,000
2016				2017			
April 01	Balance b/d (I)		58,500	March 31	Depreciation		
Oct.	Bank (II)		70,000	(I)	6,500		

01					(II) (for 6 month)	3,500		10,000
				March 31	Balance c/d			
					(I)	52,000		
					(II)	66,500		1,18,500
			1,28,500					1,28,500
2017				2017				
April 01	Balance b/d			April 01	Bank (I)			45,000
	(I) 52,000			April 01	Profit and Loss (Loss on Sale)			7,000
	(II) 66,500		1,18,500	2018				
				March 31	Depreciation			
April 01	Bank (III)		1,70,000		(II)	7,000		
					(III)	17,000		24,000
				March 31	Balance c/d			
					(II)	59,500		
					(III)	1,53,000		2,12,500
			2,88,500					2,88,500

Working Notes

1. Calculation of Annual Depreciation

$$\text{Maruti Van (I)} = 65,000 \times \frac{10}{100} = \text{Rs } 6,500$$

$$\text{Maruti Van (II)} = 70,000 \times \frac{10}{100} = \text{Rs } 7,000$$

$$\text{Maruti Van (III)} = 1,70,000 \times \frac{10}{100} = \text{Rs } 17,000$$

2. Calculation of profit or loss on sale of Van (I)

Particulars	Amount (Rs)
Book Value on Apr. 01, 2017	52,000
Less: Sale of Van	(45,000)
Loss on Sale of Van	7,000

Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2013 July 01	Bank (I)		30,000	2014 March 31	Depreciation		
2014 Jan. 01	Bank (II)		20,000		I (for 9 months)	2,250	
					II	500	2,750
				March 31	Balanced c/d		
					I	27,750	
					II	19,500	47,250
			50,000				50,000
2014 April 01	Balance b/d			2015 March 31	Depreciation		
	I 27,750				I	3,000	
	II 19,500		47,250		II	2,000	
					III	500	5,500
Oct. 01	Bank (III)		10,000	March 31	Balance c/d		
					I	24,750	
					II	17,500	
					III	9,500	51,750
			57,250				57,250
2015 April 01	Balance b/d			2015 April 01	Bank I(1/3 rd portion)		3,000
	I 24,750			April 01	Profit and Loss (Loss on Sale of I)		5,250
	II 17,500			2016 March 31	Depreciation		
	III 9,500		51,750		I (on 2/3 rd portion)	2,000	
					II	2,000	
					III	1,000	5,000
				March 31	Balance c/d		
					I (on 2/3 rd portion)	14,500	

				II	15,500		
				III	8,500		38,500
		51,750					51,750

Working Notes

1. Calculation of Depreciation

$$\text{Machine I} = 30,000 \times \frac{10}{100} = \text{Rs } 3,000 \text{ p.a}$$

$$\text{and Depreciation of } 2/3^{\text{rd}} \text{ Portion} = 3,000 \times \frac{2}{3} = \text{Rs } 2,000$$

$$\text{Machine II} = 20,000 \times \frac{10}{100} = \text{Rs } 2,000 \text{ p.a}$$

$$\text{Machine III} = 10,000 \times \frac{10}{100} = \text{Rs } 1,000 \text{ p.a}$$

Calculation of profit or loss on sale of 1/3rd Portion of Machine I

Particulars	Amount (Rs)
Book Value of 1/3rd portion of Machine I on April 01, 2015 (24,750 × 1/3)	8,250
Less: Sale Value	(3,000)
Loss on sale	5,250

Q9

Books of A. Co. Ltd

Machinery

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2012 July 01	Bank (I) (20,000 + 3,000)		23,000	2013 Mar.31	Depreciation		
2013 Jan.01	Bank (II)		12,000		I (for 9 months)		1,725
					II (for 3 months)		300
				Mar.31	Balance c/d		2,025
					I		21,275
					II		11,700
			35,000				32,975
							35,000

2013 April 01	Balance b/d			2014 Mar.31	Depreciation		
	I 21,275				I 2,300		
	II 11,700		32,975		II 1,200		3,500
				Mar.31	Balance c/d		
					I 18,975		
					II 10,500		29,475
			32,975				32,975
2014 April 01	Balance b/d			2014 June 30	Bank (II)		8,000
	I 18,975			June 30	Depreciation (II) (for 3 months)		300
	II 10,500			June 30	Profit and Loss (Loss)		2,200
			29,475				
July 01	Bank (III)		5,000	2015 Mar.31	Depreciation		
July 01	Creditors for plant (III)		10,000		I 2,300		
					III (on 15,000 for 8 months)	1,125	3,425
					Balance c/d		
					I 16,675		
					III 13,875		30,550
			44,475				44,475

Working Notes

1. Calculation of Depreciation

$$\text{Machine(I)} = 23,000 \times \frac{10}{100} = \text{Rs } 2,300 \text{ p.a}$$

$$\text{Machine(II)} = 12,000 \times \frac{10}{100} = \text{Rs } 1,200 \text{ p.a}$$

$$\text{Machine(III)} = 15,000 \times \frac{10}{100} = \text{Rs } 1,500 \text{ p.a}$$

2. Calculation of profit on loss on sale of Machine (II)

Particulars	Amount (Rs)
Book Value of Machine (II) on April 01, 2014	10,500
Less: Depreciation for 3 Months	(300)
Book Value on June 30	10,200

Less: Sale	(8,000)
Loss on Sale	2,200

Q10

$$\begin{aligned}\text{Amount of Depreciation} &= \frac{\text{Cost of Machine} - \text{Scrap Value of Machine}}{\text{Life in Years}} \\ &= \frac{60,000 \text{ (Note)} - 6,000}{10} = \text{Rs } 5,400 \\ \text{Rate of Depreciation} &= \frac{\text{Amount of Depreciation}}{\text{Cost of Machine}} \times 100 \\ &= \frac{5,400}{60,000} \times 100 = 9\% \text{ p.a.}\end{aligned}$$

Machinery Account

Dr.			Cr.		
Date	Particulars	Amount (Rs)	Date	Particulars	Amount (Rs)
2015 Apr. 01	Bank A/c	60,000	2016 Mar. 31	Depreciation A/c	5,400
			Mar. 31	Balance c/d	54,600
		60,000			60,000
2016 Apr. 01	Balance b/d	54,600	2017 Mar. 31	Depreciation A/c	5,400
			Mar. 31	Balance c/d	49,200
		54,600			54,600
2017 Apr. 01	Balance b/d	49,200	2017 Oct. 01	Depreciation A/c (for 6 months)	2,700
				Bank A/c (Sale)	30,000
				Profit and Loss A/c (Loss on Sale)	16,500
		49,200			49,200

Working Notes: Calculation of Profit or Loss on Sale

Particulars	Amount
-------------	--------

Value of Machine as on Apr. 01, 2017	49,200
Less: Depreciation for 6 months	2,700
Value of M1 as on Oct. 01, 2017	46,500
Less: Sale Value	30,000
Loss on Sale	16,500

Note:

1. All the expenses incurred up to the date at which machine is put in use will be added to cost of machine.
2. The amount spent on repairs is a recurring nature expenses. So, it will not be added to Machine A/c.
3. Cost of Machine = 52,000 + 2,000 + 3,000 + 2,000 + 1,000 = Rs 60,000

Q11

Books of Modern Ltd. Machinery Account

Dr.				Cr.			
Date	Particulars	J. F.	Amount (Rs)	Date	Particulars	J. F.	Amount (Rs)
2015				2016			
Aug. 01	Bank (M1)		60,000	March 31	Depreciation M1 (for 8 months)		8,000
				March 31	Balance c/d		52,000
			60,000				60,000
2016				2017			
April 01	Balance b/d		52,000	March 31	Depreciation		
Oct. 01	Bank (M2)		20,000		M1	12,000	
					M2 (6 months)	2,000	
				March 31	Balance c/d		14,000
					M1	40,000	

				M2	18,000	58,000
		72,000				72,000
2017 April 01	Balance b/d		2017 June 30	Depreciation (M1) (for 3 months)		3,000
	M1 40,000		June 30	Bank (M1)		38,500
	M2 18,000	58,000	2018 Mar.31	Depreciation (M2)		4,000
June 30	Profit and Loss (profit)	1,500	Mar.31	Balance c/d		14,000
		59,500				59,500

Working Notes

1. Calculation of Annual Depreciation

$$\text{Machine 1} = 60,000 \times \frac{20}{100} = \text{Rs } 12,000$$

$$\text{Machine 2} = 20,000 \times \frac{20}{100} = \text{Rs } 4,000$$

Particulars	Amount (Rs)
Value on Apr 01, 2017	40,000
Depreciation for 3 Months	(3,000)
Value on June 30, 2017	37,000
Less: Sales Value of Machine	(38,500)
Profit on sale of Machine 1	1,500

3. Journal entries for purchase and sale with GST

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2016				

Oct 01	Machinery A/c	Dr	20,000	
		.		
	Input CGST A/c	Dr	1,200	
		.		
	Input SGST A/c	Dr	1,200	
		.		
	To Bank A/c			22,400
	(Machinery purchased with CGST and SGST @ 6% each paid)			
2017				
Jun 30	Bank A/c	Dr	43,120	
		.		
	To Machinery A/c			38,500
	To Output IGST A/c			4,620
	(Machinery purchased on 1st Aug, 2015 sold with IGST @ 12%.)			

Q12

**Books of Sohan Lal & Sons
Plant Account**

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2015				2016			
July 01	Bank (I)		60,000	March 31	Depreciation		
					(I) for 9 months	4,500	
2016					(II) for 3	1,000	5,500

Jan. 01	Bank (II)		40,000	March 31	months Balance c/d		
					(I)	55,500	
					(II)	39,000	94,500
			1,00,000				1,00,000
2016 April 01	Balance b/d			2017 March 31	Depreciation		
	(I) 55,500				(I)	6,000	
	(II) 39,000		94,500		(II)	4,000	
Oct. 01	Bank (III)		20,000		(III) for 6 months	1,000	11,000
				March 31	Balance c/d		
					(I)	49,500	
					(II)	35,000	
					(III)	19,000	1,03,500
			1,14,500				1,14,500
2017 April 01	Balance b/d			2017 April 01	Bank		6,000
	(I) 49,500			April 01	Profit and Loss (loss)(16,500 – 6,000)		10,500
				2018			
	(II) 35,000			March 31	Depreciation		
	(III) 19,000		1,03,500		(I)	4,000	
					(II)	4,000	
					(III)	2,000	10,000
				March 31	Balance c/d		
					(I)	29,000	
					(II)	31,000	
					(III)	17,000	77,000
			1,03,500				1,03,500

Working Notes

1. Calculation of Depreciation

$$\text{Plant I} = 60,000 \times \frac{10}{100} = \text{Rs } 6,000 \text{ p.a.}$$

$$\text{Plant II} = 40,000 \times \frac{10}{100} = \text{Rs } 4,000 \text{ p.a.}$$

$$\text{Plant III} = 20,000 \times \frac{10}{100} = \text{Rs } 2,000 \text{ p.a.}$$

2. Calculation of profit or loss on Sale of Plant I

Particulars	Amount (Rs)
1/3 rd of Book Value of Plant I as on April 01, 2017(49,500 × 1/3)	16,500
Less: Sale of Plant	(6,000)
Loss on Sale of Plant	10,500

3. Journal entries for purchase and sale with GST

Journal

Date	Particulars	L. F.	Debit Amount (₹)	Credit Amount (₹)
2016				
Oct 01	Machinery A/c	D r.	20,000	
	Input CGST A/c	D r.	1,200	
	Input SGST A/c	D r.	1,200	
	To Bank A/c			22,400
	(Machinery purchased with CGST and SGST @ 6% each paid)			
2017				

Apr 1	Bank A/c	Dr.	6,720	
	To Machinery A/c			6,000
	To Output CGST A/c			360
	To Output SGST A/c			360
	(Machinery purchased on 1st July, 2015 sold with CGST and SGST @ 6% each.)			

Q13

Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2015				2016			
April 01	Bank (I)		1,60,000	Mar.31	Depreciation		
Oct.01	Bank (II)		80,000		I 16,000		
					II 4,000		20,000
				Mar.31	Balance c/d		
					I 1,44,000		
					II 76,000		2,20,000
			2,40,000				2,40,000
2016				2017			
April 01	Balance b/d			Mar.31	Depreciation		
	I 1,44,000				I 16,000		
	II 76,000		2,20,000		II 8,000		24,000
				Mar.31	Balance c/d		
					I 1,28,000		
					II 68,000		1,96,000
			2,20,000				2,20,000
2017				2017			
April 01	Balance b/d			Oct.01	Depreciation (I) (6 Months)		8,000
	I 1,28,000			Oct.01	Bank		1,04,000

Oct.01	II 68,000 Bank (III)	1,96,000 2,00,000	Oct.01 2018	Profit and Loss (Loss)	16,000
			Mar.31	Depreciation	
				II 8,000	
				III (for 6 months) 10,000	18,000
			Mar.31	Balance c/d	
				II 60,000	
				III 1,90,000	2,50,000
		3,96,000			3,96,000

Working Notes

1. Calculation of Depreciation

Machine (I) = $1,60,000 \times \frac{10}{100} = \text{Rs } 16,000 \text{ p.a.}$

Machine (II) = $80,000 \times \frac{10}{100} = \text{Rs } 8,000 \text{ p.a.}$

Machine (III) = $2,00,000 \times \frac{10}{100} = \text{Rs } 20,000 \text{ p.a.}$

On Machine III (for 6 months) = Rs 10,000

2. Calculation of profit on loss on sale of Machine (I)

Particulars	Amount (Rs)
Book Value on April 01, 2017	1,28,000
Less: Depreciation for 6 Months	(8,000)
Book Value on Oct 01, 2017	1,20,000
Less: Sale Value	(1,04,000)
Loss on Sale	16,000

3. Journal entries for sale and purchase with GST

Journal

Date	Particulars	L. F.	Debit Amount (₹)	Credit Amount (₹)

2017				
Oct 1	Bank A/c	D r.	1,16,480	
	To Machinery A/c			1,04,000
	To Output CGST A/c			6,240
	To Output SGST A/c			6,240
	(Machinery purchased on 1st Aug, 2015 sold with CGST and SGST @ 6% each.)			
Oct 1	Machinery A/c	D r.	2,00,000	
	Input CGST A/c	r.		
	Input SGST A/c	D r.	12,000	
	To Bank A/c	r.	0	2,24,000
	(Machinery purchased with CGST and SGST @ 6% each paid.)	D r.	12,000	00
			0	

Q14

**Books of Rama Bros.
Machinery Account**

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2015 Apr.01	Balance b/d (64,000 + 16,000)		80,000	2015 Apr.01	Provision for Depreciation		6,400
				Apr.01	Bank		8,700
				Apr.01	Profit and Loss		900
				2016 Mar.31	Balance c/d		64,000
			80,000				80,000

Provision for Depreciation Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2015 Apr.01	Machinery Account (Accumulated Dep. on Machine Sold)		6,400	2015 Apr.01	Balance b/d		36,000
2016 Mar.31	Balance c/d		36,000	2016 Mar.31	Depreciation (on 64,000 @10%)		6,400
			42,400				42,400

Working Notes

(1) Calculation of Book Value of Machine Sold on April 01, 2015

Particulars	Amount (Rs)
Machine purchased in 2011	16,000
Less: Accumulate Depreciation for 4 years till Mar 31, 2015 (1,600 × 4)	(6,400)
Book value on April 01, 2015	9,600

(2) Calculation of profit or loss on Sale of Machine

Particulars	Amount (Rs)
Book Value on April 01, 2015	9,600
Less: Sale Value	(8,700)
Loss on Sale of Machine	900

Q15

Books of Priyank Brothers Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2016 April 01	Balance b/d		20,00,000	2016 April 01	Provision for Depreciation		2,25,000
				April 01	Bank		5,00,000
				April 01	Profit and Loss (Loss)		25,000
				2017 Mar.31	Balance c/d		12,50,000

		20,00,000			20,00,000

Provision for Depreciation Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2016 April 01	Machinery		2,25,000	2016 April 01	Balance b/d		8,00,000
2017 Mar.31	Balance c/d		7,00,000	2017 Mar.31	Depreciation (for the year)		1,25,000
			9,25,000				9,25,000

Working Notes

1 Calculation of Loss on Sale of Machinery

Particulars	Amount (Rs)
Original cost of Machine Sold	7,50,000
Less: Accumulated Depreciation on Machine Sold, for 3 years, (7,50,000 × 10% × 3 years)	(2,25,000)
Book Value of Machine Sold	5,25,000
Less: Sale Value	(5,00,000)
Loss on Sale of Machine	25,000

Q16

Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2001 April 01	Balance b/d (4,00,000 + 1,00,000)		5,00,000	2001 Oct.01	Provision for Depreciation		32,500
Oct.01	Bank		2,00,000	Oct.01	Bank		42,000
				Oct.01	Profit and Loss (WN1)		25,500
				2002			

			Mar.31	Balance c/d		6,00,000
						7,00,000

Provision for Depreciation Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2001 Oct.01	Machinery		32,500	2001 April 01	Balance b/d		2,25,000
2002 Mar.31	Balance c/d		2,47,500	2002 Mar.31	Depreciation (WN2)		55,000
			2,80,000				2,80,000

Working Notes:

1 Calculation of Loss on Sale of Machinery

Particulars	Amount (Rs)
Original cost of Machine Sold	1,00,000
Less: Accumulated Depreciation on Machine Sold, from July 1998 to Oct 01, 2001 ($1,00,000 \times 10\% \times 3.25$ years)	(32,500)
Book Value of Machine Sold	67,500
Less: Sale Value	(42,000)
Loss on Sale of Machine	25,500

2 Calculation of Depreciation Charged during the year

Particulars	Amount (Rs)
On 4,00,000 @ 10% ($4,00,000 \times 10\%$)	40,000
On 2,00,000 @ 10% for 6 months ($2,00,000 \times 10\% \times 6/12$)	10,000
On 1,00,000 @ 10% for 6 months ($1,00,000 \times 10\% \times 6/12$)	5,000
Total	55,000

Q17

Books of A Limited Machinery Account

Dr.					Cr.		
Date	Particulars	J.F.	Amount	Date	Particulars	J.F.	Amount

			(Rs)				(Rs)
2013-14				2013-14			
Apr.01	Balance b/d (1,60,000+40,000)		2,00,000	Oct 01	Provision for Depreciation		13,000
Oct 01	Bank		1,00,000	Oct 01	Bank		18,400
				Oct 01	Profit and Loss (Loss)		8,600
				Mar.31	Balance c/d		2,60,000
			3,00,000				3,00,000

Provision for Depreciation Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2013-14				2013-14			
Oct 01	Machinery A/c		13,000	Apr.01	Balance b/d		90,000
Mar.31	Balance c/d		1,00,000	Mar.31	Depreciation		23,000
			1,13,000				1,13,000

Working Notes

1. Calculation of Profit or Loss on Machinery Sold

Particulars	Amount (Rs)
Original Cost of Machine on July 01, 2010	40,000
Less: Accumulated Depreciation on Machine Sold, from July 01, 2010 to Oct 01, 2013 $(40,000 \times 10\% \times 3.25 \text{ years})$	(13,000)
Book Value of Machine on Oct 01, 2013	27,000
Less: Sale Value	(18,400)
Loss on Sale of Machine	8,600

2. Calculation of Depreciation Charged During the Year 2013

Particulars	Amount (Rs)
On Rs 1,60,000 @ 10% $(1,60,000 \times 10\%)$	16,000
On Rs 1,00,000 @ 10% for 6 months $(1,00,000 \times 10\% \times 6/12)$	5,000
On Rs 40,000 @ 10% for 6 months $(40,000 \times 10\% \times 6/12)$	2,000
Total	23,000

Q18

**Furniture Account
(Original Cost Method)**

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
I year Jan.01	Bank		4,000	I year Dec.31	Depreciation		200
			4,000	Dec.31	Balance c/d		3,800
II year Jan.01	Balance b/d		3,800				4,000
			3,800	II year Dec.31	Depreciation		200
III year Jan.01	Balance b/d		3,600	Dec.31	Balance c/d		3,600
			3,600				3,800
IV year Jan.01	Balance b/d		3,400	III year Dec.31	Depreciation		200
			3,400	Dec.31	Balance c/d		3,400
							3,600
				IV year Dec.31	Depreciation		200
				Dec.31	Balance c/d		3,200
							3,400

Note: Depreciation p.a. $4,000 \times \frac{5}{100} = \text{Rs } 200 \text{ p.a.}$

**Furniture Account
(Diminishing Balance Method)**

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
I year Jan.01	Bank		4,000	I year Dec.31	Depreciation		200
			4,000	Dec.31	Balance c/d		3,800
II year Jan.01	Balance b/d		3,800				4,000
			3,800	II year Dec.31	Depreciation		190
III year				Dec.31	Balance c/d		3,610
							3,800

Jan.01	Balance b/d		3,610	Dec.31	Depreciation		181
				Dec.31	Balance c/d		3,429
			3,610				3,610
IV year				IV year			
Jan.01	Balance b/d		3,429	Dec.31	Depreciation		171
				Dec.31	Balance c/d		3,258
			3,429				3,429

Note: Depreciation p.a. =

$$\text{Opening Balance} \times \frac{5}{100}$$

Q19

Boiler Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
I year Jan.01	Bank (10,000 + 2,000 + 7,000 + 1,000)		20,000	I year Dec.31	Depreciation		2,000
					Balance c/d		18,000
			20,000				20,000
II year Jan.01	Balance b/d		18,000	II year Dec.31	Depreciation		1,800
				Dec.31	Balance c/d		16,200
			18,000				18,000
III year Jan.01	Balance b/d		16,200	III year Dec.31	Depreciation		1,620
				Dec.31	Balance c/d		14,580
			16,200				16,200

Q20

Books of Babu Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount	Date	Particulars	J.F.	Amount

			(Rs)				(Rs)
2015				2016			
Apr. 01	Bank (I)		6,000	Mar. 31	Depreciation		
Oct. 01	Bank (II)		5,000		I	600	
					II (for 6 months)	250	850
				Mar. 31	Balance c/d		
					I	5,400	
					II	4,750	10,150
			11,000				11,000
2016				2016			
Apr. 01	Balance b/d			Oct. 01	Depreciation (I) (for 6 months)		270
	I 5,400			Oct. 01	Bank (I)		4,000
	II 4,750		10,150	Oct. 01	Profit and Loss (Loss)		1,130
				2017			
				Mar. 31	Depreciation (II)		475
				Mar. 31	Balance c/d (II)		4,275
			10,150				10,150

Working Note

(1) Calculation of profit or loss on sale of machine:

Particulars	Amount (Rs)
Less	
Less	

Q21

Books of Kaushal Traders Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)

2014 Apr.01	Bank (23,000 + 2,000)		25,000	2015 Mar.31	Depreciation (25,000 × 20%)	5,000
				Mar.31	Balance c/d	20,000
			25,000			25,000
2015 Apr.01	Balance b/d		20,000	2016 Mar.31	Depreciation (20,000 × 20%)	4,000
					Balance c/d	16,000
			20,000			20,000
2016 Apr.01	Balance b/d		16,000	2017 Mar.31	Depreciation (16,000 × 20%)	3,200
				Mar.31	Bank	10,800
				Mar.31	Profit and Loss (Loss)	2,000
			16,000			16,000

Working Note:

(1) Calculation of profit or loss on sale of machine:

Particulars	Amount (Rs)
Book Value of machine on Apr. 01, 2016	16,000
Less: Depreciation for 2016 (16,000 × 20%)	(3,200)
Book Value of Machine on Mar. 31, 2017	12,800
Less: Sale Value	(10,800)
Loss on Sale	2,000

Q22

**Books of X
Machinery Account**

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
I year Jan.01	Bank (25,000 + 5,000 + 1,000 + 3,500 + 500)		35,000	I year Dec.31	Depreciation		3,500
				Dec.31	Balance c/d		31,500
			35,000				35,000
II year Jan.01	Balance b/d		31,500	II year Dec.31	Depreciation		3,150
				Dec.31	Balance c/d		28,350
			31,500				31,500
III year Jan.01	Balance b/d		28,350	III year Dec.31	Depreciation		2,835
				Dec.31	Balance c/d		25,515
			28,350				28,350
IV year Jan.01	Balance b/d		25,515	IV year Jan.01	Bank (30,500 – 500 brokerage)		30,000
Dec.31	Profit and Loss (Profit)		4,485				
			30,000				30,000

Q23

Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2014 Oct.01	Bank (I)		50,000	2015 Mar.31	Depreciation (for 6 Months)		3,750
				Mar.31	Balance c/d		46,250
			50,000				50,000
2015 Apr.01	Balance b/d (I)		46,250	2016 Mar.31	Depreciation		
Dec.01	Bank (II)		10,000	I	6,938		
				II	500		7,438
				Mar.31	Balance c/d		
				I	39,312		

2016 Apr.01	Balance b/d I 39,312 II 9,500		2017 Mar.31	II 9,500	48,812
		56,250			56,250
		48,812			7,322
					28,415
					5,000
					8,075
		48,812			48,812
			2017 Mar.31	Depreciation I 5,897 II 1,425	

Working Note

(1) Calculation of profit or loss on sale of machine:

Particulars	Amount (Rs)
Less	
Less	

Q24

I. Calculation of Depreciation from April 01, 2015 to March 31, 2018

Depreciation Rate: 10% p.a. on Diminishing Balance Method

Year	Machinery	Date of Purchase	Value	No. of Months	Amt. of Dep.	Total Dep.
						2,000
			—			2,300
			—			3,070

II. Balance in Machinery Account as on March 31, 2018 will be Rs 27,630

Working Notes: Preparation of Machinery Account

Machinery Account

Dr.			Cr.		
Date	Particulars	Amount (Rs)	Date	Particulars	Amount (Rs)
2015 April 01	Bank A/c (M1)	20,000	2016 March 31	Depreciation A/c (M1)	2,000
			March 31	Balance c/d (M1)	18,000
		20,000			20,000
2016 April 01	Balance b/d (M1)	18,000	2017 March 31	Depreciation A/c	
Oct. 01	Bank A/c (M2)	10,000		M1 1,800	
				M2 500	2,300
			March 31	Balance c/d	
				M1 16,200	
				M2 9,500	25,700
		28,000			28,000
2017 April 01	Balance b/d		2018 March 31	Depreciation A/c	
	M1 16,200			M1 1,620	
	M2 9,500	25,700		M2 950	
April 01	Bank A/c (M3)	5,000		M3 500	3,070
			March 31	Balance c/d	
				M1 14,580	
				M2 8,550	
				M3 4,500	27,630
		30,700			30,700

Note: Since the question does not specify to prepare the Machinery Account, thus, it is optional to prepare this account.

Q25

Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2011-12 July 01	Bank			2011-12 Mar.31	Depreciation		
	I 1,35,000				I (3/4) 10,125		

	(3/4)			(for 9 months)		
	I(1/4) 45,000			I (1/4) 3,375		
			1,80,000	(for 9 months)		13,500
				Mar.31 Balance c/d		
				I (3/4) 1,24,875		
				I(1/4) 41,625		1,66,500
			1,80,000			1,80,000
2012-13				2012-13		
Apr.01	Balance b/d			Mar.31 Depreciation		
	I 1,24,875			I (3/4) 12,487		
	(3/4)					
	I(1/4) 41,625		1,66,500	I(1/4) 4,163		16,650
				Mar.31 Balance c/d		
				I (3/4) 1,12,388		
				I(1/4) 37,462		1,49,850
			1,66,500			1,66,500
2013-14				2013-14		
Apr.01	Balance b/d			Oct. 01 Depreciation I(1/4)		1,873
	I 1,12,388			Oct. 01 Bank I(1/4)		36,000
	(3/4)					11,239
	I(1/4) 37,462		1,49,850	Mar.31 Depreciation I(3/4)		
Oct. 01	Profit and Loss A/c		411	Mar.31 Balance c/d I(3/4)		1,01,149
						1,50,261
			1,50,261			

Working Note

(1) Calculation of Profit or Loss on Sale of Machine I (1/4):

Particulars	Amount (Rs)
Less for 6 months	
Less	

Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2013 Oct. 01	Bank			2014 Mar.31	Depreciation		
	I 30,000				I (3/4) for 6 months 1,500		
	(3/4)				I (1/4) for 6 months 500		
	I(1/4) 10,000		40,000				2,000
				Mar.31	Balance c/d		
					I (3/4) 28,500		
					I (1/4) 9,500		38,000
			40,000				40,000
2014 Apr.01	Balance b/d			2015 Mar.31	Depreciation		
	I 28,500				I (3/4) 2,850		
	(3/4)				I (1/4) 950		
	I 9,500		38,000				3,800
	(1/4)			Mar.31	Balance c/d		
					I (3/4) 25,650		
					I (1/4) 8,550		34,200
			38,000				38,000
2015 Apr.01	Balance b/d			2016 Jan.31	Depreciation I (1/4)(for 10 Months)		713
	I 25,650			Jan.31	Bank I(1/4)		5,600
	(3/4)				Profit and Loss (Loss)		2,237
2016 Jan.31	I 8,550		34,200	Mar.31	Depreciation		
	(1/4)				I (3/4) 2,565		
	Bank (II)		15,000		II (for 2 months) 250		
							2,815
				Mar.31	Balance c/d		
					I (3/4) 23,085		
					II 14,750		37,835
			49,200				49,200

Working Note(1) Calculation of Profit or Loss on Sale of Machine I (1/4):

Particulars	Amount (Rs)
Book Value of Machine (I)(1/4) on Apr. 01, 2015	8,550
Less: Depreciation for 10 Months	(713)
Book Value of Machine (I)(1/4) on Jan. 31 2016	7,837
Less: Sale Value	(5,600)
Loss on Sale of Machine I(1/4)	2,237

Q27**Machinery Account**

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2015 July 01	Bank			2016 Mar.31	Depreciation		
	I(2/3) 20,000				I(2/3) 1,500		
2016 Jan.01	I(1/3) 10,000		30,000		I(1/3) 750		
	Bank (II)		20,000		II 500		2,750
				Mar.31	Balance c/d		
					I(2/3) 18,500		
					I(1/3) 9,250		
					II 19,500		47,250
			50,000				50,000
2016 Apr 01	Balance b/d			2017 Mar 31	Depreciation		
	I(2/3) 18,500				I(2/3) 1,850		
	I(1/3) 9,250				I(1/3) 925		
	II 19,500		47,250		II 1,950		
Oct 01	Bank (III)		10,000		III 500		5,225
				Mar 31	Balance c/d		
					I(2/3) 16,650		
					I(1/3) 8,325		
					II 17,550		
					III 9,500		52,025
			57,250				57,250
2017 Apr.01	Balance b/d			2017 Apr.01	Bank (I)(1/3)		3,000
	I(2/3) 16,650			Apr.01	Profit and Loss (Loss)		5,325
	I(1/3) 8,325			Mar.31,	Depreciation		
	II 17,550			2018	I(2/3) 1,665		
	III 9,500		52,025		II 1,755		

				Mar.31	III	950		4,370
					Balance c/d			
					I(2/3)	14,985		
					II	15,795		
					III	8,550		39,330
			52,025					52,025

Working Note:

(1) Calculation of Profit or Loss on Sale of Plant I(1/3):

Particulars	Amount (Rs)
Book Value of Plant I (1/3) as on Apr 01, 2017	8,325
Less: Sale Value	(3,000)
Loss on Sale	5,325

Q28

Machinery Account

Dr.				Cr.			
Date	Particulars	J.F	Amount (Rs)	Date	Particulars	J.F	Amount (Rs)
2010 Oct 01	Bank (25,000+5,000+1,000+4,000)		35,000	2011 Mar.31	Depreciation (for 6 months)		1,750
				Mar.31	Balance c/d		33,250
			35,000				35,000
2011 Apr.01	Balance b/d		33,250	2012 Mar.31	Depreciation		3,325
				Mar.31	Balance c/d		29,925
			33,250				33,250
2012 Apr.01	Balance b/d		29,925	2013 Mar.31	Depreciation		2,993
2013 Mar.31	Profit and Loss A/c (Profit on Sale)(WN1)		3,068	Mar.31	Bank A/c (30,500 – 500)		30,000

		32,993		32,993

Working Note:

(1) Calculation of Profit or Loss on sale of Machine I:

Particulars	Amount (Rs)
Book Value of Machine on Apr. 01, 2012	29,925
Less: Depreciation for the year	(2,993)
Book Value of Machine I on Mar. 31, 2013	26,932
Less: Sale Value (30,500 – 500)	(30,000)
Profit on Sale	3,068

Q29

**Book of Astha Engineering Works
Machinery Account**

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2015-16 July 01	Bank (I) (1,80,000 + 20,000)		2,00,000	2015-16 Mar.31	Depreciation (for 9 months)		15,000
				Mar.31	Balance c/d		1,85,000
			2,00,000				2,00,000
2016-17 Apr.01	Balance b/d (I)		1,85,000	2016-17 Mar.31	Depreciation		
Apr.01	Bank (II)		2,40,000	I	18,500		
				II	24,000		42,500
				Mar.31	Balance c/d		
				I	1,66,500		
				II	2,16,000		3,82,500
			4,25,000				4,25,000
2017-18 Apr.01	Balance b/d			2017-18 Oct. 01	Depreciation (I) (for 6 months)		8,325
	I 1,66,500			Oct. 01	Bank (I)		1,45,000
	II 2,16,000		3,82,500	Oct. 01	Profit and Loss (Loss)		13,175
Jan.01	Bank (III)		4,00,000	Mar.31	Depreciation		
				II	21,600		

				Mar.31	III (for 3 months)	10,000		31,600
					Balance c/d			
					II	1,94,400		
					III	3,90,000		5,84,400
			7,82,500					7,82,500

Working Note:

(1) Calculation of profit or loss on sale of Machine I:

Particulars	Amount (Rs)
Book Value of as on Apr. 01, 2017	1,66,500
Less: Depreciation (for 6 Months)	(8,325)
Book Value on Oct 01, 2017	1,58,175
Less: Sale Value	(1,45,000)
Loss on Sale	13,175

(2) Journal entry for purchase with GST

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018				
Jan 01	Machinery A/c Dr.		4,00,000	
	Input IGST A/c Dr.		48,000	
	To Bank A/c			4,48,000
	(Machinery purchased with IGST @ 12% paid)			

Q30

Machinery Account

Dr.

Cr.

Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2015-16				2015-16			
Apr.01	Bank (I)		6,00,000	Mar. 31	Depreciation		
Oct.01	Bank (II)		2,00,000		I	60,000	
					II (for 6 months)	10,000	
							70,000
				Mar. 31	Balance c/d		
					I	5,40,000	
					II	1,90,000	
			8,00,000				7,30,000
							8,00,000
2016-17				2016-17			
Apr.01	Balance b/d			Mar. 31	Depreciation		
	I 5,40,000				I	54,000	
	II 1,90,000		7,30,000		II	19,000	
							73,000
				Mar. 31	Balance c/d		
					I	4,86,000	
					II	1,71,000	
			7,30,000				6,57,000
							7,30,000
2017-18				2017-18			
Apr.01	Balance b/d			Oct.01	Depreciation (I)		24,300
	I 4,86,000			Oct.01	Bank (I)		2,86,000
	II 1,71,000		6,57,000	Oct.01	Profit and Loss (Loss)		1,75,700

Oct.01	Bank (III)	4,00,000	1 Mar. 31	Depreciation		00
				II	17,100	
				III (for 6 months)	20,000	
)		37,100
			Mar. 31	Balance c/d		
				II	1,53,900	
				III	3,80,000	5,33,900
		10,57,000				10,57,000

Working Notes:

(1) Calculation of Profit or Loss on sale of Machine I:

Particulars	Amount (Rs)
Book Value of Machine I on Apr. 01, 2017	4,86,000
Less: Depreciation (for 6 Months)	(24,300)
Book Value of Machine I on Oct 01, 2017	4,61,700
Less: Sale Value	(2,86,000)
Loss on Sale	1,75,700

(2) Journal entries for sale and purchase with GST

Journal

Date	Particulars	L. F.	Debit Amount (₹)	Credit Amount (₹)
2017 Oct 1	Bank A/c	D r.	3,20,320	

	To Machinery A/c			2,86,00
				00
	To Output CGST A/c			17,16
	To Output SGST A/c			0
	(Machinery purchased on 1st April, 2015 sold with CGST and SGST @ 6% each.)			17,16
				0
Oct 1	Machinery A/c	D	4,00,00	
	Input IGST A/c	r.	00	
	To Bank A/c	D	48,00	4,48,00
	(Machinery purchased with IGST @ 12% paid.)	r.	0	00

Q31

**Book of Shakti Cements
Plant Account**

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2015				2016			
Apr.01	Bank (I)		80,000	Mar.31	Depreciation (I)		8,000
				Mar.31	Balance c/d (I)		72,000
			80,000				80,000
2016				2017			
Apr.01	Balance b/d (I)		72,000	Mar.31	Depreciation		
Jul. 01	Bank (II)		48,000		I	7,200	
					II (for 9 Months)	3,600	
				Mar.31	Balance c/d		10,800
					I	64,800	
					II	44,400	
			1,20,000				1,09,200
							1,20,000
2017				2017			
Apr.01	Balance b/d			Dec.01	Depreciation (I) (for 8		4,320

	I	64,800			Months)			
	II	44,400		Dec.01	Bank (I)			42,000
			1,09,200	Dec.01	Profit and Loss (Loss)			18,480
				2018				
Dec.01	Bank (III)		75,000	Mar.31	Depreciation			
					II	4,440		
					III (for 4 Months)	2,500		
				Mar.31	Balance c/d			6,940
					II	39,960		
					III	72,500		1,12,460
			1,84,200					1,84,200

Working Note

(1) Calculation of Profit or Loss on Sale of Plant I:

Particulars	Amount (Rs)
Book Value of Plant I as on Apr 01, 2017	64,800
Less: Depreciation on Plant I (for 8 Months)	(4,320)
Book Value of Plant I on Dec. 01 2017	60,480
Less: Sale Value	(42,000)
Loss on Sale	18,480

(2) Journal entries for sale and purchase with GST

Journal

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2017				
Dec 1	Bank A/c	Dr	47,040	

	To Machinery A/c			42,000
	To Output IGST A/c			5,040
	(Machinery purchased on 1st April, 2015 sold with IGST @ 12%)			
Dec 1	Machinery A/c	Dr	75,000	
	Input CGST A/c	.	4,500	
	Input SGST A/c	Dr	4,500	
	To Bank A/c	.		84,000
	(Machinery purchased with CGST and SGST @ 6% each paid.)	Dr		
		.		

Q32

**Books of M/s. Amrit
Machinery Account**

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017				2017			
April 01	Balance b/d (44,000 + 16,000)		60,000	April 01	Machinery Disposal		16,000
				2018			
				Mar.31	Balance c/d		44,000
			60,000				60,000

Provision for Depreciation Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017				2017			
April	Machinery		6,400	April	Balance b/d		36,000

01 2018 Mar.31	Disposal (4 years) Balance c/d			01 2018 Mar.31			
			34,000		Depreciation (on Machine costing Rs 44,000)		4,400
			40,400				40,000

Machinery Disposal Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017 April 01	Machinery		16,000	2017 April 01 2018 Mar.31	Provision for Depreciation		6,400
					Bank (Sale)		8,400
					Profit and Loss (Loss)		1,200
			16,000				16,000

Working Note

1. Calculation of profit or loss on Machine Sold:

Particulars	Amount (Rs)
Original Cost of Machine Sold on April 01, 2013	16,000
Less: Accumulated Depreciation on Machine Sold (1,600 × 4)	(6,400)
Book Value of April 01, 2017	9,600
Less: Sale Value	(8,400)
Loss on Sale	1,200

Q33

Books of X Ltd. Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)

2011			2012		
Oct 01	Bank I 2,30,000 (part 1) I 20,000 (part 2)	2,50,000	Mar.31	Depreciation I (part 1) 11,500 (for 6 months) I (part 2) 1,000 (for 6 months)	12,500
			Mar.31	Balance c/d I (part 1) 2,18,500 I (part 2) 19,000	2,37,500
		2,50,000			2,50,000
2012			2013		
Apr.01	Balance b/d I 2,18,500 (part 1) I 19,000 (part 2)	2,37,500	Mar.31	Depreciation I (part 1) 21,850 I (part 2) 1,900	23,750
			Mar.31	Balance c/d I (part 1) 1,96,650 I (part 2) 17,100	2,13,750
		2,37,500			2,37,500
2013			2014		
Apr.01	Balance b/d		Jan.01	Depreciation (I) (part 2) (for 9 Months)	1,283
	I 1,96,650 (part 1) I 17,100 (part 2)	2,13,750	Jan.01	Bank (I) (part 2)	2,000
			Jan.01	Profit and Loss (Loss)	13,817
			Mar.31	Depreciation I (part 1)	19,665
		2,13,750	Mar.31	Balance c/d	1,76,985
					2,13,750

Q34

Books of Sharma & Co.
Machinery Account

310

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2015				2016			
Apr.01	Bank (I)		1,50,000				
Oct 01	Bank (II)		50,000	Mar.31	Balance c/d		2,00,000
			2,00,000				2,00,000
2016				2017			
Apr.01	Balance b/d		2,00,000	Mar.31	Balance c/d		2,00,000
			2,00,000				2,00,000
2017				2017			
Apr.01	Balance b/d		2,00,000	Sep 30	Machinery Disposal A/c		50,000
			2,00,000	Mar.31,2018	Balance c/d		1,50,000
			2,00,000				2,00,000

Accumulated Depreciation Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2016				2016			
Mar.31	Balance c/d			Mar. 31	Depreciation		
	I 15,000				I 15,000		
	II 2,500		17,500		II (for 6 months) 2,500		17,500
			17,500				17,500
2017				2016			
Mar.31	Balance c/d			Apr. 01	Balance b/d		
	I 30,000		37,500		I 15,000		
	II 7,500				II 2,500		17,500
			37,500	2017	Depreciation		
			37,500	Mar. 31	I 15,000		
					II 5,000		20,000
2017							37,500
Sep 30	Machinery disposal (II)		10,000	2017	Balance b/d		
				Apr. 01			

Mar.31, 2018	Balance c/d (I)		45,000		I	30,000	
					II	7,500	37,500
				Sep 30	Depreciation (II)		2,500
				Mar. 31, 2018	Depreciation (I)		15,000
			55,000				55,000

Machinery Disposal Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2017				2017			
Sep 30	Machinery		50,000	Sep 30	Accumulated Depreciation		10,000
				Sep 30	Bank		40,000
			50,000				50,000

Working note

1. Calculation of Profit or Loss on sale of Machine II:

Particulars	Amount (Rs)
Original Cost Oct 01, 2015	50,000
Less: Accumulated Depreciation	(10,000)
Book Value on Sept 30, 2017	40,000
Less: Sale Value	(40,000)
Profit / Loss	NIL

Q32

Books of Amit Kumar Machinery Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2015				2016			
April 01	Bank (I) (5 machines @ Rs 60,000 each)		3,00,000	Mar.31	Balance c/d		3,00,000

2016 April 01 Oct.01	Balance b/d Bank (II)	3,00,000 3,00,000 1,00,000	2016 April 01 2017 Mar.31	Machinery Disposal Balance c/d I 2,40,000 II 1,00,000	3,00,000 60,000 3,40,000 4,00,000
2017 April 01	Balance b/d I 2,40,000 II 1,00,000	4,00,000 3,40,000 3,40,000	2017 April 01 2018 Mar.31	Machinery Disposal Balance c/d I 1,80,000 II 1,00,000	60,000 2,80,000 3,40,000

Provision for Depreciation Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2016 Mar.31	Balance c/d		30,000	2016 Mar.31	Depreciation I		30,000
			30,000				30,000
2016 April 01	Machinery Disposal (Accumulated Depreciation on Machinery Costing Rs 60,000)		6,000	2016 April 01	Balance b/d (I)		30,000
2017 Mar.31	Balance c/d I 48,000 II 5,000		53,000	2017 Mar.31	Depreciation I 24,000 II (for 6 months) 5,000		29,000
			59,000				59,000
2017				2017			

Depreciation

April 01	Machinery Disposal		12,000	April 01	Balance b/d		
	(Accumulated Depreciation on Machinery Costing Rs 60,000)				I	48,000	
					II	5,000	53,000
2018 Mar.31	Balance c/d			2018 Mar.31	Depreciation		
	I	54,000			I	18,000	
	II	15,000	69,000		II	10,000	28,000
			81,000				81,000

Machinery Disposal Account as on April 01, 2016

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particulars	J.F.	Amount (Rs)
2016				2016			
April 01	Machinery		60,000	April 01	Provision for Depreciation		6,000
				April 01	Bank		50,000
				April 01	Profit and Loss (Loss) (Balancing Figure)		4,000
			60,000				60,000

Machinery Disposal Account as on April 01, 2017

Dr.				Cr.			
Date	Particulars	J.F.	Amount (Rs)	Date	Particular	J.F.	Amount (Rs)
2017				2017			

April 01	Machinery		60,000	April 01	Provision for Depreciation		12,000
April 01	Profit and Loss (<i>Profit</i>)		2,000	April 01	Bank		50,000
	(<i>Balancing Figure</i>)		62,000				62,000

Chapter 8. Accounting for Bills of Exchange

Answer 1:

Date of Bill	Tenure	Calculation	Due Date
(i) December 01, 2017	60 Days	30 (December) + 30 (January) + 3 days of grace	February 02, 2018
(ii) April 30, 2018	2 Months	2 Months from April 30, 2016 would be June 30, 2016 + 3 days of grace	July 03, 2018
(iii) January 28, 2018	1 Month	1 Month from January 28, 2017 would be February 28, 2017 + 3 days of grace	March 03, 2018
(iv) November 23, 2017	2 Months	2 Months from November 23, 2016 would be January 23, 2017 + 3 days of grace	January 26, 2017, but it is a national holiday so, due date would be one day before i.e., January 25, 2017
(v) May 29, 2017	4 Months	4 Months from May 29, 2017 would be September 29, 2017 + 3 days of grace	October 02, 2017 but it is a national holiday so, due date would be one day before i.e., October 01, 2017

Note: Due date of (ii) is mismatched from the book. As per our solution, it is 3rd July, 2018 and it is 3rd July, 2017 as per text book.

Due date of (iii) is mismatched from the book. As per our solution, it is March 03, 2017 and it is March 01, 2017 as per text book.

Answer 2:

Journal in the books of A (Drawer)

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018 Mar 10	Bills Receivable A/c Dr. To B's A/c (Bill received)		20,000	20,000
June 13	Cash A/c Dr. To Bills Receivable A/c (Cash received against bill)		20,000	20,000

Journal

in the books of B (Drawee)

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018 Mar 10	A A/c Dr. To Bills Payable A/c (Bill accepted)		20,000	20,000
June 13	Bills Payable A/c Dr. To Cash A/c (Cash paid against bill)		20,000	20,000

Answer 3:

**Books of A
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Jan.01	B Dr. To Sales A/c To Output IGST A/c (Goods sold to B plus IGST @ 18%)		5,900	5,000 900
Jan.01	Bills Receivable A/c Dr. Bank A/c Dr. To B (B accepted the bill and paid IGST by cheque)		5,000 900	5,000
Apr.04	Cash A/c Dr. To Bills Receivable A/c (Amount of bill received on its maturity)		5,000	5,000

**Books of B
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Jan.01	Purchases A/c Dr.		5,000	

	Input IGST A/c	Dr.	900	
	To A			5,900
	(Goods bought from A plus IGST @ 18%)			
Jan.01	A	Dr.	5,900	
	To Bills Payable A/c			5,000
	To Bank A/c			900
	(Bill drawn by A accepted and IGST paid by cheque)			
Apr.04	Bills Payable A/c	Dr.	5,000	
	To Cash A/c			5,000
	(Payment of bill was made on its due date)			

Answer 4:

Books of Manish Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Kumar	Dr.	11,800	
	To Sales A/c			10,000
	To Output CGST A/c			900
	To Output SGST A/c			900
	(Goods sold to Kumar plus CGST and SGST @ 9% each)			
	Bills Receivable A/c	Dr.	10,000	
	Cash A/c	Dr.	1,800	
	To Kumar			11,800
	(Kumar accepted the bill and Paid GST in cash)			
	Cash A/c	Dr.	10,000	
	To Bills Receivable A/c			10,000
	(Bill honoured on maturity)			

Books of Kumar Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Purchases A/c	Dr.	10,000	
	Input CGST A/c	Dr.	900	

Input SGST A/c	Dr.	900	
To Manish			11,800
(Goods bought from Manish plus CGST and SGST @ 9% each)			
Manish	Dr.	11,800	
To Bills Payable A/c			10,000
To Cash A/c			1,800
(Bill drawn by Manish accepted and GST paid in cash)			
Bills Payable A/c	Dr.	10,000	
To Cash A/c			10,000
(Acceptance discharged by paying in Cash)			

Answer 5:

Books of Vinod Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Darbara Singh	Dr.	1,000	
	To Sales A/c			1,000
	(Goods sold to Darbara Singh)			
	Bills Receivable A/c	Dr.	1,000	
	To Darbara Singh			1,000
	(Bills accepted by Darbara Singh)			
	Bank A/c	Dr.	990	
	Discount Charges A/c	Dr.	10	
	To Bills Receivable A/c			1,000
	(Darbara Singh's acceptance discounted at 9% p.a. for 3 month)			

Books of Darbara Singh Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Purchases A/c	Dr.	1,000	
	To Vinod			1,000
	(Goods bought from Vinod)			

Vinod	Dr.	1,000	1,000
To Bills Payable A/c			
(Bill drawn by Vinod accepted)			
Bills Payable A/c	Dr.	1,000	1,000
To Bank A/c			
(Payment of bill was made on its due date.)			

Answer 6:

Books of Dinesh

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2016 Sep.01	Bills Receivable A/c Dr. To Shridhar (Shridhar acceptance was received)		3,000	3,000
Sep.01	Bank A/c Dr. Discount Charges A/c Dr. To Bills Receivable A/c (Shridhar's acceptance was discounted with bank)		2,932.50 67.50	3,000

Books of Shridhar

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2016 Sep.01	Dinesh Dr. To Bills Payable A/c (Bills drawn by Shridhar accepted)		3,000	3,000
Dec.04	Bills Payable A/c Dr. To Bank A/c (Shridhar's acceptance discharged on its due date)		3,000	3,000

Answer 7:

Books of A Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c Dr. To B (B's acceptance was received)		1,000	1,000
	C Dr. To Bills Receivable A/c (B's acceptance endorsed in favour of C)		1,000	1,000

Books of B Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	A Dr. To Bills Payable A/c (Bill drawn by A was accepted)		1,000	1,000
	Bills Payable A/c Dr. To Bills Receivable A/c (Amount owed from C was settled by Bill Payable)		1,000	1,000

Books of C Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c Dr. To A (Bills Receivable was received from A)		1,000	1,000
	B Dr. To Bills Receivable A/c (Amount owed to B was settled by Bills Receivable)		1,000	1,000

Answer 8:

Books of A Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Aug.01	B To Bills Payable A/c (Bill drawn by B was accepted)	Dr.	8,000	8,000
Dec.04	Bills Payable A/c To Bank A/c (Payment made to meet the bill on its maturity)	Dr.	8,000	8,000

Books of B Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Aug 01	Bills Receivable A/c To A (A's acceptance was received)	Dr.	8,000	8,000
Aug 01	C To Bills Receivable A/c (A's acceptance endorsed in favour of C)	Dr.	8,000	8,000

Books of C Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Aug 01	Bills Receivable A/c To B (Bills Receivable was received from B)	Dr.	8,000	8,000
Sep 01	Bank A/c Discount Charges A/c To Bills Receivable A/c	Dr. Dr.	7,760 240	8,000

	(Bill discount at 12% p.a. for 3 months)			
--	--	--	--	--

Working Note:

$$\begin{aligned}\text{Calculation of Discount Charges} &= \text{Bill Receivable} \times \frac{\text{Rate}}{100} \times \frac{\text{Period of Maturity}}{12} \\ &= 8,000 \times \frac{12}{100} \times \frac{3}{12} = \text{Rs } 240\end{aligned}$$

Answer 9:

**Books of A
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	B Dr.		23,600	
	To Sales A/c			20,000
	To Output CGST A/c			1,800
	To Output SGST A/c			1,800
	(Goods sold to B plus CGST and SGST @ 9% each)			
	Bills Receivable A/c Dr.		20,000	
	Bank A/c Dr.		3,600	
	To B			23,600
	(B accepted the bill and paid GST by cheque)			
	C Dr.		20,000	
	To Bills Receivable A/c			20,000
	(B's acceptance endorsed in favour of C)			

Answer 10:

**Books of A
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 July 10	B Dr.		41,300	
	To Sales A/c			35,000
	To Output IGST A/c			6,300
	(Goods sold to B plus IGST @ 12%)			

July 10	Bills Receivable A/c Bank A/c To B (B's acceptance was received and IGST by cheque)	Dr. Dr.	35,000 6,300	41,300
July 20	C To Bills Receivable A/c (B's acceptance endorsed in favour of C)	Dr.	35,000	35,000

**Books of B
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 July 10	Purchases A/c Input IGST A/c To A (Goods bought from A plus IGST @ 12%)	Dr. Dr.	35,000 6,300	41,300
July 10	A To Bills Payable A/c To Bank A/c (Bill drawn by A accepted and paid IGST by cheque)	Dr.	41,300	35,000 6,300
Oct 13	Bills Payable A/c To Cash A/c (Payment of bill was made on its due date)	Dr.	35,000	35,000

**Books of C
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 July 20	Bills Receivable A/c To A (Bill Receivable received from A)	Dr.	35,000	35,000
Oct 13	Cash A/c To Bills Receivable A/c (Amount of bill received on maturity)	Dr.	35,000	35,000

Answer 11:

Books of Mohan Singh Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c Dr. To Jagat (Jagat acceptance was received)		1,000	1,000
	Bills Sent for Collection A/c Dr. To Bills Receivable A/c (Bill Receivable sent to bank for collection)		1,000	1,000
	Bank A/c Dr. To Bills Sent for Collection A/c (Payment of bill received by bank)		1,000	1,000

Books of Jagat Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Mohan Singh Dr. To Bills Payable A/c (Bills drawn by Mohan Singh was accepted)		1,000	1,000
	Bills Payable A/c Dr. To Bank A/c (Payment was made to meet the bill)		1,000	1,000

Answer 12:

Case (a)

Books of X Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c Dr.		4,000	

	To Y (Y's acceptance was received)			4,000
	Cash A/c	Dr.	4,000	
	To Bills Receivable A/c (Amount of bill received on its maturity)			4,000

Case (b)

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c Dr. To Y (Y's acceptance was received)		4,000	4,000
	Bank A/c Dr. Discount Charges A/c Dr. To Bills Receivable A/c (Y's acceptance discount with bank)		3,900 100	4,000

Case (c)

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c Dr. To Y (Y's acceptance was received)		4,000	4,000
	Z Dr. To Discount Received A/c To Bills Receivable A/c (Y's acceptance endorsed in favour of Z and discount allowed by Z is Rs 80)		4,080	80 4,000

Case (d)

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c Dr.		4,000	

	To Y (Y's acceptance was received)			4,000
	Bills Sent for Collection A/c To Bills Receivable A/c (Y's acceptance sent to bank for collection)	Dr.	4,000	4,000
	Bank A/c To Bills Sent for Collection A/c (Y's acceptance net on maturity)	Dr.	4,000	4,000

Answer 13:

Books of Ram Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Sep.15	Bills Receivable A/c Dr. To Shyam (Shyam's acceptance received)		2,000	2,000
Dec.18	Shyam A/c Dr. To Bills Receivable A/c (Shyam's acceptance dishonoured)		2,000	2,000

Books of Shyam Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Sep.15	Ram Dr. To Bills Payable A/c (Bill drawn by Ram was accepted)		2,000	2,000
Dec.18	Bills Payable A/c Dr. To Ram (Bills Payable dishonoured)		2,000	2,000

Answer 14:

Books of Naresh Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Mar.20	Kailash Dr. To Sales A/c (Goods sold to Kailash)		1,250	1,250
Mar.20	Bills Receivable A/c Dr. To Kailash (Kailash's acceptance was received)		1,250	1,250
Jun.23	Kailash Dr. To Bills Receivable A/c To Cash A/c (Bill received from Kailash dishonoured and Rs 10 paid for Noting the bill)		1,260	1,250 10
July 01	Cash A/c Dr. To Kailash (Received cash from Kailash)		1,260	1,260

Books of Kailash Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Mar.20	Purchases A/c Dr. To Naresh (Goods were bought from Naresh)		1,250	1,250
Mar.20	Naresh Dr. To Bills Payable A/c (Bill drawn by Naresh was accepted)		1,250	1,250
Jun.23	Bills Payable A/c Dr. Noting Charges A/c Dr. To Naresh (Bill Payable was dishonoured)		1,250 10	1,260

July 01	Naresh To Cash A/c (Paid cash to Naresh)	Dr.		1,260	1,260
---------	--	-----	--	-------	-------

Answer 15:

Books of A Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Jul.01	Bills Receivable A/c To B (B's acceptance was received)	Dr.	5,000	5,000
Jul.01	Bank A/c Discount Charges A/c To Bills Receivable A/c (B's acceptance discounted with bank)	Dr. Dr.	4,850 150	5,000
Oct.04	B To Bank A/c (B's acceptance became dishonoured, bank paid Noting Charges Rs 50)	Dr.	5,050	5,050

Books of B Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Jul.01	A To Bills Payable A/c (Bill drawn by A was accepted)	Dr.	5,000	5,000
Oct.04	Bills Payable A/c Noting Charges A/c To A	Dr. Dr.	5,000 50	5,050

	(Bills Payable dishonoured)			
--	-----------------------------	--	--	--

Answer 16:

Books of Mohan Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 June 15	Sohan Dr. To Sales A/c (Goods sold to Sohan)		2,000	2,000
June 15	Bills Receivable A/c Dr. To Sohan (Sohan's acceptance was received)		2,000	2,000
June 15	Bank A/c Dr. Discount Charges A/c Dr. To Bills Receivable A/c (Sohan's acceptance discounted with bank)		1,960 40	2,000
Sep.18	Sohan Dr. To Bank A/c (Sohan's acceptance became dishonoured and Bank paid Rs 10 Noting Charges)		2,010	2,010
Sep.18	Bank A/c Dr. To Cash A/c (Liabilities on account bill dishonoured was discharged)		2,010	2,010

Books of Sohan Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 June 15	Purchases A/c Dr. To Mohan		2,000	2,000

	(Goods were bought from Sohan)			
June 15	Mohan Dr. To Bills Payable A/c (Bills drawn by Mohan was accepted)		2,000	2,000
Sep.18	Bills Payable A/c Dr. Noting Charges A/c Dr. To Mohan (Bills Payable became dishonoured)		2,000 10	2,010

Answer 17:

Books of R Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Mar.01	S Dr. To Bills Payable A/c (Bill drawn by S was accepted)		20,000	20,000
June 04	Bills Payable A/c Dr. To S (Bills Payable dishonoured)		20,000	20,000

Books of T Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Mar.01	Bank A/c Dr. Bills Receivable A/c Dr. To S (Bill Receivable and cheque received from S)		5,000 20,000	25,000
Mar.02	Bank A/c Dr. Discount Charges A/c Dr. To Bills Receivable A/c (R's acceptance discounted with bank at 6% p.a. for 3 months)		19,700 300	20,000

June 04	S	Dr.	20,000	20,000
	To Bank A/c (Bill received from S was dishonoured)			

Answer 18:

Books of A Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Jan. 01	Bills Receivable A/c Dr. To B (B's acceptance was received)		10,000	10,000
Jan. 11	C Dr. To Bills Receivable A/c (B's acceptance endorsed in favour of C)		10,000	10,000
April 04	B Dr. To C (Bill endorsed in favour of C was dishonoured and C paid Rs 50 Noting Charges)		10,050	10,050

Books of B Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Jan. 01	A Dr. To Bills Payable A/c (Bill drawn by A was accepted)		10,000	10,000
April 04	Bills Payable A/c Dr. Noting Charges A/c Dr. To A (Bill Payable dishonoured)		10,000 50	10,050

--	--	--	--	--

**Books of C
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Jan.11	Bills Receivable A/c Dr. To A (Bill Receivable received from A)		10,000	10,000
April 04	A Dr. To Bills Receivable A/c To Cash A/c (Bill Receivable received from A became dishonoured and Noting Charge paid Rs 50)		10,050	10,000 50

Answer 19:

**Books of A
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Jan.01	Bills Receivable A/c Dr. Discount Allowed A/c Dr. To B (B's acceptance received and discount allowed)		3,900 100	4,000
April 04	B Dr. To Bills Receivable A/c To Discount Allowed A/c To Cash A/c (B's acceptance became dishonoured and Noting charges paid Rs 50)		4,050	3,900 100 50

**Books of B
Journal**

Date	Particulars	L.F.	Debit	Credit
------	-------------	------	-------	--------

			Amount Rs	Amount Rs
2018 Jan.01	A To Bills Payable A/c To Discount Received A/c (Bill drawn by A was accepted and discount was received from him)	Dr.	4,000	3,900 100
April 04	Bills payable A/c Discount Received A/c Noting Charges A/c To A (Bills Payable dishonoured)	Dr. Dr. Dr.	3,900 100 50	4,050

Answer 20:

Books of X Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Jan.01	Bills Receivable A/c Discount Allowed A/c To Y (Y's acceptance received in full settlement of amount due from him and allowed with discount)	Dr. Dr.	3,900 100	4,000
Jan.01	Z To Bills Receivable A/c To Discount Received A/c (Y's acceptance endorsed in favour of Z and discount received)	Dr.	3,980	3,900 80
Mar.04	Y Discount Received A/c To Z To Discount Allowed A/c (Y's acceptance was endorsed to Z, now dishonored)	Dr. Dr.	4,000 80	3,980 100

Answer 21:

Books of Rama Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Jan.01	Reshma Dr. To Sales A/c To Output IGST A/c (Goods were sold to Reshma plus IGST @ 18%)		14,160	12,000 2,160
Jan.01	Bills Receivable A/c Dr. Bank A/c Dr. To Reshma (Reshma's acceptance was received along with IGST by cheque)		12,000 2,160	14,160
Jan.01	Bank A/c Dr. Discount Charges A/c Dr. To Bills Receivable A/c (Reshma's acceptance discounted with both at 6% p.a. for 3 months)		11,820 180	12,000
April 04	Reshma Dr. To Bank A/c (Reshma's acceptance which had been discounted, now became dishonoured and bank paid Rs500 as Noting Charges)		12,500	12,500
April 04	Cash A/c Dr. Discount Allowed A/c Dr. To Reshma (Liabilities arising on account of bill dishonoured was settled)		12,000 500	12,500

**Books of Reshma
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Jan.01	Purchases A/c Dr. Input IGST A/c Dr. To Rama (Bought goods from Rama plus IGST @ 18%)		12,000 2,160	14,160
Jan.01	Rama Dr. To Bills Payable A/c To Bank A/c (Bill drawn by Rama accepted and IGST paid by cheque)		14,160	12,000 2,160
April 04	Bills Payable A/c Dr. Noting Charges A/c Dr. To Rama (Bill Payable dishonoured)		12,000 500	12,500
April 04	Rama Dr. To Cash A/c To Discount Received A/c (Liabilities arising on account of bill dishonoured was settled)		12,500	12,000 500

Answer 22:

**Books of A
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Jan.01	Bills Receivable A/c Dr. To B (B's acceptance was received)		1,000	1,000

Jan.01	Bills Sent for Collection A/c To Bills Receivable A/c (B's acceptance sent to bank for Collection)	Dr.	1,000	1,000
April 04	B To Bills Sent for Collection A/c (B's acceptance became dishonoured)	Dr.	1,000	1,000

**Books of B
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Jan.01	A To Bills Payable A/c (Bill drawn by A was accepted)	Dr.	1,000	1,000
April 04	Bills Payable A/c To A (Bills Payable to A became dishonoured)	Dr.	1,000	1,000

Answer 23:

(a)

**Books of A
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c To B (B's acceptance was received)	Dr.	1,000	1,000
	<u>On honouring of the bill</u> Bank A/c To Bills Receivable A/c (B's acceptance honoured)	Dr.	1,000	1,000
	<u>On dishonour of the bill</u> B To Bills Receivable A/c	Dr.	1,000	1,000

	(B's acceptance dishonoured)			
--	------------------------------	--	--	--

(b)

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c Dr. To B (Bills Receivable received from B)		1,000	1,000
	Bank A/c Dr. Discount Charges A/c Dr. To Bills Receivable A/c (Bill acceptance discounted with bank)		950 50	1,000
	<u>On dishonour of the bill</u> B Dr. To Bank A/c (B's acceptance dishonoured)		1,000	1,000

(c)

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c Dr. To B (B's acceptance was received)		1,000	1,000
	C Dr. To Bills Receivable A/c (B's acceptance endorsed in favour of C)		1,000	1,000
	<u>On dishonour of the bill</u> B Dr. To C (B's acceptance which had transferred to C now became dishonoured)		1,000	1,000

(d)

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c Dr. To B (B's acceptance was received)		1,000	1,000
	Bills Sent to Bank for Collection A/c Dr. To Bills Receivable A/c (Bill Sent to bank for collection)		1,000	1,000
	<u>On dishonour of Bill</u> B Dr. To Bill Sent to Bank for Collection A/c (B's acceptance dishonoured)		1,000	1,000

Answer 24:

**Books of Ramesh
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Jan.01	Mahesh Dr. To Sales A/c (Goods were sold to Mahesh)		4,000	4,000
Jan.01	Bills Receivable A/c Dr. To Mahesh (Mahesh's acceptance was received)		4,000	4,000
Jan.01	Mukesh Dr. To Bills Receivable A/c (Mahesh's acceptance was endorsed in favour of Mukesh)		4,000	4,000
April 04	Mahesh Dr. To Mukesh (Mahesh's acceptance was dishonoured)		4,000	4,000

**Books of Mahesh
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Jan.01	Purchases A/c Dr. To Ramesh (Goods were bought from Ramesh)		4,000	4,000
Jan.01	Ramesh Dr. To Bills Payable A/c (Bill drawn by Ramesh was accepted)		4,000	4,000
April 04	Bills Payable A/c Dr. To Ramesh (Bill Payable was dishonoured)		4,000	4,000

**Books of Mukesh
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Jan.01	Bills Receivable A/c Dr. To Ramesh (Bill received from Ramesh)		4,000	4,000
Feb.01	Suresh Dr. To Bills Receivable A/c (Bills which had received from Suresh, endorsed to Suresh)		4,000	4,000
April 04	Ramesh Dr. To Suresh (Bill received from Ramesh was dishonoured)		4,000	4,000

**Books of Suresh
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Feb.01	Bills Receivable A/c Dr. To Mukesh (Bill Receivable received from Mukesh)		4,000	4,000
Feb.01	Bank A/c Dr. Discount Charges A/c Dr. To Bills Receivable A/c (Bill discount with bank at 5% p.a. for two months)		3,967 33	4,000
April 04	Mukesh Dr. To Bank A/c (Bill received from Mukesh was dishonoured)		4,000	4,000

Answer 25:

**Books of A
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Purchases A/c Dr. To B (Goods purchased from B)		6,200	6,200
	B Dr. To Bills Payable A/c To Discount Received A/c (Bill drawn by B accepted and discount allowed by him)		6,200	6,000 200
	Bills Payable A/c Dr. Discount Received A/c Dr. Noting Charges A/c Dr. To B (Bill payable dishonoured)		6,000 200 100	6,300

**Books of B
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	A To Sales A/c (Good sold to A)	Dr.	6,200	6,200
	Bills Receivable A/c Discount Allowed A/c To A (B's acceptance received and discount allowed)	Dr. Dr.	6,000 200	6,200
	Purchases A/c To C (Goods bought from C)	Dr.	10,000	10,000
	C To Bills Receivable A/c To Bank A/c (Bills Receivable and Cheque given to C to settle due)	Dr.	10,000	6,000 4,000
	A To C To Discount Allowed A/c (Bill accepted by B was dishonoured and C paid Rs 100 as Noting Charges)	Dr.	6,300	6,100 200

**Books of C
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	B To Sales A/c (Goods sold to B)	Dr.	10,000	10,000
	Bills Receivable A/c Bank A/c To B (Bill Receivable and Cheque received from B)	Dr. Dr.	6,000 4,000	10,000
	B	Dr.	6,100	

To Bills Receivable A/c			6,000
To Cash A/c			100
(Bills Receivable received from B dishonoured and Rs 100 paid for noting the bill)			

Answer 26:

X's Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2012 Jan.01	Y A/c To Sales A/c (Goods sold on credit to Y)	Dr.	40,000	40,000
Jan.01	Bills Receivable A/c To Y A/c (Acceptance received from Y)	Dr.	40,000	40,000
Jan.04	Bank A/c Discounting Charges A/c To Bills Receivable A/c (Bill discounted at 6% p.a.)	Dr. Dr.	39,400 600	40,000
Apr.04	Y A/c (40,000+200) To Bank A/c (Bill dishonoured and noting charges of Rs 200 paid by bank)	Dr.	40,200	40,200
Apr.04	Y A/c To Interest A/c (Interest due for three months from Y on renewal of bill)	Dr.	1,206	1,206
Apr.04	Bills Receivable (New) A/c (40,200+1,206) To Y A/c (Acceptance received from Y)	Dr.	41,406	41,406

Working Notes:

WN 1: Amount of Discounting Charges = $(40,000 \times 6 \times 3) / (100 \times 12) = \text{Rs } 200$

WN 2: Amount of Interest on Renewal of Bill = $(40,200 \times 12 \times 3) / (100 \times 12) = \text{Rs } 1,206$

Answer 27:

Books of X Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018				
Jan.01	Bills Receivable A/c (Bill no 1) Dr.		6,000	
	Bills Receivable A/c (Bill no 2) Dr.		8,000	
	Bills Receivable A/c (Bill no 3) Dr.		10,000	
	To Y			24,000
	(Y's acceptance was received)			
Jan.03	Bank A/c Dr.		5,850	
	Discount Charges A/c Dr.		150	
	To Bills Receivable A/c (Bill no 1)			6,000
	(Bill no 1 validity for 6 months was discounted with bank at 5% p.a)			
Feb.01	Z Dr.		10,000	
	To Bills Receivable A/c (Bill no 3)			10,000
	(Bill no 3 was endorsed in favour of Z)			
April 04	Y Dr.		10,000	
	To Z A/c			10,000
	(Bill no 3 validity for 3 months was dishonoured on due date)			
May 04	Y Dr.		8,000	
	To Bills Receivable A/c (Bill no 2)			8,000
	(Bill no 2 validity for 4 month was dishonoured on due date)			
July 04	Y		6,000	
	To Bank A/c			6,000
	(Bill no 1 validity for 6 months was dishonoured on due date)			

Books of Y Journal

Date	Particulars	L.F.	Debit	Credit
------	-------------	------	-------	--------

			Amount Rs	Amount Rs
2018 Jan.01	X To Bills Payable A/c (Bill no 1) To Bills Payable A/c (Bill no 2) To Bills Payable A/c (Bill no 3) (Three bill drawn by X were accepted)	Dr.	24,000	6,000 8,000 10,000
April 04	Bills Payable A/c (Bill no 3) To X (Bill no 3 was not honoured)	Dr.	10,000	10,000
May 04	Bills Payable A/c (Bill no 2) To X (Bill no 2 validity for 3 months was not honoured)	Dr.	8,000	8,000
July 04	Bills Payable A/c (Bill no 1) To X (Bill no 1 validity for 6 months was dishonoured)	Dr.	6,000	6,000

Answer 28:

**Books of X
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Jan.01	Y To Sales A/c (Goods was sold to Y)	Dr.	4,500	4,500
Jan.01	Bills Receivable A/c (Bill no 1) Bills Receivable A/c (Bill no 2) Bills Receivable A/c (Bill no 3) To Y (Y's acceptance was received)	Dr. Dr. Dr.	1,000 1,500 2,000	4,500
Jan.03	Z	Dr.	1,500	

	To Bills Receivable A/c (Bill no 2) (Bill Receivable endorsed in favour of Z)			1,500
Jan.04	Bills Sent for Collection A/c To Bills Receivable A/c (Bill no 3) (Bill Sent to bank for Collection)	Dr.	2,000	2,000
Feb.04	Y To Bills Receivable A/c (Bill no 1) To Cash A/c (Bill dishonoured whose maturity period was 1 month)	Dr.	1,010	1,000 10
Mar.04	Y To Z (Bill endorsed to Z dishonoured)	Dr.	1,515	1,515
April 04	Y To Bill Sent for Collection A/c To Bank A/c (Bill which had sent to bank for collection, now dishonoured and bank paid noting charges)	Dr.	2,020	2,000 20

**Books of Y
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Jan.01	Purchases A/c Dr. To X (Goods were bought from X)		4,500	4,500
Jan.01	X Dr. To Bills Payable A/c (Bill no 1) To Bills Payable A/c (Bill no 2) To Bills Payable A/c (Bill no 3) (Bill drawn by X was accepted)		4,500	1,000 1,500 2,000
Feb.04	Bills Payable A/c (Bill no 1) Dr. Noting Charges A/c Dr. To X (Bill Payable for 1 month was		1,000 10	1,010

	dishonoured)			
Mar.04	Bills Payable A/c (Bill no 2) Dr. Noting Charges A/c Dr. To X (Bill no 2 was dishonoured)		1,500 15	1,515
April 04	Bills Payable A/c (Bill no 3) Dr. Noting Charges A/c Dr. To X (Bills no 3 dishonoured)		2,000 20	2,020

**Books of Z
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Jan.03	Bills Receivable A/c Dr. To X (Bill Receivable received from X)		2,000	2,000
April 04	X Dr. To Bills Receivable A/c To Bank A/c (Bill received from X was dishonoured)		1,515	1,500 15

Answer 29:

**Books of Mohan
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Jan.01	Bills Receivable A/c Dr. To Ram (Ram's acceptance received)		2,000	2,000
Jan.01	Bank A/c Dr. Discount Charges A/c Dr. To Bills Receivable A/c		1,970 30	2,000

	(Ram's acceptance was discounted at 6% p. a. for 3 months)			
April 04	Ram To Bank (Ram's acceptance which was discounted with bank dishonoured)	Dr.	2,020	2,020
April 04	Cash A/c To Ram (Cash received from Ram)	Dr.	520	520
April 04	Ram To Interest A/c (Interest due from on amount outstanding at 9% p. a. for 3 months) Working Note: Interest = $1,500 \times 9\% \times 3/12 = \text{Rs } 34$	Dr.	34	34
April 04	Bill Receivable A/c To Ram (Ram's acceptance received for outstanding amount including interest)	Dr.	1,534	1,534
April 04	Cash A/c To Bills Receivable A/c (Cash received on honouring of bill)	Dr.	1,534	1,534

**Books of Ram
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2018 Jan.01	Mohan To Bills Payable A/c (Bill drawn by Mohan was accepted)	Dr.	2,000	2,000
April 04	Bills Payable A/c Noting Charges A/c To Mohan (Bill dishonoured on its due date)	Dr. Dr.	2,000 20	2,020
April 04	Mohan To Cash A/c	Dr.	520	520

	(Cash paid to Mohan)			
April 04	Interest A/c To Mohan (Interest due to Mohan on outstanding balance for 3 months)	Dr.	34	34
April 04	Mohan To Bills Payable A/c (Bill accepted for the amount outstanding including interest to Mohan)	Dr.	1,534	1,534
April 04	Bills Payable A/c To Cash A/c (Bill discharged on maturity)	Dr.	1,534	1,534

Answer 30:

Books of X Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 June 15	Y To Sales A/c (Goods were sold to Y)	Dr.	15,000	15,000
June 15	Bills Receivable A/c (Bill no 1) Bills Receivable A/c (Bill no 2) To Y (Y's acceptance was received)	Dr. Dr.	10,000 5,000	15,000
June 15	Bank A/c Discount Charges A/c To Bills Receivable A/c (Bill no 1) (Bill no 1 which was issued for two months discounted at 6% p.a. for two months)	Dr. Dr.	9,900 100	10,000
June 15	Z To Bills Receivable A/c (Bill no 2) (Y's acceptance Bill no 2 endorsed in favour of Z)	Dr.	5,000	5,000

Sep.18	Y To Z (Y's acceptance which had endorsed in favour Z dishonoured)	Dr.	5,050	5,050
Oct.01	Y To Interest A/c (Interest due from Y)	Dr.	50	50
	Cash A/c To Y (Amount due from Y received)	Dr.	5,100	5,100

**Books of Y
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 June 15	Purchases A/c Dr. To X (Goods were bought from X)		15,000	15,000
June 15	X Dr. To Bills Payable A/c (Bill no 1) To Bills Payable A/c (Bill no 2) (Bills drawn by X were accepted)		15,000	10,000 5,000
Aug.18	Bills Payable A/c (Bill no 1) Dr. To Bank A/c (Payment made for bill on maturity)		10,000	10,000
Sep.18	Bills Payable A/c (Bill no 2) Dr. Noting Charges A/c Dr. To X (Bill dishonoured)		5,000 50	5,050
Oct.01	Interest A/c Dr. To X (Interest due to X)		50	50
Oct.01	X Dr. To Cash A/c (Payment made to X)		5,100	5,100

Answer 31:

**Books of X
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Jan.01	Bills Receivable A/c Dr. Discount Allowed A/c Dr. To Y (Y's acceptance was received and discount allowed)		2,000 50	2,050
Jan.01	Bank A/c Dr. Discount Charges A/c Dr. To Bills Receivable A/c (Y's acceptance was discounted with bank)		1,980 20	2,000

**Books of Y.
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Jan.01	X Dr. To Bills Payable A/c To Discount Received A/c (Bill drawn by X was accepted)		2,050	2,000 50
	Bills Payable A/c Dr. To Bank A/c (Payment made for meeting the bill)		2,000	2,000

Journal entries – In case bill is dishonoured

**Books of X.
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
------	-------------	------	-----------------------	------------------------

2017 Jan.01	Bills Receivable A/c Discount Allowed A/c To Y (Y's acceptance was received and discount allowed)	Dr. Dr.	2,000 50	2,050
Jan.01	Bank A/c Discount Charges A/c To Bills Receivable A/c (Y's acceptance was discounted with bank)	Dr. Dr.	1,980 20	2,000
	Y To Bank A/c To Discount Allowed A/c (Y's acceptance became dishonoured)	Dr.	2,050	2,000 50

**Books of Y
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Jan.01	X To Bills Payable A/c To Discount Received A/c (Bill drawn by X was accepted and discount received)	Dr.	2,050	2,000 50
	Bills Payable A/c Discount Received A/c To X (Bill became dishonoured)	Dr. Dr.	2,000 50	2,050

Answer 32:

**Books of A
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 June 01	B Dr.		250	

	To Sales A/c (Goods were sold to B)			250
June 01	Bills Receivable A/c To B (B's acceptance was received)	Dr.	250	250
July 04	B To Bills Receivable A/c (B's acceptance was cancelled)	Dr.	250	250
July 04	B To Interest A/c (Interest due from B on account cancelling the bill)	Dr.	10	10
July 04	Bills Receivable A/c To B (New bill including interest was accepted by B)	Dr.	260	260

**Books of B
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 June 01	Purchases A/c To A (Goods were bought from A)	Dr.	250	250
June 01	A To Bills Payable A/c (Bills drawn by A was accepted)	Dr.	250	250
July 04	Bills Payable A/c To A (Bill got cancelled)	Dr.	250	250
July 04	Interest A/c To A (Interest due to for cancelling the bill)	Dr.	10	10
July 04	A	Dr.	260	

	To Bills Payable A/c (New bill including interest drawn by A was accepted)			260
--	---	--	--	-----

Answer 33:

Books of A Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Sep.01	B To Sales A/c (Goods were sold to B)	Dr.	16,000	16,000
Sep.01	Bills Receivable A/c To B (B's acceptance was received)	Dr.	16,000	16,000
Dec.04	B To Bills Receivable A/c (B's acceptance was cancelled)	Dr.	16,000	16,000
Dec.04	B To Interest A/c (Interest due from at 9% for 2 months on the amount due) Working Note: Interest = $16,000 \times 9\% \times 2/12 = \text{Rs } 240$	Dr.	240	240
Dec.04	Cash A/c To Interest A/c (Amount for interest were received from B)	Dr.	240	240
Dec.04	Bills Receivable A/c To B (B accepted a new bill)	Dr.	16,000	16,000
2018 Feb.07	Cash A/c To Bills Receivable A/c (Payment received on honouring of the bill)	Dr.	16,000	16,000

**Books of B
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 Sep.01	Purchases A/c Dr. To A (Goods were bought from A)		16,000	16,000
Sep.01	A Dr. To Bills Payable A/c (Bills drawn by A was accepted)		16,000	16,000
Dec.04	Bill Payable A/c Dr. To A (Bill got cancelled due to inability to pay)		16,000	16,000
Dec.04	Interest A/c Dr. To A (Interest due to A at 9% p.a. for 2 months)		240	240
Dec.04	A Dr. To Cash A/c (Payment for interest to A)		240	240
Dec.04	A Dr. To Bills Payable A/c (New bill drawn by A was accepted)		16,000	16,000
2018 Feb.04	Bills Payable A/c Dr. To Cash A/c (Payment of the bill made on due date)		16,000	16,000

Answer 34:

**Books of Merchant & Co.
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 May 01	AB & Co Dr. To Sales A/c (Goods were sold to AB & Co)		500	500

May 01	Bills Receivable A/c To AB & Co (AB & Co's acceptance was received)	Dr.	500	500
Aug.04	AB & Co To Bills Receivable A/c (AB & Co's acceptance was cancelled)	Dr.	500	500
Aug.04	Cash A/c To AB & Co (Cash received from AB & Co)	Dr.	200	200
Aug.04	AB & Co To Interest A/c (Interest-due from AB & Co at 6% p.a. for 3 months) Working Note: $300 \times 6\% \times 3/12 = \text{Rs } 4.50$		4.50	4.50
Aug.04	Bills Receivable A/c To AB & Co (AB & Co's acceptance was received including the interest for 3 months)	Dr.	304.50	304.50
Nov.07	Cash A/c To Bills Receivable A/c (Payment received on maturity the bill)	Dr.	304.50	304.50

Books of AB & Co
Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2017 May 01	Purchases A/c To Merchant & Co (Goods were bought from Merchant & Co)	Dr.	500	500
May 01	Merchant & Co To Bills Payable A/c (Bill drawn by Merchant & Co was accepted)	Dr.	500	500
Aug.04	Bills Payable A/c To Merchant & Co	Dr.	500	500

	(Bill got cancelled)			
Aug.04	Merchant & Co To Cash A/c (Cash paid to Merchant & Co)	Dr.	200	200
Aug.04	Interest A/c To Merchant & Co (Interest due to Merchant & Co at 6% p.a. for 3 months on the amount due)	Dr.	4.50	4.50
Aug.04	Merchant & Co To Bill Payable A/c (New bill drawn by Merchant & Co was accepted)	Dr.	304.50	304.50
Nov.07	Bills Payable A/c To Cash A/c (Cash paid for honouring the bill)	Dr.	304.50	304.50

Answer 35:

Case (a) If the bill is dishonoured

Books of B Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c To A (A's acceptance was received)	Dr.	400	400
	Bank A/c Discount Charges A/c To Bills Receivable A/c (A's acceptance was discounted with bank)	Dr. Dr.	380 20	400
	A To Bank A/c (A's acceptance dishonoured)	Dr.	400	400

**Books of A
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	B To Bills Payable A/c (Bill drawn by A was accepted)	Dr.	400	400
	Bills Payable A/c To B (Bill drawn by B was dishonoured on maturity)	Dr.	400	400

Case (b) The bills met at maturity

**Books of B
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c To A (A's acceptance was received)	Dr.	400	400
	Bank A/c Discount Charges A/c To Bills Receivable A/c (A's acceptance was discounted with bank)	Dr. Dr.	380 20	400

**Books of A
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	B To Bills Payable A/c (Bills drawn by A was accepted)	Dr.	400	400
	Bill Payable A/c To Cash A/c (Payment made meeting the bill on maturity)	Dr.	400	400

--	--	--	--	--

Case (c) If bill is retired under rebate at 6% p.a. 2 months before its maturity

**Books of B
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Receivable A/c Dr. To A (A's acceptance was received)		400	400
	Cash A/c Dr. Rebate A/c Dr. To Bills Receivable A/c (Payment received 2 months before its maturity and gave rebate)		396 4	400

Working Note:

$$\text{Rebate} = 400 \times \frac{6}{100} \times \frac{2}{12} = \text{Rs } 4$$

**Books of A
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	B Dr. To Bills Payable A/c (Bill drawn by B was accepted)		400	400
	Bills Payable A/c Dr. To Cash A/c To Rebate A/c (Bill discharge before 2 months of its due date and rebate was received)		400	396 4

Answer 36:

Books of Amar Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bhola To Sales A/c (Goods were sold to Bhola)	Dr.	10,000	10,000
	Bills Receivable A/c To Bhola (Bhola's acceptance was received)	Dr.	10,000	10,000
	Bank A/c Discount Charges A/c To Bills Receivable A/c (Bhola's acceptance discounted with bank)	Dr. Dr.	9,850 150	10,000
	Bhola To Bank A/c (Bhola's acceptance declared dishonoured)	Dr.	10,100	10,100
	Bank A/c To Cash A/c (Payment made to bank with noting charges for dishonoring of the bill)	Dr.	10,100	10,100
	Bhola To Interest A/c (Interest due from Bhola for on account of bill dishonor)	Dr.	150	150
	Bills Receivable A/c To Bhola (New bill accepted by Bhola for the amount due including rating charges and interest)	Dr.	10,250	10,250
	Cash A/c To Bills Receivable A/c (Amount received)	Dr.	10,250	10,250

Answer 37:

Books of A Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
Jun.15	B To Bills Receivable A/c (B's acceptance dishonoured)	Dr.	2,000	2,000
Jun.30	Cash A/c To B (Cash received from B)	Dr.	800	800
Jun.30	B To Interest A/c (Interest due from B)	Dr.	15	15
Jun.30	Bills Receivable A/c To B (Now bill accepted by B together with Interest)	Dr.	1,215	1,215

Books of B Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
Jun.15	Bills Payable A/c To A (Bill drawn by A was dishonoured)	Dr.	2,000	2,000
Jun. 30	A To Cash A/c (Cash paid to A)	Dr.	800	800
Jun. 30	Interest A/c To A (Interest due to A)	Dr.	15	15

Jun.30	A To Bills Payable A/c (Bill drawn by A for balance amount with interest was accepted)	Dr.		1,215	1,215
--------	--	-----	--	-------	-------

Answer 38:

(a)

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	B To Bills Receivable A/c (B's acceptance was cancelled)	Dr.	1,000	1,000
	B To Interest A/c (Interest due from B)	Dr.	15	15
	Bills Receivable A/c To B (New bill was accepted by B including interest)	Dr.	1,015	1,015

Working Note:

$$\text{Interest} = 1,000 \times \frac{6}{100} \times \frac{3}{12} = \text{Rs}15$$

(b)

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bills Payable A/c To C. Chandra (Bill Payable was cancelled)	Dr.	5,000	5,000
	Interest A/c To C. Chandra (Interest at 6% p.a. for 2 month due to C. Chandra)	Dr.	50	50
	C. Chandra	Dr.	5,050	

	To Bills Payable A/c (New bill drawn by C. Chandra was accepted)			5,050
--	---	--	--	-------

Working Note:

$$\text{Interest} = 5,000 \times \frac{6}{100} \times \frac{2}{12} = \text{Rs } 50$$

(c)

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	B Dr. To Bills Receivable A/c (B got cancelled his acceptance)		3,000	3,000
	Cash A/c Dr. To B (Cash received from B)		1,000	1,000
	B Dr. To Interest A/c (Interest due from B)		100	100
	Bills Receivable A/c Dr. To B (New bill accepted by B for balance amount including interest)		2,100	2,100

Answer 39:

**Books of Leena
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2009 Mar.01	Meena Dr. To Sales A/c (Goods were sold to Meena)		68,000	68,000
Mar.01	Bills Receivable A/c (Bill no. 1) Dr.		34,000	
	Bills Receivable A/c (Bill no. 2) Dr.		34,000	

	To Meena (Meena's acceptance were received)			68,000
Mar.01	Bank A/c Dr.		32,980	
	Discount Charges A/c Dr.		1,020	
	To Bills Receivable A/c (Bill no. 01) (Bill no. 1 discount with bank at 12% p.a. for 3 months)			34,000
	Working Note: Interest = $34,000 \times 12\% \times 3/12$			
May 04	Cash A/c Dr.		33,830	
	Rebate A/c Dr.		170	
	To Bills Receivable A/c (Bill no. 2) (Bill no. 2 retired before one month under a rebate at 6% p.a.)			34,000
	Working Note: Rebate = $34,000 \times 6\% \times 1/12$			
June 04	Meena Dr.		34,055	
	To Bank A/c (Bill no. 1 which was discounted with bank proved dishonoured)			34,055

**Books of Meena
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2009 Mar.01	Purchases A/c Dr. To Leena (Goods were bought from Leena)		68,000	68,000
Mar.01	Leena Dr. To Bills Payable A/c (Bill no. 1) To Bills Payable A/c (Bill no. 2) (Bills drawn by Leena were accepted)		68,000	34,000 34,000

May 04	Bills Payable A/c (Bill no. 2) To Cash A/c To Rebate A/c (Bill no. 2 discharge one month before due and received)	Dr.	34,000	33,830 170
June 04	Bills Payable A/c (Bill no. 1) Noting Charges A/c To Leena (Bill no. 2 was dishonoured due to non payment)	Dr. Dr.	34,000 55	34,055

Answer 40:

(a)

Books of Kapadia Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Dalpat To Bills Receivable A/c (Dalpat acceptance cancelled)	Dr.	1,000	1,000
	Dalpat To Interest A/c (Interest due from Dalpat)	Dr.	20	20
	Cash A/c To Dalpat (Cash received from Dalpat for interest on renewal of the bill)	Dr.	20	20
	Bills Receivable A/c To Dalpat (New bill accepted by Dalpat)	Dr.	1,000	1,000

(b)

**Books of Kapadia
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Swamy Dr. To Ghosh (Swamy's acceptance dishonoured and Ghosh paid Rs 10 as Noting Charges)		810	810
	Cash A/c Dr. To Swamy (Cash received from Swamy)		300	300
	Swamy Dr. To Interest A/c (Interest due from Swamy) Working Note: Interest = $510 \times 6\% \times 3/12 = \text{Rs } 7.65$		7.65	7.65
	Bills Receivable A/c Dr. To Swamy (Swamy's acceptance received for the balance due including interest)		517.65	517.65
	Ghosh Dr. To Bank A/c (Amount due to Ghosh was paid through cheque)		810	810

Answer 41:

**Books of X
Journal**

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2011 June 01	Y Dr. To Sales A/c (Goods sold to Y)		6,000	6,000

June 01	Bills Receivable A/c (Bill no. 1) To Y (Y's acceptance received)	Dr.		6,000	6,000
June 04	Z To Bills Receivable A/c (Bill no. 1) (Bill endorsed in favour of Z)	Dr.		6,000	6,000
Sept.04	Y To Z (Endorsed bill get dishonoured and noting charges were paid)	Dr.		6,050	6,050
Sept.06	Cash A/c Bills Receivable A/c (Bill no. 2) (4,050 + 90) To Y To Interest A/c (Cash of Rs 2,000 was received and for the remaining balance new Bill issued including interest of Rs 90)	Dr. Dr.		2,000 4,140	6,050 90
Nov.09	Cash A/c To Bills Receivable A/c (Bill no. 2) (Bill met on the due date)	Dr.		4,140	4,140

Answer 42:

Books of A Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
2008 Jan.01	B To Sales A/c (Goods were sold to B)	Dr.	1,00,000	1,00,000
Jan.01	Cash A/c Bills Receivable A/c (Bill no. 1) Bills Receivable A/c (Bill no. 2) To B (Cash and acceptances were received from B)	Dr. Dr. Dr.	25,000 45,000 30,000	1,00,000
Jan.01	C	Dr.	45,000	

	To Bill Receivable A/c (Bill no. 1) (Bill endorsed in favour of C)			45,000
Jan.01	Bank A/c Discount Charges A/c To Bills Receivable (Bill no. 2) (Bill no. 2 discounted with bank at 12% p.a. for 2 months) Working Note: Discount Charges = $30,000 \times 12\% \times \frac{2}{12}$	Dr. Dr.	29,400 600	30,000
Mar.04	B To C (B's acceptance which had endorsed to C was dishonoured and C paid Rs 100 as noting charges)	Dr.	45,100	45,100
Mar.04	B To Bank A/c (B's acceptance which had discounted with bank was dishonoured and bank paid Rs 80 as noting charges)	Dr.	30,080	30,080

**Journal
In the Books of B**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2008 Jan. 01	Purchases A/c Dr. To A (Goods purchased from A)		1,00,000	1,00,000
Jan. 01	A Dr. To Cash A/c To Bills Payable A/c (1) To Bills Payable A/c (2) (Cash and bills given to A)		1,00,000	25,000 45,000 30,000
March 04	Bills Payable A/c (1) Dr. Bills Payable A/c (2) Dr. Noting Charges A/c Dr. To A (Bills dishonoured)		45,000 30,000 180	75,180

**Journal
In the Books of C**

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
2008 Jan. 01	Bills Receivable A/c (1) Dr. To A (Bill received from A)		45,000	45,000
March 04	A Dr. To Bills Receivable A/c (1) To Cash A/c (Bill dishonoured on due date)		45,100	45,000 100

Answer 43:

**Journal
in the books of X (Drawer)**

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018 Jan 01	Y's A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold to Y)		53,100	45,000 4,050 4,050
Jan 01	Cash A/c Dr. Bills Receivable I A/c Dr. Bills Receivable II A/c Bills Receivable III A/c To Y's A/c (Cash and bills received)		8,100 10,000 15,000 20,000	53,100
Jan 03	Z's A/c Dr. To Bills Receivable II A/c (Bill endorsed to Z)		15,000	15,000
Jan 04	Bill Sent for Collection A/c Dr. To Bill Receivable III A/c (Bill sent to bank for collection)		20,000	20,000
Feb 04	Y's A/c Dr.		11,000	

	To Bills Receivable A/c			10,000
	To Cash A/c			1,000
	(Bill Receivable I dishonoured)			
Mar 04	Y's A/c	Dr.	16,500	
	To Z's A/c			16,500
	(Bill Receivable II dishonoured)			
Apr 04	Y's A/c	Dr.	22,000	
	To Bill Sent for Collection A/c			20,000
	To Cash A/c			2,000
	(Bill Receivable III dishonoured)			

**Journal
in the books of Y (Drawee)**

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018				
Jan 01	Purchases A/c	Dr.	45,000	
	Input CGST A/c	Dr.	4,050	
	Input SGST A/c	Dr.	4,050	
	To X's A/c			53,100
	(Goods purchased from X)			
Jan 01	X's A/c	Dr.	53,100	
	To Bills Payable I A/c	Dr.		10,000
	To Bills Payable II A/c			15,000
	To Bills Payable III A/c			20,000
	To Cash A/c			8,100
	(Cash paid and bills accepted)			
Feb 04	Bills Payable A/c	Dr.	10,000	
	Noting Charges A/c	Dr.	1,000	
	To Cash A/c			11,000
	(Bill Payable I dishonoured)			
Mar 04	Bills Payable A/c	Dr.	15,000	
	Noting Charges A/c	Dr.	1,500	
	To Cash A/c			16,500
	(Bill Payable II dishonoured)			
Apr 04	Bills Payable A/c	Dr.	20,000	
	Noting Charges A/c	Dr.	2,000	

	To Cash A/c (Bill Payable III dishonoured)			22,000
--	---	--	--	--------

**Journal
in the books of Z (Endorsee)**

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
2018 Jan 03	Bills Receivable A/c Dr. To X's A/c (Bill received from X)		15,000	15,000
Mar 06	X's A/c Dr. To Bills Receivable A/c To Cash A/c (Bill dishonoured)		16,500	15,000 1,500

Answer 44:

**Journal
in the books of Amar (Drawer)**

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
	Bhola's A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold to Bhola)		11,800	10,000 900 900
	Cash A/c Dr. Bills Receivable A/c Dr. To Bhola's A/c (Cash and bill received)		1,800 10,000	11,800
	Bank A/c Dr. Discounting Charges A/c Dr. To Bills Receivable A/c (Bill discounted)		9,850 150	10,000

Bhola's A/c To Bank A/c (Bill dishonoured)	Dr.	10,100	10,100
Bhola's A/c To Interest A/c (Interest due)	Dr.	150	150
Bills Receivable A/c To Bhola's A/c (New bill received)	Dr.	10,250	10,250
Cash A/c To Bills Receivable A/c (New bill met on maturity)	Dr.	10,250	10,250

**Journal
in the books of Bhola (Drawee)**

Date	Particulars	L.F.	Debit Amount (₹)	Credit Amount (₹)
	Purchases A/c Input CGST A/c Input SGST A/c To Amar's A/c (Goods purchased from Amar)	Dr. Dr. Dr.	10,000 900 900	11,800
	Amar's A/c To Bills Payable A/c To Cash A/c (Cash paid and bill accepted)	Dr. Dr.	11,800	10,000 1,800
	Bills Payable A/c Noting Charges A/c To Cash A/c (Bill dishonoured)	Dr. Dr.	10,000 100	10,100
	Interest A/c To Amar's A/c (Interest due)	Dr.	150	150
	Amar's A/c To Bills Payable A/c	Dr.	10,250	10,250

	(New bill accepted)			
	Bills Payable A/c	Dr.	10,250	
	To Cash A/c			10,250
	(New bill met on maturity)			

Chapter 9. Rectification of Errors

Answer 1:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Suspense A/c Dr. To Purchases A/c (Purchase book was overcastted by Rs 10,000, now rectified)		10,000	10,000
(ii)	Purchases Return A/c Dr. To Suspense A/c (Purchase return book was overcastted by Rs 1,000, now rectified)		1,000	1,000
(iii)	Purchases Return A/c Dr. To Suspense A/c (Purchase return book's balance was carried forward in excess of Rs 100, now rectified)		100	100
(iv)	Suspense A/c Dr. To Purchases A/c (Purchase book's balance was carried forward in excess of Rs 1,000, now rectified)		1,000	1,000

Answer 2:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Suspense A/c Dr. To Sales A/c (Sales book was undercasted by Rs 5,000, now rectified)		5,000	5,000
(ii)	Sales Return A/c Dr. To Suspense A/c (Sales return book was undercasted by Rs 500, now rectified)		500	500
(iii)	Suspense A/c Dr.		1,000	

	To Sales A/c (Sales book' balance carried forward was short by Rs 1,000, now rectified)			1,000
(iv)	Sales Return A/c To Suspense A/c (Sales return book' balance carried forward was short by Rs 100, now rectified)	Dr.	100	100

Answer 3:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Sales A/c To Suspense A/c (Sales book was overcasted by Rs 5,000, now rectified)	Dr.	5,000	5,000
(ii)	Sales Return A/c To Suspense A/c (Sales book was undercasted by Rs 500, now rectified)	Dr.	500	500
(iii)	Sales A/c To Suspense A/c (Sales book's balance was carried forward in excess by Rs 1,000, now rectified)	Dr.	1,000	1,000
(iv)	Suspense A/c To Sales Return A/c (Sales return book's balance was carried forward in excess by Rs 100, now rectified)	Dr.	100	100

Answer 4:

(i) Salary of Rs.5, 000 paid to Rahul was not posted to Salary A/c

Salaries Account

Dr.

Cr.

Particulars	Amount (Rs)	Particulars	Amount (Rs)
Cash A/c	5,000		

(ii) Sales to Amrish of Rs 1,430 posted to his account as Rs 1,340

Amrish's Account

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Sales A/c	90		

(iii) Sales to Vijay of Rs 2,470 posted to his account as Rs 2,740

Vijay's Account

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
		Sales A/c	270

(iv) Purchases from Pal of Rs1,430 posted to his account as Rs 1,340

Pal's Account

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
		Purchases A/c	90

Answer 5:

'Total of Sales book has not been posted to Sales Account' will affect the Trial Balance because due to this Sales Account undercast, which results in under casting of credit side of Trial Balance. **Hence, the correct answer is option (i).**

Answer 6:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Suspense A/c Dr. To Sales A/c (Sales Book was added short, now rectified)		500	500
	Purchases A/c Dr.		5,000	

To Suspense A/c (Purchases Book was undercast, now rectified)			5,000
Suspense A/c To Purchases Return A/c (Purchases Return Book was cast short now rectified)	Dr.	1,500	1,500
Sales Return A/c To Suspense A/c (Sales Return Book was undercast now rectified)	Dr.	200	200

Answer 7:

(i)

Return Inwards Book

Dr.

Cr.

Date	Particulars	L.F.	Amount Rs	Date	Particulars	L.F.	Amount Rs
					Over Casting of Return Inwards Book		200

(ii)

Purchases Account

Dr..

Cr.

Date	Particulars	L.F.	Amount Rs	Date	Particulars	L.F.	Amount Rs
	Carry forwarding of Purchases Book Less		75				

(iii)

Sales Account

Dr.

Cr.

Date	Particulars	L.F.	Amount Rs	Date	Particulars	L.F.	Amount Rs
	Net Carry forwarding of Sales Book excess		2				

(iv)

Sales Account

Dr.

Cr.

Date	Particulars	L.F.	Amount Rs	Date	Particulars	L.F.	Amount Rs
					Difference in the amount posted		36

Gautam Account

Dr.				Cr.			
Date	Particulars	L.F.	Amount Rs	Date	Particulars	L.F.	Amount Rs
	Difference in the amount posted		36				

Answer 8:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Purchases A/c Dr. To Suspense A/c (Purchases Book was under cast now rectified)		2,150	2,150
	Suspense A/c Dr. To K. Krishna (Received from K. Krishna was wrongly debited, now rectified)		1,000	1,000
	Drawings A/c Dr. To Travelling Expense A/c (Amount withdrawn by proprietor for personal use wrongly posted to Travelling Expenses Account, now rectified)		3,000	3,000
	R.Gopalan Dr. To Suspense A/c (R. Gopalan's Account was debited by Rs 157 instead of Rs 175, now rectified)		18	18

Answer 9:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Purchases A/c Dr. To Suspense A/c (Purchase of goods worth Rs 10,000 were omitted)		10,000	10,000

	to be recorded, now rectified)			
(ii)	Furniture A/c To Purchases A/c (Purchase of office furniture was recorded in purchase book, now rectified)	Dr.	10,000	10,000
(iii)	Rent A/c To Landlord's A/c (Office rent of Rs 15,000 was debited to Landlord's personal account, now rectified)	Dr.	15,000	15,000
(iv)	Sales A/c To Machinery A/c (Sale of machinery costing Rs 5,000 was credited to Sales A/c, now rectified)	Dr.	5,000	5,000

Answer 10:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Sales A/c To Furniture A/c (Sale of old furniture treated as sale of goods, now rectified) Nature: Error of Principle	Dr.	5,000	5,000
(ii)	Drawings A/c To Rent A/c (Rent paid for proprietor's residence treated as rent paid, now rectified) Nature: Error of Principle	Dr.	6,000	6,000
(iii)	Brajesh's A/c To Rajesh's A/c (Cash received from Rajesh, credited to Brajesh, now rectified) Nature: Error of Commission	Dr.	2,150	2,150

Answer 11:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Purchases A/c Dr. To Suspense A/c (Purchases Book was undercasted by Rs 1,000, now rectified)		1,000	1,000
(ii)	Aru Prakash's A/c Dr. To Sales A/c To Purchases A/c (Sales to Aru Prakash was recorded in Purchases Book, now rectified)		14,000	7,000 7,000
(iii)	Rahul's A/c Dr. To Sales A/c (Sales to Rahul Rs 7,000 was recorded as Rs 700, now rectified)		6,300	6,300

Note: In the book, this transaction is incomplete, thus it has been assumed that 'Credit sales to Rahul was recorded as Rs 700 instead of Rs 7,000'.

Answer 12:

Journal

Date	Particular	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Sales A/c Dr. To Suspense A/c (Carry forwarding Rs 2,785 instead of Rs 2,587, now rectified)		198	198
(ii)	Mohan Dr. To Allowance A/c (A Cheque received from Mohan was dishonoured but debited wrongly to Allowance's Account, now rectified)		400	400
(iii)	Sale Return A/c Dr. Purchases Return A/c Dr. To Customer / Debtor (Goods return by a customer was recorded wrongly to Purchase Return Book, now rectified)		5,000 5,000	10,000
(iv)	Sundry Creditors Dr.		200	

	Sundry Debtors To X (Amount owed by X was included in Sundry Creditors, now rectified)	Dr.	200	400
(v)	Sales A/c Suspense A/c To Furniture A/c (Sale of Old furniture Rs 430 was wrongly debited to Sales Account for Rs 340, now rectified)	Dr. Dr.	340 90	430

Answer 13:

Journal

Date	Particular	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Suspense A/c To Purchases A/c (Purchase Book was over cast now rectified)	Dr.	500	500
(ii)	Salaries A/c To Mr. Ajay (Salary paid to Mr. Ajay was debited wrongly to Mr. Ajay's Account)	Dr.	3,000	3,000
(iii)	Shashi To Sales A/c To Purchases A/c (Goods sold to Shashi was wrongly passed through Purchases Book, now rectified)	Dr.	600	300 300
(iv)	Return Inwards A/c To Suspense A/c (Return Inwards Book was added short by Rs 9, now rectified)	Dr.	9	9
(v)	Furniture A/c Happy Traders A/c To Purchases A/c (Purchase of Chair Rs 35 was recorded in the Purchases Book As Rs 53, now rectified)	Dr. Dr.	35 18	53

Answer 14:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Suspense A/c Dr. To Salaries A/c (Payment of Salaries Rs 5,000 was posted twice wrongly in Salaries Account, now rectified)		5,000	5,000
(ii)	Suspense A/c Dr. To Rajesh (Received Rs 750 from Rajesh was omitted to be posted his account, now rectified)		750	750
(iii)	Sales A/c Dr. To Suspense A/c (Sales was overcast, now rectified)		3,000	3,000
(iv)	Advertisement A/c Dr. To Purchases A/c (Goods distributed as free sample were not recorded, now recorded)		2,000	2,000

Answer 15:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Vinod Dr. To Suspense A/c (Rs 9 was posted less in Vinod's Account, now rectified)		9	9
(ii)	Vinod Dr. To Suspense A/c (Vinod's Account was wrongly debited with Rs 9 less, now rectified)		9	9
(iii)	Vinod Dr. To Suspense A/c (Sales to Vinod of Rs 143 was wrongly credited as Rs 134, now rectified)		277	277

Answer 16:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Monoj Dr. To Sales A/c (Sales Rs 20,000 was recorded wrongly as Rs 2,000, now rectified)		18,000	18,000
(ii)	Machinery A/c Dr. To Wages A/c (Amount spent on Installation of machinery was debited wrongly to Wages Account, now rectified)		25,000	25,000
(iii)	Ram & Co. A/c Dr. To Discount Received A/c (Discount received from Ram & Co. not been entered in Cash Book, now rectified)		4,750	4,750
(iv)	Mahesh Dr. To Sales A/c To Purchases A/c (Goods sold to Mahesh was recorded wrongly in Purchases Book now rectified)		6,000	3,000 3,000

Answer 17:

Books of Mohan Lal Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Depreciation A/c Dr. To Suspense A/c (Amount of depreciation was not debited in Depreciation Account ,now recorded)		1,500	1,500
(ii)	Return Outwards A/c Dr. To Suspense A/c (Return Outwards Book was overcast, now rectified)		85	85
(iii)	Suspense A/c Dr. To Basu Dev (Goods returned by Basu Dev was wrongly debited to his account, now rectified)		1,000	1,000

(iv)	Suspense A/c To Krishna Mohan (Krishna Mohan's Account was wrongly debited, now rectified)	Dr.	4,500	4,500
------	--	-----	-------	-------

Answer 18:

Books of Hari Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Suspense A/c To R. Krishan (Goods sold to R. Krishan of Rs 132 was posted as Rs 312 in his account, now rectified)	Dr.	180	180
(ii)	Ramesh A/c To Suspense A/c (Credit side of Ramesh's Account overcast, now rectified)	Dr.	2,000	2,000
(iii)	Purchases A/c To Suspense A/c (Total of Purchases Book was posted less by 45, now rectified)	Dr.	45	45
(iv)	Typewriter A/c To Purchases A/c (Purchase of type writer was wrongly posted to Purchases Account, now rectified)	Dr.	4,000	4,000
(v)	Suspense A/c Dr. To Pandey's A/c (Amount wrongly debited to Pandey's Account for Goods returned by him, now rectified)		4,000	4,000

Answer 19:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Purchases A/c Dr. To Ram (Purchases from Ram was omitted to be recorded , now recorded)		5,000	5,000
(ii)	Sales A/c Dr. To M/s Good luck & Co (Sale of Goods Rs 257 to M/s Goodluck & Co was wrongly recorded as Rs 275, now rectified)		18	18
(iii)	Office Furniture A/c Dr. To Purchase A/c (Purchases of Office furniture was wrongly recorded to Purchases Account, now rectified)		500	500
(iv)	Rent A/c Dr. To Landlord (Rent paid was debited wrongly to Landlord Account, now rectified)		500	500
(v)	Drawing Account Rs 2,000 will be shown in the debit column of Trial Balance			

Answer 20:

Journal Entries

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Suspense A/c Dr. To Sales A/c (Sales book balance wrongly carried forward by less amount, now rectified)		200	200
	Sales A/c Dr. To Suspense A/c (Sales book balance wrongly carried forward by more amount, now rectified)		600	600
(ii)	Sales A/c Dr.		10,000	

	To Purchase Returns A/c (Goods returned wrongly recorded in sales book, now rectified)			10,000
(iii)	Riya A/c To Allowances A/c (Bill dishonoured wrongly posted to the debit of Allowances A/c, now rectified)	Dr.	800	800

Answer 21:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Madan Dr. To Sales A/c (Sale of Goods to Madan Rs 6,000 was wrongly recorded as Rs 600)		5,400	5,400
(ii)	Sales A/c Dr. Purchases A/c Dr. To Mohan (Purchases of goods from Mohan was wrongly recorded in the Sales Book, now rectified)		2,000 2,000	4,000
(iii)	Sales Return A/c Dr. Purchases Return A/c Dr. To Customer A/c (Sales Return was entered wrongly in Purchases Return Book, now rectified)		500 500	1,000
(iv)	Rajan Dr. To Discount A/c (Discount Account was debited wrongly on dishonour of Rajan's Cheque, now rectified)		400	400
(v)	Repair A/c Dr. To Purchases A/c To Ramesh A/c (Repair of Machinery Rs 820 was recorded wrongly to Purchases Book now rectified)		820	720 100

Answer 22:

Journal

Date	Particular	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Madan Dr. To Sales A/c (Sale of Goods Rs 6,000 to Madan was wrongly recorded as Rs 600)		5,400	5,400
(ii)	Purchases A/c Dr. Sales A/c Dr. To Ajay (Purchase of Goods from Ajay was wrongly passed through Sales Book)		1,500 1,500	3,000
(iii)	Repair A/c Dr. To Building A/c (Repair of Building Rs 300 was wrongly debited to Building Account, now rectified)		300	300
(iv)	Rohit Dr. Suspense A/c Dr. To Mohit (Payment to Rohit Rs 2,050 was wrongly debited Mohit's Account as Rs 5,020, now rectified)		2,050 2,970	5,020
(v)	Purchases Return A/c Dr. To Suspense A/c (Purchase Return Book was overcast now rectified)		400	400

Answer 23:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Suspense A/c Dr. To Mr.A (Received Rs 5,400 from Mr A was wrongly debited to his Account, now rectified)		10,800	10,800
(ii)	Suspense A/c Dr. To Sales Return A/c (Sales Return Book was overcast, now rectified)		800	800

(iii)	Repair A/c To Motor Car A/c To Suspense A/c (Repairs of Motor Cars Rs 2,740 was wrongly debited to Motor Car Account as Rs 1,740, now rectified)	Dr.	2,740	1,740 1,000
(iv)	Shyam To Return Inwards A/c To Return Outwards A/c (Return Outward to Shyam was wrongly recorded in the Return Inwards Book, now rectified)	Dr.	3,000	1,500 1,500

Answer 24:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Discount Received A/c To Discount Allowed A/c (On dishonour of Ranjan's cheque, instead of crediting Discount Allowed Account, Discount Received Account was wrongly credited, now rectified)	Dr.	200	200
(ii)	Machinery A/c To Wages A/c (Wages paid for Installation of Machinery was debited wrongly to Wages Account, now rectified)	Dr.	2,000	2,000
(iii)	Rakesh A/c To Bad Debt Recovered A/c (Cash received from Rakesh was Credited wrongly to Rakesh's Account was previously written off as Bad Debt, now rectified)	Dr.	5,000	5,000
(iv)	Since error is made at time of recording so correct entry would be Repair A/c To Cash A/c (Repair bill Rs 1,000 was recorded as Rs 100, now rectified)	Dr.	900	900

Answer 25:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Suspense A/c Dr. To Sales A/c (Sales Book was undercast, now rectified)		1,000	1,000
(ii)	Sales Return A/c Dr. To Green & Co (Goods returned by Green & Co was not recorded, now recorded)		1,500	1,500
(iii)	Suspense A/c Dr. To Gupta & Co (Goods purchased of Rs 2,500 from Gupta & Co was wrongly debited to his account, now rectified)		5,000	5,000
(iv)	Furniture A/c Dr. To Purchases A/c (Purchase of goods Rs 10,000 was debited wrongly to Purchases Book, now rectified)		10,000	10,000
(v)	Suspense A/c Dr. To A (Cash received from A was not posted to his account, now rectified)		2,500	2,500

Answer 26:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Repair A/c Dr. To Building A/c (Repair of building was debited wrongly to Building Account, now rectified)		500	500
(ii)	Furniture A/c Dr. To X (Furniture purchased from X was omitted to be recorded, now recorded)		5,000	5,000
(iii)	Returns Inward A/c Dr.		50	

	To Suspense A/c (Returns Inward Book was added short, now rectified)			50
(iv)	Purchases A/c Dr. To Returns Inward A/c (Goods purchased from Mohan wrongly passed through Returns Inward Book, now rectified)		5,000	5,000
(v)	Sales A/c Dr. To Purchases Return A/c (Goods returned to Ram wrongly passed through Sales Book, now rectified)		-----	----
(vi)	Suspense A/c Dr. To Bills Receivable A/c To Bills Payable A/c (Bills Payable accepted in favour of Murari, wrongly debited to Bills Receivable as Rs.500, now rectified)		5,500	500 5,000

Answer 27:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Purchases A/c Dr. Sales A/c Dr. To David (Purchase of Goods from David was wrongly passed through Sales Book, now rectified)		150 150	300
(ii)	Peter Dr. To Sales A/c To Purchases A/c (Sale of goods to Peter was wrongly passed through Purchases Book, now rectified)		240	120 120
(iii)	Salaries A/c Dr. To B. Naidu (Salary paid to B. Naidu was passed wrongly to his account, now rectified)		200	200
(iv)	Krishan Dr. Kishan Dr. To Sales A/c To Purchases A/c (Sales to Krishan recorded wrongly as purchases from		4,230 4,320	4,230 4,320

	Kishan with a wrong amount, now rectified)			
(v)	Ramesh To Suspense A/c (Amount twice Credit to Ramesh's Account, now rectified)	Dr.	840	840

Answer 28:

(i) The following are the causes that make a Trial Balance incorrect.

- 1) Incomplete posting of Journal Entry
- 2) Posting in the wrong side of Account.
- 3) Wrong totaling of Subsidiary Books
- 4) Wrong balance of Account
- 5) Omission of total of Subsidiary book into Account
- 6) Wrong totaling of the Trial Balance

(ii)

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(a)	Krishna To Sales A/c To Purchases A/c (Credit Sale of goods to Krishna was posted wrongly to Purchases Book, now rectified)	Dr.	5,000	2,500 2,500
(b)	Machinery A/c To Freight To Suspense A/c (Freight Rs 5,000 paid on machinery was wrongly recorded in Freight Account as Rs 500)	Dr.	5,000	500 4,500
(c)	Suspense A/c To Return Inwards A/c (Return Inwards Book was overcast, now rectified)	Dr.	100	100
(d)	Ramesh To Bad Debt Recovered A/c (Received Rs 500 which previously written off as Bad debt wrongly credited to Ramesh Account, now rectified)	Dr.	500	500
(v)	Sundry Debtors A/c To Hari (Hari which was not in the List of Sundry Debtors, now recorded)	Dr.	460	460

Answer 29:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Building A/c Dr. To Wages A/c (Wages paid for construction of office was debited wrongly to Wages Account, now rectified)		5,000	5,000
(ii)	Machinery A/c Dr. To Purchases A/c (Purchase of Machinery was recorded wrongly in Invoice Book, now rectified)		35,000	35,000
(iii)	Sales A/c Dr. To Furniture A/c (Sale of Old Furniture was passed wrongly to Sales Book, now rectified)		1,000	1,000
(iv)	Bills Payable A/c Dr. To Malhotra Bros. (Amount paid against acceptance to Mehta Bros was wrongly debited to Malhotra Bros, now rectified)		2,000	2,000
(v)	Shyam Dr. To Ram (Sales to Ram Rs 204 was debited to his account as Rs 402 and Purchase from Shyam Rs 1,012 was Credited to his account as Rs 1,210, now rectified)		198	198

Answer 30:

Books of Ram Gopal Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Suspense A/c Dr. To M. Mehta (Cash received from M. Mehta was wrongly posted to the debit of his account, now rectified)		1,080	1,080
(ii)	Suspense A/c Dr.		200	

	To Purchases A/c			100
	To Purchases Return A/c			100
	(Purchases Return Rs 100 was wrongly debited to Purchases Account , now rectified)			
(iii)	Suspense A/c	Dr.	600	
	To Discount A/c			600
	(Discount Received Rs 300 was wrongly posted to the debit of Discount Account, now rectified)			
(iv)	Motor Car Repair A/c	Dr.	374	
	To Motor Car A/c			174
	To Suspense A/c			200
	(Paid Rs 374 for Motor Car Repair was wrongly debited to Motor Car Account as Rs 174, now rectified)			
(v)	C. Das A/c	Dr.	400	
	To G. Das A/c			400
	(Amount paid to C. Das was wrongly debited to G. Das, now rectified)			

Suspense Account

Dr.			Cr.		
Date	Particulars	Amount Rs	Date	Particulars	Amount Rs
(i)	M. Mehta	1,080	(iv)	Motor Car Repair	200
(ii)	Purchases	100		Balance c/d	1,680
	Purchases Return	100			
(iii)	Discount	600			
		1,880			1,880

Answer 31:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Suspense A/c Dr. To Personal A/c (Credit item was wrongly debited to a Personal Account, now rectified)		788	788
(ii)	Depreciation A/c Dr. To Suspense A/c (Depreciation on Fixtures was not posted to Depreciation		625	625

	Account, now rectified)			
(iii)	Furniture A/c To Purchases A/c (Purchase of Furniture was wrongly charged to Purchases Account, now rectified)	Dr.	9,000	9,000
(iv)	Suspense A/c To Customer (Discount allowed to Customer Rs 154 was Credited wrongly as Rs 145, now rectified)	Dr.	9	9
(v)	Suspense A/c To Sales A/c (Sale of Rs 594 was wrongly posted as Rs 495, now rectified)	Dr.	99	99
(vi)	Return Inwards A/c To Suspense A/c (Return Inwards Book was undercasted, now rectified)	Dr.	10	10

Suspense Account

Dr.			Cr.		
Date	Particulars	Amount Rs	Date	Particulars	Amount Rs
(i)	Personal	788		Balance b/d	261
(iv)	Customer	9	(ii)	Depreciation	625
(v)	Sales	99	(vi)	Return Inwards	10
		896			896

Answer 32:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Amar Nath Amar Singh To Suspense A/c (Cash paid to Amar Nath Rs 75 was wrongly Credited to Amar Singh as Rs 57, now rectified)	Dr. Dr.	75 57	132
(ii)	Suspense A/c To Discount Received A/c	Dr.	5	5

	(Discount Received by Brijesh was omitted to be recorded in Discount column but was recorded in Brijesh's Account, now rectified)			
(iii)	Drawings A/c To Purchases A/c (Goods Drawn by proprietor was not recorded, now recorded)	Dr.	40	40
(iv)	Suspense A/c To Interest on Advance A/c (Interest on Advances received from Jhaveri Bros was not posted into Ledger, now rectified)	Dr.	500	500
(v)	Suspense A/c To Return Outwards A/c (Return Outwards Book undercasted, now rectified)	Dr.	100	100

Suspense Account

Dr.			Cr.		
Date	Particulars	Amount Rs	Date	Particulars	Amount Rs
(ii)	Discount Received	5		Balanced b/d	283
(iv)	Interest on Advances	500	(i)	Amar Nath	75
(v)	Return Outwards	100	(i)	Amar Singh	57
				Balance c/d	190
		605			605

There is some error in the book of account after rectifying the traced error, Suspense Account is not closed.

Answer 33:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Typewriter A/c To Office Expenses A/c (Purchase of Typewriter was wrongly charged to Office Expense Account, now rectified)	Dr.	1,700	1,700
(ii)	Black To Sales A/c (Cash Sale to Black was entered in the Cash Book but	Dr.	5,000	5,000

	was wrongly posted to the credit of Black's Account, now rectified)			
(iii)	Sales Return A/c Sales A/c To Suspense A/c (Goods returned by Blue was wrongly entered in the Sales Book but correctly posted in Blue's Account, now rectified)	Dr. Dr.	800 800	1,600
(iv)	Furniture A/c To Suspense A/c (Furniture purchased posted as 810 instead of 8,100, now rectified)	Dr.	7,290	7,290
(v)	Suspense A/c To Red (Goods sold to Red Rs 10,000 was entered in Sales book but posted in Red A/c Rs 18,000, now rectified)	Dr.	8,000	8,000
(vi)	Suspense A/c To Sales Return A/c (Sales Return book was over cast)	Dr.	100	100

Answer 34:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Return Inwards A/c To Suspense A/c (Return Inwards was undercast, now rectified)	Dr.	1,000	1,000
(ii)	Furniture A/c To Purchases A/c (Purchase of Office Furniture was wrongly entered in Purchases Book , now rectified)	Dr.	3,000	3,000
(iii)	Furniture A/c To Wages A/c (Wages paid for making showcases was wrongly charged to Wages Account, now rectified)	Dr.	3,750	3,750
(iv)	Suspense A/c	Dr.	70	

	To Creditors (Purchase of Rs 670 was Credited to Creditors as Rs 600, now rectified)			70
(v)	Mr. P. C Joshi To Allowances A/c (Mr. P. C. Joshi Cheque was dishonoured and was wrongly debited to Allowances Account, now rectified)	Dr.	2,000	2,000
(vi)	Prasad Dr. To Bad Debts Recovered A/c (Bad debts recovered from Prasad wrongly credited to his personal account, now rectified)		15,720	15,720

Suspense Account

Dr.			Cr.		
Date	Particulars	Amount Rs	Date	Particulars	Amount Rs
(iv)	Balance b/d Creditors	930	(i)	Return Inwards	1,000
		70			
		1,000			1,000

Answer 35:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Mohan Dr. To Cash A/c (Cash received from Mohan on April 01, 2017 but was wrongly passed on March 31, 2017) Note: On April 01, 2017 in Cash Book Mohan's Account is debited)		2,000	2,000
(ii)	Bad Debts A/c Dr. To Suspense A/c (Bad Debt of Rahim was not posted to Bad Debts Account, now rectified)		1,000	1,000
(iii)	Return Inwards A/c Dr. To Suspense A/c (Return Inwards Book was undercast, now rectified)		100	100

(iv)	Petty Cash A/c To Asif (Cheque Drawn for Petty Cash was wrongly debited to Asif's Account, now rectified)	Dr.	200	200
(v)	Customer's A/c To Bills Receivable A/c (A discounted bill dishonored wrongly debited to Bills Receivable A/c, now rectified)	Dr.	20,000	20,000
(vi)	Ramesh To Suspense A/c (Ramesh's Account was Credited twice, now rectified)	Dr.	840	840

Answer 36:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Purchases A/c To Suspense A/c (Purchases was undercast, now rectified)	Dr.	20,000	20,000
(ii)	Suspense A/c To Vasudev (Cheque received from Vasudev was not recorded in his account, now recorded)	Dr.	7,800	7,800
(iii)	Return Outwards A/c To Suspense A/c (Return Outwards Book was overcast, now rectified)	Dr.	10,000	10,000
(iv)	Return Inward A/c Return Outwards A/c To Suspense A/c (Goods returned by Yash Pal was wrongly entered in the Return Outwards Book but Correctly posted to his account, now rectified)	Dr. Dr.	15,000 15,000	30,000

Suspense Account

Dr.			Cr.		
Date	Particulars	Amount Rs	Date	Particulars	Amount Rs
(ii)	Difference in Trial Balance	52,200	(i)	Suspense	20,000
	Vasu Dev	7,800	(iii)	Return Outwards	10,000
			(iv)	Return Inwards	15,000
				Return Outwards	15,000
		60,000			60,000

Answer 37:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Sohan Dr. To Suspense A/c (Goods Purchased from Sohan Rs 200 was posted to his account as Rs 250, now rectified)		50	50
(ii)	Furniture A/c Dr. To Purchases A/c (Purchase of Furniture was entered in Purchases Book, now rectified)		500	500
(iii)	Suspense A/c Dr. To Gian (Gian's Account was debited by Rs 215 Instead of Crediting Rs 512, now rectified)		727	727
(iv)	Sales Return A/c Dr.		130	
	Sales A/c Dr. To Suspense (Sale returned by Gian was wrongly entered in the Sales Book, now rectified)		130	260

Suspense Account

Dr.			Cr.		
Date	Particulars	Amount Rs	Date	Particulars	Amount Rs
(iii)	Gain	727	(i) (iv)	Balance b/d	417
				Sohan	50
				Sales Return	130
		727		Sales	130
					727

Answer 38:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Suspense A/c Dr. To Commission A/c (Commission Rs 275 was debited as Rs 375, now rectified)		100	100
(ii)	Suspense A/c Dr. To Personal Account (Credit amount Rs 260 was wrongly posted to the debit Rs 360 in Personal Account, now rectified)		620	620
(iii)	Surinder Dr. To Sales A/c To Purchases A/c (Goods sold to Surinder was wrongly recorded in the Purchases Book, now rectified)		600	300 300
(iv)	Building A/c Dr. To Repair A/c (Cost of erection of Godown Rs 1,200 was debited to Repair Account, now rectified)		1,200	1,200

Suspense Account

Dr.			Cr.		
Date	Particulars	Amount Rs	Date	Particulars	Amount Rs
(i)	Commission	100		Balance b/d	720
(ii)	Personal Account	620			
		720			720

Answer 39:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Ashish Dr. To Discount A/c (Ashish's cheque was debited to Discount Account, now rectified)		5,000	5,000
(ii)	Purchases A/c Dr. Sales A/c Dr. To Suspense A/c (Bought goods from Ramneek was recorded in Sales Book and Credited to his account, now rectified)		540 540	1,080
(iii)	Salary A/c Dr. To Yugakshi To Suspense A/c (Salary Rs 1,000 to Yugakshi was debited to her account as Rs 900, now rectified)		1,000	900 100
(iv)	Furniture A/c Dr. To Purchase A/c To Suspense A/c (Purchase of Furniture Rs 500 was posted to Purchase Book Rs 450, now rectified)		500	450 50

Answer 40:

Books of S. Sen Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Suspense A/c Dr. To Sales A/c To Purchases A/c (Goods sold to B. Basu was entered in Purchases book and debited to his account, now rectified)		2,000	1,000 1,000
(ii)	Suspense A/c Dr. To Ram Lal (Bought goods from Ram Lal Rs 1,500 was wrongly debited to his account as Rs 5,100, now rectified)		6,600	6,600
(iii)	Suspense A/c Dr. To Commission A/c (Commission Rs 275 was wrongly debited a Rs 325, now rectified)		50	50
(iv)	Suspense A/c Dr. To Sales A/c (Sale Book was undercast, now rectified)		100	100
(v)	Building Repair A/c Dr. Suspense A/c Dr. To Building A/c (Building Repair Rs 460 was debited to Building Account as 640, now rectified)		460 180	640

Suspense Account

Dr.			Cr.		
Date	Particulars	Amount Rs	Date	Particulars	Amount Rs
(i)	Sales	1,000			
	Purchases	1,000			
(ii)	Ram Lal	6,600			
(iii)	Commission	50			
(iv)	Sales	100			
(v)	Building	180			
		8,930		Balance c/d	8,930
					8,930

Answer 41:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Sales A/c Dr. To Furniture A/c (Sale of old Furniture was wrongly treated as Sales of Goods, now rectified)		3,000	3,000
(ii)	Suspense A/c Dr. To Sales A/c (Sales Book was undercast, now rectified)		5,000	5,000
(iii)	Drawings A/c Dr. To Rent A/c (Rent of proprietor's residence was wrongly debited to Rent Account, now rectified)		6,500	6,500
(iv)	Suspense A/c Dr. To Manav (Goods returned by Manav Rs 11,970 was wrongly posted to the debit of his account as Rs 11,790, now rectified)		23,760	23,760

Answer 42:

Books of M/s Jain & Sons Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Suspense A/c Dr. To Purchases Return A/c (Purchases Return Book total was not posted to Purchase Return Account, now rectified)		400	400
(ii)	Building A/c Dr. To Suspense A/c (Legal expenses Rs 5,100 on acquiring a Building was recorded as Rs 1,500 in Building Account, now rectified)		3,600	3,600
(iii)	Rajat Dr. To Suspense A/c (Sale of Rajat Rs 6,540 was posted wrongly to Credit of his account, now rectified)		13,080	13,080

--	--	--	--	--

Suspense Account

Dr.			Cr.		
Date	Particulars	Amount Rs	Date	Particulars	Amount Rs
(i)	Purchases Return	400	(ii)	Building	3,600
	Difference in the Trial Balance	16,280	(iii)	Rajat	13,080
		16,680			16,680

Answer 43:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Suspense A/c Dr. To Purchases A/c (Purchases Book was overcast, now rectified)		1,000	1,000
(ii)	Machinery A/c Dr. To Sundry Expense A/c To Suspense A/c (Installation charges of Machinery Rs 1,500 was wrongly debited as Rs 50 in Sundry Expenses Account, now rectified)		500	50 450
(iii)	Sales Return A/c Dr. Purchases Return A/c Dr. To Radhey Shyam (Goods returned by Radhey Shyam was wrongly entered in Purchases Return Book, now rectified)		500 500	1,000
(iv)	Drawings A/c Dr. To Purchases A/c (Goods taken by proprietor was not recorded, now rectified)		5,000	5,000

Answer 44:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Sales A/c Dr.		54	

	To Suspense A/c (One page of Sale Book Rs 317 was wrongly forwarded as Rs 371, now rectified)			54
(ii)	Suspense A/c Dr. To Yatin (Received Rs 540 from Yatin posted wrongly to the debit side of his account, now rectified)		1,080	1,080
(iii)	Purchases Return A/c Dr. To Suspense A/c (Purchases Return Book was overcast, by now rectified)		300	300
(iv)	Suspense A/c Dr. To Customer (Goods return by Customer Rs 1,062 was posted wrongly to the debit of his account, now rectified)		2,124	2,124
(v)	Furniture A/c Dr. To Purchases A/c (Amount paid for purchase of Furniture wrongly debited to Purchases Account, now rectified)		1,500	1,500

Answer 45:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Sales A/c Dr. To Furniture A/c (Sale of old Furniture was wrongly treated as Sales of Goods, now rectified)		500	500
(ii)	Machinery A/c Dr. Raman Dr. To Purchases A/c (Machinery purchased on credit of Rs 2,000 was wrongly recorded in the purchase book as Rs 16,000, now rectified)		2,000 14,000	16,000
(iii)	Suspense A/c Dr. To Bhagat To Rajat (Cash received from Rajat Rs 5,000 was wrongly posted to the debit of Bhagat as Rs 6,000, now rectified)		11,000	6,000 5,000

(iv)	Suspense A/c To Machinery A/c (Depreciation provided on Machinery Rs 3,000 was posted to Machinery A/c as Rs 300, now rectified)	Dr.	2,700	2,700
------	--	-----	-------	-------

Answer 46:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Suspense A/c (740+ 470) To Ganga's A/c (Rs 470 received from Ganga was posted to her debit as Rs 740, now rectified)	Dr.	1,210	1,210
(ii)	Mr. John's A/c To Suspense A/c (Debit balance of Mr. John's personal account was undercasted by Rs 550, now rectified)	Dr.	550	550
(iii)	Bills Receivable A/c Bills Payable A/c To Suspense A/c (Bills Receivable from Brown, posted to credit of bills payable and credited to Brown's Account, now rectified)	Dr. Dr.	3,000 3,000	6,000
(iv)	Sales Return A/c Purchases Return A/c To Mridul's A/c (Goods returned by Mridul was entered in the Return Outward book, now rectified)	Dr.	225 225	450

Answer 47:

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
(i)	Sales A/c To Suspense A/c (Sale book was undercasted by Rs 200 and	Dr.	400	400

	overcastted by Rs 600, now rectified)			
(ii)	Sales A/c To Purchases Return A/c (Goods Returned to Ram recorded in Sales Book, now rectified)	Dr.	1,000	1,000
(iii)	Noor's A/c To Allowances A/c (Bills Receivable from Noor dishonoured and recorded to allowances account, now rectified)	Dr.	1,600	1,600

Answer 48:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Repairs A/c To Plant and Machinery A/c (Repairs wrongly capitalised, now rectified)	Dr.	2,000	2,000
(ii)	Machinery A/c To Wages A/c (Wages paid to Workmen for certain addition to Machinery wrongly debited to Wages Account, now rectified)	Dr.	1,340	1,340
(iii)	R. Gupta To S. Desai (Cheque of Rs 7,500 received from S. Desai was wrongly Credited to R. Gupta's Account, now rectified)	Dr.	7,500	7,500
(iv)	Sales Return A/c To X (Goods returned by X had not recorded in the book, now rectified)	Dr.	7,000	7,000
(v)	Salaries A/c To Purchases A/c (Goods purchased for Staff was wrongly debited to Purchases Account, now rectified)	Dr.	5,000	5,000
(vi)	Mohan Machinery A/c To Sohan	Dr. Dr.	7,10,000 2,00,000	1,70,000

	To Purchases A/c			7,10,000
	To General Expenses A/c			30,000
	(Credit purchase of an old machinery from Sohan and repairs charges were wrongly recorded as purchase from Mohan and General Expenses, now rectified)			
(vii)(a)	Discount Allowed A/c	Dr.	400	
	To Suspense A/c			400
	(Discount allowed omitted to be recorded, now recorded)			
(vii)(b)	Suspense A/c	Dr.	370	
	To Discount Received A/c			370
	(Discount received omitted to be recorded, now recorded)			

Answer 49:

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
(i)	Suspense A/c Dr. To Ramesh (Discount allowed Rs 178 to Ramesh was wrongly entered as Rs 100 in his account, now rectified)		78	78
(ii)	Purchases A/c Dr. To Suspense A/c (Purchases Book was undercast, now rectified)		1,000	1,000
(iii)	Sales A/c Dr. To Kohli (Sale of Goods Rs 375 was wrongly entered as Rs 735 in Sales Book, now rectified)		360	360
(iv)	Suspense A/c Dr. To Bose (Purchases from Bose Rs 175 was debited to his account, now rectified)		350	350
(v)	Maitra Dr. To Bad Debt Recovered A/c (Cash Received from Maitra which had been previously written off as bad debt, was Credited to account, now rectified)		250	250

(vi)	Furniture A/c To Purchases A/c (Purchases of Office furniture was wrongly entered in the Purchases Book, now rectified)	Dr.	750	750
(vii)	Sales A/c To Suspense A/c (Total of Sales Book carry forward by excess amount, now rectified)	Dr.	180	180
(viii)	Drawings A/c To Purchases A/c (Goods drawn by proprietor was not recorded, now rectified)	Dr.	150	150
(ix)	Drawings A/c To Repair A/c (Repair of proprietor's personal Car was wrongly debited to Repairs Account, now rectified)	Dr.	410	410
(x)	Kassim To Sales A/c To Purchases A/c (Sale to Kassim was wrongly entered in the Purchases Book, now rectified)	Dr.	1,400	700 700

Suspense Account

Dr.			Cr.		
Date	Particulars	Amount Rs	Date	Particulars	Amount Rs
(i)	Balance b/d	742	(ii)	Purchases	1,000
	Ramesh	78	(vii)	Sales	180
(iv)	Bose	350			
	Balance c/d	10			
		1,180			1,180

Chapter 10.

Financial Statements OF Sole Proprietorship

Q1

- (1) *Capital Expenditure*: Paid to make an asset ready to use
- (2) *Capital Expenditure*: Paid to make an asset ready to use
- (3) *Revenue Expenditure*: Made for the maintenance of asset
- (4) *Revenue Expenditure*: Part of normal operating cost
- (5) *Capital Expenditure*: Used in business for a number of years

Q2

- (1) *Capital Expenditure*: Paid for the acquisition of new asset
- (2) *Capital Expenditure*: Paid to make the asset ready to use
- (3) *Revenue Expenditure*: Paid for the running and maintenance of car
- (4) *Revenue Expenditure*: Paid for the maintenance of Building
- (5) *Revenue Expenditure*: Part of normal operating cost

Q3

$$\begin{aligned}
 \text{Gross Profit} &= \text{Sales} + \text{Closing Stock} - (\text{Opening Stock} + \text{Freight and Packing} + \text{Goods Purchased}) \\
 &= 1,90,000 + 30,000 - (25,000 + 10,000 + 1,40,000) \\
 &= 2,20,000 - 1,75,000 = \text{Rs } 45,000
 \end{aligned}$$

Alternatively,

Trading Account for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	25,000	Sales	1,90,000
Purchases	1,40,000	Closing Stock	30,000
Freight and Packing	10,000		
Gross Profit (<i>Balancing Figure</i>)	45,000		
	<u>2,20,000</u>		<u>2,20,000</u>

Note: Packing Expenses (Rs 6,000) on Sales is an Indirect Expense, therefore it is not considered to compute the amount of Gross Profit.

Q4

Calculation of amount of Closing Stock

Gross Profit = $33\frac{1}{3}\%$ on cost = $\frac{1}{3}$ rd on cost

\therefore Gross Profit on sales = $\frac{1}{4}$ th on sales

And, Sales = Cash Sales + Credit Sales = 60,000 + 40,000 = Rs 1,00,000

So, Gross Profit = $1,00,000 \times \frac{1}{4}$ = Rs 25,000

Cost of Goods Sold = Sales – Gross Profit
= 1,00,000 – 25,000 = Rs 75,000

Cost of Goods Sold = Opening Stock + Purchases + Direct Expenses – Closing Stock
75,000 = 20,000 + 70,000 + 0 – Closing Stock

Closing Stock = Rs 15,000

Closing stock = Rs 15,000

15,000 = 20,000 + 70,000 + 0 – Closing stock

Cost of Goods Sold = Opening Stock + Purchases + Direct Expenses – Closing Stock

Q5**Trading Account**

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	23,000	Sales	25,400
Purchases	29,000	Less: Sales Return	(500)
Less: Purchases Return	(2,400)	Closing Stock	47,700
Carriage Inwards	100		
Gross Profit (<i>Balancing Figure</i>)	22,900		
	72,600		72,600

Note: Depreciation is an Indirect Expense, therefore it is not shown in the Trading Account.

Journal

Date	Particulars	L.F.	Debit Amount (Rs)	Credit Amount (Rs)
	Trading A/c Dr.		52,600	
	To Opening Stock A/c			23,000
	To Purchases A/c			29,000
	To Carriage Inwards A/c			100
	To Sales Return A/c			500
	(Transfer of balances to the debit side of			

Trading A/c)				
Sales A/c	Dr.	25,400		
Purchase Return A/c	Dr.	2,400		
To Trading A/c				27,800
(Transfer of balances to the credit side of Trading A/c)				
Closing Stock A/c	Dr.	47,700		
To Trading A/c				47,700
(Recording of Closing Stock)				
Trading A/c	Dr.	22,900		
To Profit & Loss A/c				22,900
(Transfer of gross profit to the Profit & Loss A/c)				

Q6

Trading Account

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
<i>Balancing Figure</i>			

Note: Carriage on Sales and Office Rent are the Indirect Expenses, therefore, these are not considered to compute the amount of Gross Profit.

Q7

Trading Account for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
<i>Less</i>		<i>Less</i>	

Carriage Inwards	20,000		
Wages and Salaries	50,000		
Gross Profit (<i>Balancing Figure</i>)	50,000		
	4,80,000		4,80,000

Note: Closing Stock is taken at its Market Price (i.e. Rs 1,20,000) instead of its Cost (i.e. Rs 1,30,000). This is because, as per Principle of Conservatism, Closing stock is taken at Cost or Market Price whichever is less.

Q8

Trading Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Purchase (<i>Adjusted</i>)	6,60,000	Sales	7,44,000
Freight and Carriage Inwards	3,600		
Wages	6,000		
Gross Profit (<i>Balancing Figure</i>)	74,400		
	7,44,000		7,44,000

Notes:

- Freight and Carriage Outwards are indirect expenses, therefore it is not recorded in the Trading Account.
- Closing Stock (i.e. Rs 50,400) is not recorded in the Trading Account as it is already adjusted in the amount of Adjusted Purchases.

Q9

Financial Statement of....
Trading Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock		Less	
		Closing Stock	

Purchases	3,60,000		Raw Materials	70,000	
Less: Return Outwards	10,000	3,50,000	Work-in-Progress	20,000	
Freight Inwards		20,000	Finished Goods	1,10,000	2,00,000
Wages		1,30,000			
Factory Expenses		90,000			
Gross Profit (<i>Balancing Figure</i>)		84,000			
		8,94,000			8,94,000

Note: Freight outwards is an indirect expense. It will be recorded in Profit & Loss A/c.

Q10

Trading Account for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Purchase (<i>Adjusted</i>)	5,50,000	Sales	6,25,000
Freight and Carriage Inwards	3,000		
Wages	7,000		
Gross Profit (<i>Balancing Figure</i>)	65,000		
	6,25,000		6,25,000

Notes:

- Freight and Carriage Outwards are indirect expenses, therefore it is not recorded in the Trading Account.
- Closing Stock (i.e. Rs 50,000) is not recorded in the Trading Account as it is already adjusted in the amount of Adjusted Purchases.

Q11

Operating Profit=

Net Profit–Rent Received–Gain on Sale of Machine+Interest on Loan–Donation
=1,00,000–10,000–15,000+20,000–2,000=Rs 93,000

Q12

Profit and Loss Account for the year ended March 31, 2017

Dr.	Cr.
-----	-----

Capital	4,00,000		Plant	1,00,000
Less: Drawings	(44,000)		Furniture	37,000
Add: Net Profit	16,600	3,72,600	Closing Stock	1,48,000
General Reserve		10,000	Debtors	64,000
Creditors		42,000	Cash at Bank	72,000
			Cash in Hand	3,600
		4,24,600		4,24,600

Q15

(I) Balance Sheet in Order of Permanence

Balance Sheet
as on March 31, 2017

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital	1,80,000	Goodwill	20,000
Less: Drawings	(30,000)	Land and Building	60,000
Add: Net Profit	92,600	Plant and Machinery	40,000
Sundry Creditors	63,000	Furniture	16,000
Bills Payable	10,700	Investment	20,000
Liabilities for Expenses	1,200	Closing Stock	80,000
		Sundry Debtors	50,000
		Less: Provision for Doubtful Debts	(2,500)
		Bill Receivable	13,000
		Bank	20,000
		Cash in Hand	1,000
	3,17,500		3,17,500

(II) Balance Sheet in Order of Liquidity

Balance Sheet
as on March 31, 2017

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Less		Less	
Add			

		Furniture	16,000
		Plant and Machinery	40,000
		Land and Building	60,000
		Good will	20,000
	3,17,500		3,17,500

Q16

(i) Fixed Assets=Land+Plant+Furniture+Goodwill

$$=20,000+32,000+8,000+20,000=\text{Rs } 80,000$$

(ii) Current Assets=Stock+Debtors+Prepaid Expenses

$$=48,000+36,000+400=\text{Rs } 84,400$$

(iii) Current Liabilities=Creditors+Expenses Accrued+Bank Overdraft+Interest on Loan

$$=42,000+3,200+4,800+1,000=\text{Rs } 51,000$$

(iv) Working Capital=Current Assets–Current Liabilities

$$=84,400-51,000=\text{Rs } 33,400$$

Q17

Financial Statements of Jagat Shah

Trading Account

for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	1,00,000	Sales	8,20,000
Purchases 4,00,000		Less: Sales Return (10,000)	8,10,000
Less: Purchases Return (5,000)	3,95,000	Closing Stock	2,00,000
Wages	1,00,000		
Carriage Inwards	5,000		
Gross Profit (Balancing Figure)	4,10,000		
	10,10,000		10,10,000

Profit and Loss Account

for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount	Particulars	Amount

	(Rs)		(Rs)
Salaries	60,000	Gross Profit	4,10,000
General Expenses	20,000		
Rent	50,000		
Carriage Outwards	20,000		
Advertising	20,000		
Net Profit (<i>Balancing Figure</i>)	2,40,000		
	4,10,000		4,10,000

Balance Sheet
as on March 31, 2017

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital 3,60,000		Fixed Assets	
Less: Drawings (40,000)		Machinery	70,000
Add: Net Profit 2,40,000	5,60,000	Current Assets	
Current Liabilities		Closing Stock	2,00,000
Creditors	50,000	Debtors	3,00,000
		Cash	40,000
	6,10,000		6,10,000

Q18

Trading Account

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	2,00,000	Sales	14,50,000
Purchases	9,50,000	Closing Stock	30,000
Wages	5,00,000	Gross Loss (<i>Balancing Figure</i>)	1,85,000
Carriage	15,000		
	16,65,000		16,65,000

Profit and Loss Account

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
		<i>Balancing Figure</i>	

Sundry Expenses	20,000	
	2,50,000	2,50,000

Balance Sheet

Liabilities		Amount (Rs)	Assets		Amount (Rs)
Capital	10,00,000	6,60,000	Fixed Assets		
Less: Drawings	(90,000)		Machinery		3,50,000
Less: Net Loss	(2,50,000)		Current Assets		
Current Liabilities			Closing Stock		30,000
Creditors		1,40,000	Debtors		2,70,000
			Bank		1,50,000
		8,00,000			8,00,000

Q19

Financial Statement of Bhagwan Das Trading Account for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Less		Less	
Balancing Figure			

Profit and Loss Account for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)

Travelling Expenses	14,000		
Postage and Courier	6,200		
Miscellaneous Expenses	9,000		
Bad Debts	4,000		
Net Profit (<i>Balancing Figure</i>)	1,81,100		
	2,86,000		2,86,000

Balance Sheet
as on March 31, 2017

Liabilities		Amount (Rs)	Assets		Amount (Rs)
Capital	5,25,000		Fixed Assets		
Less: Drawings	(19,100)		Business Premises	3,90,000	
Add: Net Profit	1,81,100	6,87,000	Office Furniture	15,000	
Loan from Sahil		50,000	Current Assets		
Current Liabilities			Closing Stock	2,40,000	
Creditors		1,28,000	Debtors	2,20,000	
		8,65,000		8,65,000	

Q20

Financial Statement of Anand
Trading Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
<i>Balancing Figure</i>			

Profit and Loss Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)

Selling Expense	1,750		
Postage	2,730		
Bad Debts	2,870		
Interest	12,950		
Insurance	4,170		
Net Profit (<i>Balancing Figure</i>)	88,730		
	1,63,200		1,63,200

Balance Sheet
as on March 31, 2017

Liabilities		Amount (Rs)	Assets		Amount (Rs)
Capita	3,60,000		Fixed Assets		
Add: Net Profit	88,730	4,48,730	Building		2,37,800
Loan		1,20,000	Machinery		1,00,000
Current Liabilities			Fixtures and fittings		1,61,550
Creditors		87,200	Current Assets		
Bills Payable		25,270	Closing Stock		1,43,000
			Debtors		38,850
		6,81,200			6,81,200

Q21

Financial Statement of M/s. Raja & Sons
Trading Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Less		Less	
<i>Balancing Figure</i>			

Profit and Loss Account
for the year ended March 31, 2017

Dr. _____ Cr. _____

Particulars	Amount (Rs)	Particulars	Amount (Rs)
Salary	5,400	Gross Profit	21,730
Insurance	2,500	Rent Received	3,150
Trade Expenses	4,900		
Net profit (<i>Balancing Figure</i>)	12,080		
	24,880		24,880

Balance Sheet
as on March 31, 2017

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital 58,900		Fixed Assets	
Add: Net Profit 12,080		Machinery	12,000
Less: Drawings (2,100)	68,880	Current Assets	
Current Liabilities		Closing Stock	36,200
Creditors 4,200		Debtors	38,080
Bank Overdraft 9,700		Cash	400
Bills Payable 3,900			
	86,680		86,680

Q22

Financial Statement of M/s. Mangal & Sons
Trading Account
for the year ended March 31, 2017

Dr.	Particulars	Amount (Rs)	Particulars	Cr.	Amount (Rs)
	<i>Less</i>		<i>Less</i>		
	<i>Balancing Figure</i>				

Profit and Loss Account
for the year ended March 31, 2017

Dr.	Particulars	Amount (Rs)	Particulars	Cr.	Amount (Rs)

Insurance	200		
Commission	750		
Interest	900		
Printing	250		
Rent and Taxes	1,300		
Net Profit (<i>Balancing Figure</i>)	25,500		
	32,750		32,750

Balance Sheet
as on March 31, 2017

Liabilities		Amount (Rs)	Assets		Amount (Rs)
Capital	7,100	32,600	Fixed Assets		
Add: Net Profit	25,500		Furniture		1,000
Current Liabilities			Current Assets		
Creditors	20,000		Closing Stock		15,000
Bills Payable	3,150		Debtors		32,500
			Bills Receivable		2,000
			Bank		5,250
		55,750			55,750

Q23

Financial Statement of....

Trading Account
for the year ended ...

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
		<i>Balancing Figure</i>	

Profit and Loss Account
for the year ended March 31,

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Gross Loss	1,55,000	Commission	10,000
Bad Debts	10,000	Net Loss (<i>Balancing Figure</i>)	2,20,000
Rent	45,000		
Sundry Expenses	20,000		
	2,30,000		2,30,000

Balance Sheet
as on March 31,

Liabilities		Amount (Rs)	Assets		Amount (Rs)
Capital	10,00,000	6,90,000	Fixed Assets		
Less: Net Loss	2,20,000		Building	1,50,000	
Less: Drawings	90,000		Machinery	2,00,000	
Current Liabilities		1,40,000	Current Assets		
Creditors			Closing Stock	60,000	
			Debtors	2,70,000	
		8,30,000	Bank	1,50,000	
				8,30,000	

Note: Closing Stock is recorded at cost price or market price which is lower.

Q24

Financial Statement of Hari & Co.
Trading Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	1,65,000	Sales	6,35,000

Purchases	4,68,500		Less: Return Inwards	(4,500)	6,30,500
Less: Return Outwards	(1,100)	4,67,400	Closing Stock		1,82,100
Wages		25,000			
Carriage Inwards		8,500			
Gross Profit (<i>Balancing Figure</i>)		1,46,700			
		8,12,600			8,12,600

Profit and Loss Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
General Expenses	8,000	Gross Profit	1,46,700
Rent Paid	37,100	Interest on Investments	1,000
Electricity Charges	1,900		
Salaries	11,100		
Discount Allowed	3,000		
Net Profit (<i>Balancing Figure</i>)	86,600		
	1,47,700		1,47,700

Balance Sheet
as on March 31, 2017

Liabilities	Amount (Rs)	Assets	Amount (Rs)
<i>Add</i>		Fixed Assets	
<i>Less</i>			
Current Liabilities		Current Assets	

Q25

Trading Account
for the year ended March 31, 2017

Dr.			Cr.	
Particulars	Amount (Rs)		Particulars	Amount (Rs)
Opening Stock	20,000		Sales	1,64,000
Purchases	1,05,000		Less: Return Inwards	(4,000)
Less: Return Outwards	(5,000)	1,00,000	Closing Stock	14,500
Wages	50,000		Gross Loss (<i>Balancing Figure</i>)	5,000
Manufacturing Expenses	8,000			
Carriage	1,500			
	1,79,500			1,79,500

Profit and Loss Account
for the year ended March 31, 2017

Dr.			Cr.	
Particulars	Amount (Rs)		Particulars	Amount (Rs)
Gross Loss	5,000			
Repairs	500			
Rent	4,000			
Trade Expenses	7,000			
Bad Debts	2,000			
	18,500			

Balance Sheet
as on March 31, 2017

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Less		Fixed Assets	
Less		Current Assets	
Current Liabilities			

Q26

Financial Statement of Chatter Sen

Trading Account

for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	40,000	Sales	1,27,000
Purchases	58,000	Less: Sales Return	(1,000)
Less: Purchases Return	(1,275)	Closing Stock	35,000
Wages	10,000		
Freight Inwards	750		
Gross Profit (<i>Balancing Figure</i>)	53,525		
	1,61,000		1,61,000

Profit and Loss Account

for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Discount Allowed	350	Gross Profit	53,525
Bank Charges	75	Discount Received	800
Salaries	6,800		
Freight Outwards	1,200		
Rent, Rates and Taxes	2,000		
Advertisement	2,000		
Net Profit (<i>Balancing Figure</i>)	41,900		
	54,325		54,325

Balance Sheet

as on March 31, 2017

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital	1,10,000	Fixed Assets	
Add: Net Profit	41,900	Plant and Machinery	90,000
Liabilities		Current Assets	
Sundry Creditors	20,000	Closing Stock	35,000
Loan	5,000	Sundry Debtors	45,000
		Cash at Bank	6,900
	1,76,900		1,76,900

Q27

Trading Account

for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	34,600	Sales	1,54,500
Purchases	55,750	Less: Sales Return	(2,000)
Less: Purchases Return	(1,250)	Closing Stock	32,500
Gross Profit (Balancing Figure)	95,900		
	1,85,000		1,85,000

Profit And Loss Account

for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Taxes and Insurance	12,500	Gross Profit	95,900
General Charges	7,820	Commission	1,750
Salaries	33,000		
Bad Debts	1,250		
Advertising	4,500		
Interest	1,180		
Net Profit (Balancing Figure)	37,400		
	97,650		97,650

Balance Sheet

as on March 31, 2017

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital	1,28,900	Fixed Assets	
Add: Net Profit	37,400	Building	75,900
Current Liabilities		Furniture and Fittings	6,400
Sundry Creditors	25,000	Motor Vehicles	62,500
Bank Overdraft	28,500	Current Assets	
Bills Payable	2,000	Closing Stock	32,500
		Sundry Debtors	38,000
		Cash in Hand	6,500

	2,21,800		2,21,800

Q28

Financial Statement of Harish Chandra
Trading Account
for the year ended March 31, 2017

Dr.

Cr.

Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	1,62,000	Sales	6,53,600
Purchases	4,70,000	Closing Stock	2,35,000
Power	22,400		
Wages	72,000		
Gross Profit (<i>Balancing Figure</i>)	1,62,200		
	8,88,600		8,88,600

Profit and Loss Account
for the year ended March 31, 2017

Dr.

Cr.

Particulars	Amount (Rs)	Particulars	Amount (Rs)
General Expenses	25,000	Gross Profit	1,62,200
Taxes and Insurance	13,150	Commission	13,200
Bad Debts	5,500		
Car Expenses	18,000		
Charity	1,050		
Net Profit (<i>Balancing Figure</i>)	1,12,700		
	1,75,400		1,75,400

Balance Sheet
as on March 31, 2017

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital	2,45,000	Fixed Assets	
Add: Net Profit	1,12,700	Building	1,10,000
Less: Life Insurance Premium	(5,000)	Machinery	93,400
Less: Drawings	(15,000)	Motor Car	20,000
	3,37,700		

Reserve Fund	9,000	Current Assets	
Loan	78,800	Closing Stock	2,35,000
Current Liabilities		Debtors	62,800
Bank Overdraft	33,000	Cash	800
Bills Payable	38,500		
Creditors	25,000		
	5,22,000		5,22,000

Working Note:

(1) GST Set off

Output IGST-Input CGST-Input SGST= 30,000-15,000-15,000=Nil

GST Payable/Receivable=Nil

Hence, Computation of GST won't affect the Balance Sheet.

Q29

Financial Statement of Mr. Gaurav
Trading Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Purchases	56,500	Sales	1,00,700
Wages	26,000	Closing Stock	88,500
Gross Profit (<i>Balancing Figure</i>)	1,06,700		
	1,89,200		1,89,200

Profit and Loss Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Salaries and Wages	41,600	Gross Profit	1,06,700
Net Profit (<i>Balancing Figure</i>)	65,100		
	1,06,700		1,06,700

Balance Sheet
as on March 31, 2018

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital 2,23,100		Fixed Assets	
Add: Net Profit 65,100		Building 1,60,000	
Less: Drawings (500)		Machinery 16,000	
Less: Income Tax (2,000)	2,85,700	Current Assets	
Current Liabilities		Closing Stock 88,500	
Creditors 12,500		Debtors 38,700	
GST Payable (WN 1) 5,000			
	3,03,200		3,03,200

Working Notes:

(1) GST Set off

First: Output CGST-Input CGST= 12,500-10,000=2,500

Second: Output SGST-Input SGST= 12,500-10,000=2,500

GST Payable = Output CGST + Output SGST = 2,500+2,500 = 5,000

(2) Closing Stock has been taken at its Market Price (i.e. Rs 88,500) and not on its Cost. This is because, as per the Principle of Conservatism, Closing Stock is taken at Cost or Market Price whichever is less.

Chapter 11.

Adjustments in Preparation of Financial Statements

Q1

Trading Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening stock	16,000	Sales	42,000
Purchases	20,000	Closing Stock	16,000
Wages	8,000		
Manufacturing Expenses	1,500		
Carriage	1,600		
Gross Profit (<i>Balance Figure</i>)	10,900		
	58,000		58,000

Profit and Loss Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Salaries	8,000	Gross Profit	10,900
Repairs	1,900	Net Loss (<i>Balancing Figure</i>)	24,900
Rent 4,500			
Add: Unpaid Rent 500	5,000		
Bad Debts	5,000		
Depreciation on:			
Plant and machinery 12,000			
Delivery Vehicle 3,900	15,900		
	35,800		35,800

Balance Sheet
as on March 31, 2017

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital 1,90,000		Fixed Assets	
Less: Drawings (7,000)		Plant and Machinery 1,20,000	

Less: Net Loss	(24,900)		Less:10% Deprecation	(12,000)	1,08,000
		1,58,100	Delivery Vehicle	26,000	
			Less:15% Depreciation	(3,900)	22,100
Current Liabilities			Current Assets		
Sundry Creditors	26,000		Closing Stock		16,000
Bills Payable	23,500		Sundry Debtors		36,000
Unpaid Rent	500		Cash at Bank		26,000
		2,08,100			2,08,100

Q2

Trading Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening stock	20,000	Sales	1,64,000
Purchases	1,05,000	Less: Return Inwards	(3,000)
Less: Return out words	(5,000)	Closing Stock	14,500
Wages	50,000	Gross Loss (Balancing Figure)	5,000
Manufacturing Expenses	8,000		
Carriage	1,500		
Fuel and Power	1,000		
	1,80,500		1,80,500

Profit and Loss Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Add			
Add		Balancing Figure	

	27,900	27,900

Balance Sheet
as on March 31, 2017

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital 1,00,000		Fixed Assets	
Less: Drawings (10,000)		Plant and Machinery 40,000	
Less: Net Loss (27,900)	62,100	Less: Depreciation (4,000)	36,000
Current Liabilities		Current Assets	
Creditors 12,000		Closing Stock	14,500
Bills Payable 5,000		Sundry Debtors 24,000	
Outstanding Repairs 400		Less: Further Bad Debts (5,000)	19,000
		Bank	10,000
	79,500		79,500

Q3

Financial Statement of M/s. Ram Prasad & Sons
Trading Account
for the year ended March 31, 2017

Dr.	Particulars	Amount (Rs)	Cr.	Particulars	Amount (Rs)
	Opening Stock	6,00,000		Sales	16,00,000
	Purchases	8,00,000		Closing Stock	8,00,000
	Wages 1,00,000				
	Add: Outstanding Wages 5,000	1,05,000			
	Gross Profit (Balancing Figure)	8,95,000			
		24,00,000			24,00,000

Profit and Loss Account
for the year ended March 31, 2017

Dr.	Particulars	Amount (Rs)	Cr.	Particulars	Amount (Rs)

Rent	45,000		Gross Profit	8,95,000
Less: Prepaid Rent	(10,000)	35,000	Interest Received	30,000
Commission		25,000		
General Expenses		80,000		
Salaries	50,000			
Add: Outstanding Salaries	45,000	95,000		
Depreciation on Machinery		40,000		
Net Profit (<i>Balancing Figure</i>)		6,50,000		
		9,25,000		9,25,000

Balance Sheet
as on March 31, 2017

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital 9,00,000		Fixed Assets	
Add: Net Profit 6,50,000	15,50,000	Machinery 4,00,000	
Current Liabilities		Less: 10% Depreciation (40,000)	3,60,000
Sundry Creditors 4,50,000		Current Assets	
Outstanding Salary 45,000		Closing Stock 8,00,000	
Outstanding Wages 5,000		Sundry Debtors 4,40,000	
		Bills Receivable 2,90,000	
		Prepaid Rent 10,000	
		Cash at Bank 1,00,000	
		Cash in Hand 50,000	
	20,50,000		20,50,000

Q4

Financial statement of M/s. Shradha & Sons
Trading Account
for the year ended March 31, 2017

Dr.			Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)	
Opening Stock	42,000	Sales	1,55,000	
Purchases 82,600				
Less: Return Outwards (1,600)	81,000			
Carriages Inwards	1,200	Closing Stock	64,000	
Wages 4,000				
Add: Outstanding Wages 2,400	6,400			

Power	6,000		
Gross Profit (<i>Balancing Figure</i>)	82,400		
	2,19,000		2,19,000

Profit and Loss Account
for the year ended March 31, 2017

Dr.			Cr.
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Rent	22,000	Gross Profit	82,400
<i>Add: Outstanding for One month (22,000/11)</i>	2,000		
Salary			
Insurance	3,600		
<i>Less: Prepaid 2 month (3,600 × 2/12)</i>	(600)		
Outstanding Interest on Bank Loan (25,000 × 8% × 6/12)			
Bad Debts	600		
<i>Add: Provision for Doubtful Debts</i>	1,000		
Depreciation on:			
Machinery	5,000		
Furniture	700		
Net Profit (<i>Balancing Figure</i>)			
	32,100		
	82,400		82,400

Balance Sheet
as on March 31, 2017

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital	80,000	Fixed Assets	
<i>Add: Net Profit</i>	32,100	Machinery	50,000
<i>Less: Drawings</i>	(18,000)	<i>Less: 10% Depreciation</i>	(500)
8% Bank Loan	25,000	Furniture	14,000
<i>Add: Outstanding Interest</i>	1,000	<i>Less: 5% Depreciation</i>	(700)
Current Liabilities		Current Assets	
Creditors	18,900	Closing Stock	64,000
Wages Outstanding	2,400	Debtors	20,600
Rent Outstanding	2,000	<i>Less: Bad Debts</i>	(600)

		Less: 5% Provision for doubtful Debts	(1,000)	19,000
		Prepaid Insurance		600
		Cash in hand		1,500
	1,43,400			1,43,400

Q5

Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	25,000	Sales	2,27,800
Purchases	1,20,000	Less: Returns	900
Less: Returns	1,000	Closing Stock	7,000
Wages	12,000		
Add:	600		
Outstanding Wages			
Gross Profit	77,300		
	2,33,900		2,33,900

Profit & Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Bad Debts	1,000	Gross Profit	77,300
Insurance Premium	1,500	Commission	500
Less: Prepaid	200		
Salaries	20,000		
Add: Outstanding Salaries	1,400		
Electricity Charges	1,200		
General Expenses	3,000		
Postage Expenses	1,800		
Telephone Charges	2,400		
Depreciation on:			
Furniture	400		
Plant & Machinery	7,250		
Net Profit	38,050		
	77,800		77,800

Balance Sheet
as on March 31, 2018

Dr.		Cr.	
Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	40,000	Furniture	8,000
Outstanding Wages	600	Less: Depreciation	400
Outstanding Salaries	1,400	Plant & Machinery	1,50,000
Capital	1,50,000	Less: Depreciation	7,250
Add: Net Profit	38,050	Cash at Bank	40,000
	1,88,050	Cash in Hand	2,500
		Closing Stock	7,000
		Debtors	30,000
		Prepaid Insurance	200
	2,30,050		2,30,050

Q6

Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	2,20,000	Sales	15,00,000
Purchases	11,00,000	Less: Returns	20,000
Carriage on Purchases	18,000	Closing Stock	2,00,600
Gross Profit	3,42,600		
	16,80,600		16,80,600

Profit & Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Commission	22,000	Gross Profit	3,42,600
Insurance Premium	20,000	Discount	20,000
Less: Prepaid	2,000	Rent from Tenants	10,000
Salaries	90,000		
Add: Outstanding	15,000		
Salaries			
Bad Debts Written Off	8,000		
Provision for Doubtful	9,000		

Debts			
Discount	16,000		
General Expenses	40,000		
Depreciation on:			
Furniture	2,500		
Business Premises	3,000	5,500	
Net Profit		1,49,100	
		3,72,600	3,72,600

Balance Sheet
as on March 31, 2018

Dr.		Cr.	
Liabilities	Amount (₹)	Assets	Amount (₹)
Bank Overdraft	42,000	Furniture & Fittings	26,000
Creditors	1,38,000	Less: Depreciation	2,500
Outstanding Salaries	15,000	Business Premises	2,00,000
Capital	3,00,000	Less: Depreciation	3,000
Less: Drawings	50,000	Debtors	1,80,000
Add: Net Profit	1,49,100	Less: Provision	9,000
	3,99,100	Closing Stock	2,00,600
		Prepaid Insurance	2,000
	5,94,100		5,94,100

Q7

Financial statements of Mr. Niranjana
Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	45,000	Sales	4,35,000
Purchases	2,95,000	Less: Sales Return	(7,000)
Less: Purchases Return	(4,000)	Closing Stock	75,000
Wages	40,000		
Add: Outstanding wages	5,000		
	45,000		

Gross Profit (<i>Balancing Figure</i>)	1,22,000	
	5,03,000	5,03,000

Profit and Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Rent	5,000	Gross Profit	1,22,000
Salaries 24,000			
<i>Add:</i> Outstanding Salaries 2,000	26,000		
Bad Debts 1,000		Interest Accrued on Investment	
<i>Add:</i> Further Bad Debts 500		(50,000 × 6% × 9/12)	2,250
<i>Add:</i> Provision for Doubtful Debts 1,975		Miscellaneous Receipts	1,200
<i>Less:</i> Bad Debts Reserve (800)	2,675		
Advertisement expenses	6,000		
Provision for discount on debtors	751		
Insurance	1,500		
Trade expenses	2,000		
Depreciation on:			
Machinery 2,400			
Furniture 300	2,700		
Net Profit (<i>Balancing Figure</i>)	78,824		
	1,25,450		1,25,450

Balance Sheet
as on March 31, 2018

Liabilities	Amount (Rs)	Assets	Amount (Rs)
<i>Less</i>		Fixed Assets	
<i>Add</i>			
Current Liabilities		<i>Less</i>	
		<i>Less</i>	

		Add: Accrued Interest	2,250	52,250
		Current Assets		
		Closing Stock		75,000
		Debtors	40,000	
		Less: Further Bad Debts	(500)	
		Less: Provision for Doubtful Debts	(1,975)	
			37,525	
		Less: Provision for Discount	(751)	36,774
		Cash		12,200
	2,03,824			2,03,824

Q8

Financial Statement of Shri O.P. Yadav
Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Less		Less	
Less			
Balancing Figure			

Profit and Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Add			

Expenses	000			0	
Insurance		1,200	Add: Accrued	2,10	3,100
			Commission	0	
Repairs		8,000	Rent Received	5,00	
				0	
Advertisement		15,000	Less: Advance Rent	1,20	3,800
				0	
Interest on Bank Loan	2,800				
Add: Interest Outstanding	800	3,600			
Printing and Stationary		6,000			
Net Profit (Balancing Figure)		1,32,100			
		1,79,900			1,79,900
					0

Balance Sheet
as on March 31, 2018

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Less		Fixed Assets	
Add			
		Current Assets	
Add			
Current Liabilities			

Working Notes:

Calculation of Outstanding Interest on Loan

Interest on loan (30,000 × 12%)

Less

=====

Q9

Financial Statement of Vijay Kumar
Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	1,62,000	Sales	6,53,600
Purchases	4,70,000	Closing Stock	2,30,000
Wages	72,000		
Gross Profit (<i>Balancing Figure</i>)	1,79,600		
	8,83,600		8,83,600

Profit and Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Taxes and Insurance	13,150	Gross Profit	1,79,600
Bad Debts	5,500	Commission	13,200
<i>Add: Further Bad Debts</i>	1,800		
<i>Add: Provision for Doubtful Debts</i>	3,050		
	10,350		
<i>Less: Exiting Provision</i>	9,000		
	1,350		
Car Expenses	18,000		
Charity	1,050		
Depreciation on Machinery	9,340		
Outstanding Interest on Loan	7,000		
General Expenses	47,400		
Net Profit (<i>Balancing Figure</i>)	95,510		
	1,92,800		1,92,800

Balance Sheet
as on March 31, 2018

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital	2,45,0	Fixed Assets	

444

	00				
Add: Net Profit	95,510		Building		1,10,000
Less: Drawings	(20,000)	3,20,510	Machinery	93,400	
Loan	78,800		Less: 10% Depreciation	9,340	84,060
Add: Outstanding Interest	7,000	85,800	Motor Car		20,000
Current Liabilities			Current Assets		
Creditors		25,000	Closing Stock		2,30,000
Bills Payable		38,500	Debtors	62,800	
Bank Overdraft		33,000	Less: Bad Debts	(1,800)	
			Less: 5% Provision for Doubtful Debts	(3,050)	57,950
			Cash		800
		5,02,810			5,02,810

Q10

Financial Statements of Shri Sunder Lal
Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	12,04,500	Sales	56,30,100
Purchases	39,81,600	Less: Returns	37,500
Less: Returns	(29,100)	Closing Stock	12,74,100
Less: Computer	(60,000)		
Wages	9,37,700		
Carriage Inwards	1,03,600		
Gross Profit (Balancing Figure)	7,28,400		
	68,66,700		68,66,700

Profit and Loss Account
for the year ended March 31, 2017

Dr.			Cr.
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Office Salaries	1,28,400	Gross Profit	7,28,400
General Expenses	1,53,600	Discount Received	59,700
Bank Charges	2,100		
Discount Allowed	79,200		
Depreciation on:			
Plant and Machinery	43,280		
Furniture	5,120		
Rent and Rates	72,600		
Bad Debts	27,600		
Add: Provision for Doubtful Debts	1,50,000		
Less: Existing Provision	(93,000)		
Insurance	14,100		
Less: Prepaid Insurance (7,200 × 6/12)	(3,600)		
Outstanding Interest on Loan	18,000		
Net Profit (Balancing Figure)	1,90,700		
	7,88,100		7,88,100

Balance Sheet
as on March 31, 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Sundry Creditors	3,73,500	Cash in Hand and Bank	77,400
6% Loan	3,00,000	Bills Receivable	37,200
Add:	18,000	Sundry Debtors	13,15,500
Outstanding interest		Less: Provision of Doubtful Debts	(1,50,000)
(3,00,000 × 6% for 12 months)		Plant and Machinery	4,32,800
Capital	30,00,000	Less: 10% Depreciation	(43,280)
Less:	(1,26,000)	Furniture	1,02,400
Drawings		Less: 5% Depreciation	(5,120)
Add: Net Profit	1,86,200	Land and Building	97,280
	30,60,200	Computer	6,51,600

		60,000	55,500
		Less: 10% Depreciation for 9 months <u>(4,500)</u>	
		Prepaid Insurance	3,600
		Closing Stock	12,74,100
	37,51,700		37,51,700

Note: Net Profit as per computation should be ₹1,86,200 but as per Text Book it is ₹1,82,600.

Q11

Financial Statement of Sanjiv Sondhi Trading Account for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Purchase	11,60,000	Sales	16,00,000
Carriage Inwards	20,000	Less: Return Inwards <u>(40,000)</u>	15,60,000
Wages	80,000	Closing Stock	2,60,000
Gross Profit (<i>Balancing Figure</i>)	5,60,000		
	18,20,000		18,20,000

Profit and Loss Account for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Depreciation on Plant and Fixture	8,000	Gross Profit	5,60,000
Salaries	1,00,000	Accrued Interest on Investment	7,500
Add: Outstanding	<u>35,000</u>		
Printing and Stationery	8,000		
Advertisement	12,000		
Trade Charges	6,000		
Rent and Taxes	14,000		
Bad Debts	5,000		
Add: Provision for Doubtful Debts	<u>12,250</u>		
	17,250		

Discount	5,000	
Net Profit (<i>Balancing Figure</i>)	3,62,250	
	5,67,500	5,67,500

Balance Sheet
as on the year ended March 31, 2018

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital	4,00,000	Plant and Fixtures	80,000
Less: Drawings	(45,000)	Less: 10% Depreciation	(8,000)
Add: Net Profit	3,62,250	Investment	1,50,000
	7,17,250	Add: Accrued Interest	7,500
Sundry Creditors	1,20,000	Closing Stock	2,60,000
Bills Payable	90,000	Sundry Debtors	2,50,000
Salaries Outstanding	35,000	Less: Bad Debts	(5,000)
			2,45,000
		Less: 5% Provision for Doubtful Debts	(12,250)
		Bills Receivable	50,000
		Cash at Bank	1,60,000
		Cash in Hand	30,000
	9,62,250		9,62,250

Q12

Financial Statement of Ram
Trading Account
for the year ended March 31, 2018

Dr.			Cr.
Particulars	Amount (₹)	Particulars	Amount (₹)

Opening Stock		1,14,600	Sales	14,98,400	
Purchase	8,22,100		Less: Sales Return	(18,200)	14,80,200
Less: Purchases Return	(42,400)	7,79,700	Closing Stock		1,49,200
Wages	85,600				
Less: Machinery A/c	(10,000)				
Add: Outstanding Wages	5,700	81,300			
Carriage Inwards		23,100			
Light and Water		79,500			
Gross Profit (Balance Figure)		5,51,200			
		16,29,400			16,29,400

Profit and Loss Account
for the year ended March 31, 2018

Dr.			Cr.	
Particulars	Amount (₹)		Particulars	Amount (₹)
Depreciation on:			Gross Profit	5,51,200
Leasehold Premises	12,500		Discount	1,800
Plant and Machinery	25,000	37,500		
Bad Debts	10,000			
Add: Further Bad Debts	5,000			
Add: Provision for Doubtful Debts	50,000			
	65,000			
Less: Existing Provision	(42,400)	22,600		
Rent, Rates and Insurance	69,400			
Less: Prepaid Insurance	(6,800)	62,600		
Salaries		1,61,500		
Office Expenses		95,200		
Carriage Outwards		32,400		
Net Profit (Balancing Figure)		1,41,200		
		5,53,000		5,53,000

Balance Sheet
as on March 31, 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital	90,0000	Fixed Assets	
Less: Drawing	(7,0000)	Leasehold Premises	2,50,000
s			

Add: Net Profit	14,1200	9,71,200	Less: 5% Depreciation	(12,500)	2,37,500
Current Liabilities			Plant and Machinery	2,50,000	
Sundry Creditors	1,69,800		Less: 10% Depreciation	(25,000)	2,25,000
Wages Outstanding	5,700		Office Furniture		35,000
			Current Assets		
			Closing Stock		1,49,200
			Sundry Debtors	38,970	
			Less: Bad Debts	500	
			Less: Provision for Doubtful Debts	5,000	3,34,700
			Bills Receivable		12,400
			Cash at Bank		1,24,000
			Cash in Hand		22,100
			Prepaid Insurance		6,800
		11,46,700			11,46,700
		0			0

Note: Wages for installation of machinery reduces the value of wages and increase the value of machinery.

Q13

Financial Statements of M/s Arjun and Sons Trading Account for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	4,20,000	Sales	15,50,000
Purchases	8,26,000	Closing Stock	6,40,000
Less: Return Outwards	(16,000)		
Carriage Inwards	12,000		
Wages	40,000		
Add: Outstanding	24,000		
Power	60,000		
Gross Profit (Balancing Figure)	8,24,000		
	21,90,000		21,90,000

Profit and Loss Account
for the year ended March 31, 2018

Dr.			Cr.
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Depreciation on Machinery	50,000	Gross Profit	8,24,000
Rent	2,20,000		
Add: Outstanding Rent	20,000		
Salary	1,50,000		
Insurance	36,000		
Interest on Bank Loan (for 6 Months)	10,000		
Bad Debts	6,000		
Add: Provision for Doubtful Debts	10,000		
Manger's Commission	29,273		
Net Profit (Balancing Figure)	2,92,727		
	8,24,000		8,24,000

Balance Sheet
as on March 31, 2018

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital	8,00,000	Fixed Assets	
Less: Drawings	(1,90,000)	Machinery	5,00,000
Add: Net Profit	2,92,727	Less: 10% Depreciation	(50,000)
	9,02,727		4,50,000
8% Bank Loan	2,50,000	Furniture	1,40,000
Add: Interest Outstanding	10,000	Current Assets	
	2,60,000	Closing Stock	6,40,000
Current Liabilities		Debtors	2,06,000
Creditors	1,89,000	Less: Bad Debts	(6,000)
Wages Outstanding	24,000		2,00,000
Rent Outstanding	20,000	Less: 5% Provision for Doubtful Debts	(10,000)
Manger's Commission Payable	29,273		1,90,000
		Cash in Hand	15,000
	14,35,000		14,35,000

Working Notes:

WN1 Calculation of Interest on Loan

Bank Loan = Rs 2,50,000

Interest on Loan (from Oct. 01 to Mar. 31) = $2,50,000 \times 8/100 \times 6/12$ = Rs 10,000

WN2 Calculation of Manager's Commission

Manager's Commission = Profit before charging Commission $\times 10/100$ + Rate

Profit before charging Commission = 8,24,000 - 5,02,000 = 3,22,000

Manager's Commission = 3,22,000 $\times 10/100$ + 10 = Rs 29,273

Q14

Financial Statement

Trading Account

for the year ended March 31, 2018

Dr.

Cr.

Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	2,20,000	Sales	13,45,000
Purchases	11,88,700	Closing Stock	1,24,500
Gross Profit (<i>Balancing Figure</i>)	60,800		
	14,69,500		14,69,500

Profit and Loss Account

for the year ended March 31, 2018

Dr.

Cr.

Particulars	Amount (Rs)	Particulars	Amount (Rs)
Rent	9,000	Gross Profit	60,800
Add: Outstanding Rent	850	Net Loss (<i>Balancing Figure</i>)	42,750
General Expenses	10,750		
Add: Outstanding General Expenses	1,500		
Bad Debts	4,000		
Add: Provision for Debts	15,800		
Depreciation on Plant and Machinery	17,500		
Business Premises	6,900		
Salaries			
Carriage Outwards			
Discount			

	1,03,550		1,03,550
	0		0

Balance Sheet
as on March 31, 2018

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital 7,95,000		Fixed Assets	
Less: Net (42,750)	7,52,250	Plant and Machinery 1,75,000	
Loss		Less: 10% Depreciation (17,500)	1,57,500
Current Liabilities		Premises 3,45,000	
Sundry Creditors 1,06,500		Less: 2% Depreciation (6,900)	3,38,100
Bills Payable 75,000		Current Assets	
Rent Outstanding 850		Closing Stock	1,24,500
General Expenses 1,500			
Outstanding		Sundry Debtors 3,20,000	
		Less: Bad Debts (4,000)	
		3,16,000	
		Less: 5% Provision for Doubtful Debts (15,80)	3,00,200
		Cash at Bank	15,450
		Cash in Hand	350
	9,36,100		9,36,100

Note: In the question, Manager Commission is given as 5% on Net Profit after charging commission. But, during the year the firm had a Net Loss of Rs 42,750, therefore, manager commission is not payable.

Q15

Trading Account
for the year ended March 31, 2018

Dr.			Cr.
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	48,000	Sales 4,80,000	
Purchases 2,13,500		Less: Returns 9,300	4,70,700
Less: Machinery 20,000		Closing Stock	52,000
Less: Returns 5,500	1,88,000		
Factory Lighting & Heating 800			

Add: Outstanding	300	1,100		
Wages		1,50,000		
Gross Profit		1,35,600		
		5,22,700		5,22,700

Profit & Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Depreciation on Furniture	130	Gross Profit	1,35,600
Discount	6,500	Discount	3,700
General Expenses	1,000		
Insurance Premium	6,300		
Rent	6,000		
Bad Debts	2,500		
Add: Further Bad Debts	700		
Add: Provision for Doubtful Debts	500		
Add: Provision for Discount on Debtors	840		
	4540		
Salaries	14,000		
Net Profit	1,00,830		
	1,39,300		1,39,300

Balance Sheet
as on March 31, 2018

Dr.		Cr.	
Liabilities	Amount (₹)	Assets	Amount (₹)
Bills Payable	5,600	Furniture & Fixtures	2,600
Creditors	52,000	Less: Depreciation	130
Factory, Lighting & Heating O/s	300	Debtors	45,700
Capital	40,000	Less: Further Bad Debts	700
Less: Drawings	7,000	Less: Provision for DD	3,000
Add: Net Profit	1,00,830	Less: Provision for Discount	840
	1,33,830	Plant & Machinery	50,000
		Add: Machinery	20,000
			70,000

		Accrued Commission	12,000
		Bills Receivable	7,200
		Closing Stock	52,000
		Cash in Hand	400
		Cash at Bank	6,500
	1,91,730		1,91,730

Q16

Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	8,400	Sales	4,79,760
Purchases 3,00,000		Less: Sales Return (1,800)	4,77,960
Less: Purchases Return (12,200)	2,87,800	Closing Stock	15,270
Wages	2,800		
Carriage Inwards	890		
Gross Profit (Balancing Figure)	1,93,340		
	4,93,230		4,93,230

Profit and Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Carriage Outwards	300	Gross Profit	1,93,340
Telephone Charges	3,290	Profit on exchange of Machinery	10,000
Salaries 12,000			
Add: Outstanding 12,000	24,000		
Insurance and Taxes	31,200		
Printing and Stationery			
Expenses 1,350			
Add: Outstanding 58,650	60,000		
Depreciation on			
Plant and Machinery 13,300			
Motor Vehicles 17,600	30,900		
Net Profit (Balancing Figure)	53,650		
	2,03,340		2,03,340

Balance Sheet
as on March 31, 2018

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital 5,90,000		Fixed Assets	
Less: Drawings (3,500)		Plant and Machinery 1,33,000	
		0	
Add: Net Profit 53,650	6,31,15	Less: 10% Depreciation (13,300)	1,19,70
	0		0
Bank Loan	33,700	Motor Vehicles 1,76,000	
		0	
Current Liabilities		Less: 10% Depreciation (17,600)	1,58,40
			0
Creditors	11,870	Building	3,80,00
		0	
Outstanding Printing and Stationery	58,650	Current Assets	
Outstanding Salaries	12,000	Sundry Debtors	80,000
		Closing Stock	15,270
		Cash in Hand	3,000
	7,56,37		7,56,37
	0		0

Q17

Financial Statement of Modern Traders
Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	1,50,000	Sales	12,00,000
Purchases	8,20,000	Closing Stock	1,50,000
Freight Inwards	20,000		
Wages 13,000			
Add: Outstanding Wages 5,000	18,000		
Gross Profit (<i>Balancing Figure</i>)	3,42,000		
	13,50,000		13,50,000

Profit and Loss Account

for the year ended March 31, 2018

Dr.			Cr.
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Postage and Telegrams	8,000	Gross Profit	3,42,000
Bad Debts 4,000		Discount Received	4,000
Add: Provision for Doubtful Debts 10,300		Rent Revenue	12,000
Less: Existing Provision (8,000)	6,300		
Carriage Outwards	5,000		
Rent, Rates and Taxes	46,000		
Insurance 7,000			
Less: Prepaid Insurance (1,000)	6,000		
Salaries	2,00,000		
Printing and Stationery	8,000		
Depreciation on:			
Machinery 45,000			
Furniture 2,500	47,500		
Net Profit (<i>Balancing Figure</i>)	31,200		
	3,58,000		3,58,000

Balance Sheet
as on March 31, 2018

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital 9,00,000		Plant and Machinery 4,50,000	
Less: Drawing (50,000)s		Less: Accumulated Depreciation (90,000 + 45,000) (1,35,000)	3,15,000
Add: Net Profit 31,200	8,81,200	Furniture 50,000	
Reserve Fund 50,000		Less: 5% Depreciation (2,500)	47,500
Sundry Creditors 90,000		Closing Stock	1,50,000
Wages Outstanding 5,000		Sundry Debtors 2,06,000	
		Less: Provision for Doubtful Debts (10,300)	1,95,700
		Prepaid Insurance	1,000
		Cash at Bank	2,55,000
		Cash in Hand	62,000
	10,26,200		10,26,200

Note: Advance paid by proprietor for Plant and Machinery out of his personal bank account

will increase the Capital A/c and Plant & Machinery A/c balance by Rs 50,000. And also increase in the amount of depreciation by Rs 5,000.

Q18

Trading Account for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Purchases 2,10,000 (Adjusted)		Sales 3,85,000	
Less: Returns 2,500	2,07,500	Less: Returns 1,500	3,83,500
Carriage Inwards	1,200		
Wages	45,300		
Gross Profit	1,29,500		
	3,83,500		3,83,500

Profit & Loss Account for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Carriage Outwards	2,000	Gross Profit	1,29,500
Salaries 39,000		Commission	1,500
Add: Outstanding 11,500		Discount	1,200
Add: Payable to Proprietor 15,000	65,500		
Insurance 1,500			
Premium			
Less: Prepaid 250	1,250		
Discount	750		
Office Expenses	15,400		
Outstanding Interest on Loan	2,250		
Bad Debts 1,200			
Add: Provision for Doubtful Debts 800	2,000		
Depreciation on:			
Furniture & Fixtures 3,000			
Land & Building 3,000			
Office Equipment 2,400			
Plant & Machinery 5,000	13,400		

General Reserve	2,965		
Net Profit	26,685		
	1,32,200		1,32,200

Balance Sheet
as on March 31, 2018

Dr.		Cr.	
Liabilities	Amount (₹)	Assets	Amount (₹)
Bills Payable	12,350	Furniture & Fixtures	20,000
Creditors	25,000	Less: Depreciation	3,000
Expenses Payable	3,300	Land & Building	50,000
Capital	1,15,000	Less: Depreciation	3,000
Add: Salary	15,000	Debtors	40,000
Payable		Less: Provision	800
Add: Net Profit	26,685	Plant & Machinery	50,000
Chatterji's Loan	25,000	Less: Depreciation	5,000
Add: Outstanding Interest	2,250	Office Equipment	12,000
General Reserve	2,965	Less: Depreciation	2,400
Outstanding Salaries	11,500	Bills Receivable	20,000
		Closing Stock	45,000
		Cash at Bank	16,000
		Prepaid Insurance	250
	2,39,050		2,39,050

Q19

Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	8,000	Sales	2,20,000
Purchases	1,26,000	Closing Stock	20,600
Carriage	3,050		
Productive Wages	56,500		
Stores Consumed	6,050		
Gross Profit	41,000		

2,40,600

2,40,600

Profit & Loss Account
for the year ended March 31, 2018

Dr.			Cr.	
Particulars	Amount (₹)		Particulars	Amount (₹)
Salaries	16,000		Gross Profit	41,000
Insurance Premium	1,320			
Less: Prepaid	120	1,200		
Depreciation on Machinery	5,200			
Rent	5,200			
Less: Deposit	400	4,800		
Bad Debts	1,020			
Add: Provision for Doubtful Debts	2,200			
Add: Provision for Discount	1,045	4,265		
General Expenses	2,600			
Net Profit	6,935			
	1,32,200			1,32,200

Balance Sheet
as on March 31, 2018

Dr.			Cr.	
Liabilities	Amount (₹)		Assets	Amount (₹)
Creditors	20,000		Bank	6,580
Secured Loan	16,000		Building	67,000
Capital	1,45,600		Closing Stock	20,600
Add: Net Profit	6,935	1,52,535	Cash in Hand	1,930
			Debtors	44,000
			Less: Provision for DD	2,200
			Less: Provision for Discount	1,045
			Machinery	52,000
			Less: Depreciation	5,200
			Furniture	3,350
			Prepaid Insurance	120

		Rent Deposit	400
		Input CGST	500
		Input SGST	500
	1,88,53		1,88,53
	5		5

Q20

Financial Statements for Mr. G. Vishwanath
Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	8,100	Sales	5,21,870
Purchases	2,74,685	Less: Return Inwards	(2,300)
Less: Return Outwards	(2,100)	Closing Stock	15,600
Wages	54,755		
Add: General Expenses	2,000		
Gross Profit (Balancing Figure)	1,97,730		
	5,35,170		5,35,170

Profit and Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Rent	6,700	Gross Profit	1,97,730
Salaries	35,000		
Carriage Outwards	3,100		
Interest on Loan	10,000		
Add: Interest Outstanding	10,000		
Electricity Charges	4,200		
General Expenses	24,000		
Less: Wages	(2,000)		
Depreciation on			
Motor Van	22,000		
Plant and Machinery	16,000		
Computer	7,400		
Provision for Doubtful Debts	3,265		
Net Profit (Balancing Figure)	58,065		
	1,97,730		1,97,730

--	--	--	--

Balance Sheet
as on March 31, 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital	2,10,000	Fixed Assets	
Add: Net Profit	58,065	Plant and Machinery	1,60,000
Bank Loan	2,00,000	Less: 10% Depreciation	(16,000)
Add: Interest Outstanding	10,000	Motor Van	2,20,000
Current Liabilities		Less: 10% Depreciation	(22,000)
Creditors	29,500	Computer	37,000
		Less: 20% Depreciation	(7,400)
		Current Assets	
		Closing Stock	15,600
		Debtors	65,300
		Less: Provision for Doubtful Debts	(3,265)
		Cash at Bank	50,000
		Cash in Hand	6,330
		GST Receivable (Input IGST)	2,000
	5,07,565		5,07,565

Working Notes:

(1) Calculation of Interest Outstanding on Loan

Amount of Bank Loan	= 2,00,000
Interest on Loan (2,00,000 × 10%)	20,000
Less: Interest Paid	(10,000)
Interest Outstanding	<u>10,000</u>

(2) GST Set off

GST Payable/(Receivable) = Output CGST + Output SGST - Input IGST
= 4,000 + 4,000 - 10,000 = (2,000)

Q21

Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	2,00,000	Sales	46,80,000
Purchases 21,20,000		Less: Returns	80,000
Less: Returns 40,000	20,80,000	Closing Stock	3,08,000
Carriage Inwards	1,20,000		
Wages	10,00,000		
Gross Profit	15,08,000		
	16,80,600		16,80,600

Profit & Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
General Expenses	7,20,000	Gross Profit	15,08,000
Salaries 4,16,000		Discount	60,000
Add: 20,000	4,36,000	Unexpired Insurance	4,000
Outstanding Salaries			
Postage	40,000		
Provision for Doubtful Debts	8,000		
Rent	1,44,000		
Depreciation on:			
Furniture & 7,200			
Fixtures			
Plant & 50,000			
Machinery			
Loose Tools 40,000	97,200		
Net Profit	1,26,800		
	15,72,000		15,72,000

Balance Sheet
as on March 31, 2018

Dr.		Cr.	
Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	2,40,000	Furniture & Fixtures	1,20,000
Capital 19,60,000		Less:	7,200
Less: Drawings 20,000		Depreciation	
		Plant &	10,00,000

Add: Net Profit	1,26,800	20,66,800	Machinery		
			Less:	50,000	9,50,000
			Depreciation		
			Debtors	5,60,000	
			Less: Provision	28,000	5,32,000
			Cash & Bank Balances		1,40,000
			Closing Stock		3,08,000
			Goodwill		1,00,000
			Loose Tools		1,60,000
			Prepaid Insurance		4,000
		23,06,800			23,06,800

Q22

Financial Statements
Trading Account
for the year ended March 31, 2018

Dr.			Cr.	
Particulars	Amount (₹)		Particulars	Amount (₹)
Opening Stock	30,000		Sales	1,50,000
Purchases	1,20,000		Less: Return	(10,000)
Less: Return	(20,000)	1,00,000	Closing Stock	45,000
Gross Profit (Balancing Figure)	55,000			
	1,85,000			1,85,000

Profit and Loss Account
for the year ended March 31, 2018

Dr.			Cr.	
Particulars	Amount (₹)		Particulars	Amount (₹)
Taxes and Insurance	5,000		Gross Profit	55,000
Add: Outstanding Taxes	4,000		Commission	5,000
Less: Prepaid Insurance	(500)	8,500	Less: Advance Commission	(1,000)
Salary Outstanding		1,000	Interest Accrued on Investment	2,100
Bad Debts	5,000			
Add: Bad Debts Reserve	10,000			

Less: Existing Reserve	(10,000)	5,000	
Depreciation on Furniture		600	
Outstanding Interest on Loan		1,000	
Establishment Charges		25,000	
Net Profit (<i>Balancing Figure</i>)		20,000	
		71,100	61,100

Balance Sheet
as on March 31, 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital	1,00,000	Investments (Deposits)	40,000
Less: Drawings	(14,000)	Add: Accrued Interest	2,100
Add: Net Profit	20,000	Furniture	6,000
Bank Loan	20,000	Less: 10% Depreciation	(600)
Add: Interest Outstanding	3,000	Sundry Debtors	50,000
Sundry Creditors	20,000	Less: Provision for Doubtful Debts	(10,000)
Advance Commission	1,000	Bills Receivable	32,000
Bills Payable	25,000	Prepaid Insurance	500
Salary Outstanding	1,000	Closing Stock	45,000
Taxes Outstanding	2,000	Cash in Hand	15,000
GST Payable (WN 2)	2,000		
	1,80,000		1,80,000

Working Notes:

(1) Loss of stock by fire has occurred on 1st April, 2018. Hence, it will not affect the Balance Sheet dated 31st March, 2018.

(2) GST Set off

First: CGST Payable/(Receivable)=Output CGST-Input CGST=8,000-10,000=(2,000)

Second: SGST Payable/(Receivable)=Output SGST-Input SGST=8,000-10,000=(2,000)

Third: IGST Payable/(Receivable)=Output IGST-Input CGST-Input SGST=6,000-2,000-2,000=2,000

Final: GST Payable = Output IGST = 2,000

Q23

Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	26,725	Sales	2,52,400
Purchases	1,62,505	Loss by Fire	1,500
Power & Fuel	1,350	Closing Stock	12,550
Wages	23,137		
Gross Profit	52,733		
	2,66,450		2,66,450

Profit & Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Depreciation on Furniture	725	Gross Profit	52,733
Loss by Fire	770	Old Provision for DD	5,200
Bad Debts	525	Less: Provision for DD	2,485
Add: Further Bad Debts	500	Interest Receivable	100
	1,025		
Postage	4,226		
Salaries	5,575		
Trade Expenses	5,831		
Net Profit	37,396		
	55,548		55,548

Balance Sheet
as on March 31, 2018

Dr.		Cr.	
Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	30,526	Furniture & Fixtures	7,250
Capital	12,000	Less: Depreciation	725
Less: Drawings	4,452	Loan to Suraj	3,000

Add: Net Profit	37,396	44,944	Add: Interest Receivable	100	3,100
Bills Payable		3,950	Debtors	50,200	
Outstanding Wages		2,000	Less: Further Bad Debts	500	
Trade Expenses Accrued		700	Less: Provision	2,485	47,215
			Closing Stock		12,550
			Cash in Hand & at Bank		10,000
			Insurance Claim		1,000
			Input CGST		865
			Input SGST		865
		82,120			82,120

Q24

Trading Account
for the year ended March 31, 2018

Dr.			Cr.	
Particulars	Amount (₹)		Particulars	Amount (₹)
Opening Stock	62,500		Sales	8,75,000
Purchases 5,00,000			Closing Stock	50,000
Less: Drawings 10,000	4,90,000			
Carriage	10,000			
Wages & Salaries 31,250				
Add: Outstanding 12,500	43,750			
Gross Profit	3,18,750			
	9,25,000			9,25,000

Profit & Loss Account
for the year ended March 31, 2018

Dr.			Cr.	
Particulars	Amount (₹)		Particulars	Amount (₹)
Insurance 21,250			Gross Profit	3,18,750
Less: Prepaid 5,000	16,250		Bad Debts Recovered	8,000
Interest on Loan 3,000			Commission	16,750
Add: Outstanding 2,000	5,000			
Interest				
Depreciation on:				
Furniture 3,750				
Machinery 11,950	15,700			

Net Profit	3,06,550	
	3,43,500	3,43,500

Balance Sheet
as on March 31, 2018

Dr.				Cr.	
Liabilities	Amount (₹)		Assets	Amount (₹)	
Creditors	43,750		Machinery	1,38,750	
Capital	4,66,000		Less:	11,950	1,26,800
			Depreciation		
Less: Drawings	74,300		Furniture	25,000	
Add: Net Profit	3,06,550	6,98,250	Less:	3,750	21,250
			Depreciation		
Bills Payable	33,750		Bank		24,500
Outstanding Wages & Salaries	12,500		Bills Receivable		37,500
10% Bank Loan	50,000		Closing Stock		50,000
Add: Outstanding Interest	2,000	52,000	Debtors		75,000
			Input IGST		200
			Land & Building		5,00,000
			Prepaid Insurance		5,000
	8,40,250			8,40,250	

Q25

Financial Statements of Shri Bansi Lal
Trading Account
for the year ended March 31, 2018

Dr.				Cr.	
Particulars	Amount (₹)		Particulars	Amount (₹)	
Opening Stock	57,600		Sales	9,87,800	
Purchases	4,06,750		Less: Return Inwards	(6,800)	9,81,000
Less: Return Outwards	(5,000)	4,01,750	Closing Stock		68,000
Carriage on Purchases		20,400			
Fuel and Power		47,300			
Wages	1,04,800				

Less: Building	(20,000)	84,800	
Gross Profit (<i>Balancing Figure</i>)		4,37,150	
		10,49,000	10,49,000
		0	0

Profit and Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Carriage on Sales	32,000	Gross Profit	4,37,150
Depreciation on Machinery	20,000		
Amortisation of Patents	15,000		
Insurance	6,000		
Less: Prepaid Insurance			
(1,700 × 6/12)	(850)		
General Expenses	30,000		
Salaries	1,50,000		
Add: Unpaid Salaries	15,000		
Provision for Doubtful Debts	7,250		
Net Profit (<i>Balancing Figure</i>)	1,62,750		
	4,37,150		4,37,150

Balance Sheet
as on March 31, 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital	7,10,000	Patents	75,000
Less:	(52,450)	Less: 20% Amortisation	(15,000)
Drawings			
Add: Net Profit	1,62,750	Machinery	2,00,000
	8,20,300		
Sundry Creditors	63,000	Less: 10% Depreciation	(20,000)
Salaries Outstanding	15,000	Freehold Land	1,80,000
GST Payable (WN 2)	4,000		1,00,000
		Sundry Debtors	1,45,000
		Less: Provision for Doubtful Debts	(7,250)
			1,37,750
		Prepaid Insurance	850
		Building	3,00,000
		Add: Wages	20,000
			3,20,000
		Closing Stock	68,000
		Cash in Hand	5,400
		Cash at Bank	30,300

	9,02,300		9,02,300

Working Notes:

(1) ₹ 20,000 is reduced from Wages and added in Building since such amount is a Capital Expenditure.

(2) GST Set Off:

CGST Payable/(Receivable)=Output CGST-Input CGST=22,000-20,000=2,000

SGST Payable/(Receivable)=Output SGST-Input SGST=22,000-20,000=2,000

Total GST Payable = CGST Payable + SGST Payable = 2,000+2,000 = ₹4,000

Q26

Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	70,000	Sales	4,00,000
Purchases	2,60,000	Less: Returns	8,000
Less: Machinery	10,000	Closing Stock	35,000
Less: Returns	7,000		
Carriage	5,000		
Wages	50,000		
Add:	6,000		
Outstanding			
Gross Profit	53,000		
	4,27,000		4,27,000

Profit & Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Interest on Bank	12,000	Gross Profit	53,000
Loan		Discount Received	6,000
Add: Outstanding	3,000	Old Provision for DD	13,000
Salaries	45,000	Less: Provision for DD	4,800
Add: Outstanding	5,000		8,200
	50,000		

Advertisement	15,000	Net Loss	81,500
Commission	15,000		
Discount Allowed	7,000		
Further Bad Debts	2,000		
Rent and Taxes	13,000		
Depreciation on:			
Land & Building	2,450		
Plant & Machinery	21,000		
Furniture	8,250	31,700	
		1,48,700	1,48,700

Balance Sheet
as on March 31, 2018

Dr.		Cr.	
Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	28,000	Plant & Machinery	2,05,000
Wages Outstanding	6,000	Add: Purchases	10,000
Capital	3,50,000	Less: Depreciation	21,000
Less: Drawings	15,000	Furniture	55,000
Less: Net Loss	81,500	Less: Depreciation	8,250
Outstanding Salaries	5,000	Debtors	50,000
Bank Loan	1,50,000	Less: FBD	2,000
Add: Outstanding Interest	3,000	Less: Provision	4,800
	1,53,000	Closing Stock	35,000
		Cash at Bank	20,000
		Land & Building	98,000
		Less: Depreciation	2,450
		Input SGST	3,000
		Cash in Hand	8,000
	4,45,500		4,45,500

Q27

Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	1,15,200	Sales	19,75,600
Purchases	8,13,500	Less: Returns	13,600
Less: Returns	10,000	Closing Stock	1,36,000
	8,03,500		

Carriage on Purchases	40,800		
Fuel & Power	94,600		
Wages	2,09,600		
Less: Scooter	40,000	1,69,600	
Shed			
Gross Profit	8,74,300		
	20,98,000		20,98,000

Profit & Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Insurance	12,000	Gross Profit	8,74,300
Less: Prepaid	1,700		
Salaries	3,00,000		
Add:	30,000		
Outstanding			
Advertisement Expenses	60,000		
Carriage Outwards	64,000		
Provision for DD	14,500		
Depreciation on:			
Machinery	40,000		
Patents	30,000		
Net Profit	3,25,500		
	8,74,300		8,74,300

Balance Sheet
as on March 31, 2018

Dr.		Cr.	
Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	1,31,000	Machinery	4,00,000
Capital	16,00,000	Less: Depreciation	40,000
Less: Drawings	1,04,900	Patents	1,50,000
Add: Net Profit	3,25,500	Less: Depreciation	30,000
Outstanding Salaries	30,000	Debtors	2,90,000
		Less: Provision	14,500
		Input SGST	5,000
		Prepaid Insurance	1,700
		Building	6,00,000
		Add: Scooter Shed	40,000
		Computer	2,00,000

		Cash in Hand	10,800
		Closing Stock	1,36,000
		Cash at Bank	2,32,600
	19,81,600		19,81,600

Q28

Financial Statements of Shri Paras
Trading Account
for the year ended March 31, 2018

Dr.			Cr.	
Particulars	Amount (₹)		Particulars	Amount (₹)
Opening Stock	57,600		Sales	9,87,800
Purchases	4,06,750		Less: Return Inwards	(6,800)
Less: Return Outwards	(5,000)	4,01,750	Closing Stock	68,000
Carriage on Purchases	20,400			
Fuel and Power	47,300			
Wages	1,04,800			
Less: Building	(20,000)	84,800		
Gross Profit (Balancing Figure)	4,37,150			
	10,49,000			10,49,000
	0			0

Profit and Loss Account
for the year ended March 31, 2018

Dr.			Cr.	
Particulars	Amount (₹)		Particulars	Amount (₹)
Insurance	6,000		Gross Profit	4,37,150
Less: Prepaid Insurance (1,700 × 1/2)	(850)	5,150		
General Expenses		30,000		
Salaries	1,50,000			
Add: Salaries				

Outstanding (1,50,000 × 2/10)	30,000	1,80,000	
Depreciation on:		0	
Machinery	20,000		
Patents	15,000		
Building	16,000	51,000	
Carriage on Sales		32,000	
Provision for Bad and Doubtful Debts		7,250	
Manager's Commission		11,977	
Net Profit (<i>Balancing Figure</i>)		1,19,773	
		3	
		4,37,150	4,37,150

Balance Sheet
as on March 31, 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital	7,10,000	Freehold Land	1,00,000
Add: Net Profit	1,19,773		
Less: Drawings	(52,450)	Building	3,00,000
	7,77,323	Add: Wages	20,000
Sundry Creditors	63,000		3,20,000
Salaries Outstanding	30,000	Less: 5% Depreciation	(16,000)
Manager's Commission Payable	11,977		3,04,000
		Patents	75,000
		Less: 20% Depreciation	(15,000)
			60,000
		Machinery	2,00,000
		Less: 10% Depreciation	(20,000)
			1,80,000
		Closing Stock	68,000
		Sundry Debtors	1,45,000
		Less: Provision for Doubtful Debts	(7,250)
			1,37,750
		Prepaid Insurance	850
		Cash at Bank	26,300
		Cash in Hand	5,400

	8,82,300		8,82,300

Working Notes:

(1) Calculation of Manager's Commission:

$$\begin{aligned} \text{Manager's Commission} &= \text{Profit before charging such Commission} \times \frac{10}{110} \\ &= 1,31,750 \times \frac{10}{110} = \text{Rs } 11,977 \end{aligned}$$

(2) GST Set Off:

$$\begin{aligned} \text{GST Payable/(Receivable)} &= \text{Output CGST} + \text{Output SGST} - \text{Input IGST} \\ &= 20,000 + 20,000 - 40,000 = \text{Nil} \end{aligned}$$

Hence, there will be no effect of GST on the Balance Sheet.

Q29

Financial Statement of Atam Prakash
Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	4,50,000	Sales	31,00,000
Purchases	26,00,000	Closing Stock	5,30,000
Freight and Octroi	46,000		
Gross Profit	5,34,000		
(Balancing Figure)			
	36,30,000		36,30,000

Profit and Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Trade Expenses	5,000	Gross Profit	5,34,000
Salaries	55,000	Commission	13,000

Add: Outstanding Salaries	5,000	60,000	Add: Accrued Commission	1,220	14,220
(55,000 × 1/11)					
Rent		24,000			
Advertising		12,500			
Expenses (50,000×14)(50,000×14)					
Insurance Premium	4,000				
Less: Prepaid Insurance	(1,000)	3,000			
Discount		2,000			
Bad Debts	16,000				
	0				
Add: Provision for Doubtful Debts	12,000				
	0				
	28,000				
	0				
Less: Existing Provision	(9,000)	19,000			
	0				
Depreciation on furniture		10,000			
Manager's Commission		37,520			
Net Profit (<i>Balancing Figure</i>)		3,75,200			
		0			
		5,48,220			5,48,220
		0			0

Balance Sheet
as on March 31, 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital	8,00,000	Furniture	1,00,000
Less: Drawings (WN2)	(60,000)	Less: 10% Depreciation	(10,000)
Add: Net Profit	3,75,200	Sundry Debtors	4,00,000
Creditors	2,00,000	Less: Provision for Doubtful Debts	(12,000)
Manager's Commission Payable	37,520	Land and Building	2,00,000
Salaries Outstanding	5,000	Closing Stock	5,30,000
GST Payable (Output IGST)	146	Bank	58,000

	Cash in Hand	52,000
	Prepaid Insurance	1,000
	Accrued Commission	1,220
	Advertisement	37,500
	Expenses (50,000×34)(50,000×34)	146
	GST Receivable	
	13,57,866	13,57,866

Working Notes:

WN1:

$$\text{Manager's Commission} = 3,75,220 \times \frac{10}{110} = 34,111$$

WN2: Advance for Furniture is for furniture of proprietor's residence. Therefore, it will transfer to drawings.

WN3: IGST on commission has not been received being accrued commission. Hence, GST of ₹146 has been taken as GST payable and second as GST receivable.

Q30

Financial Statement of Modern Traders
Trading Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	1,50,000	Sales	12,00,000
Purchases	8,20,000	Closing Stock	1,50,000
Freight Inwards	20,000		
Wages 13,000			
Add: Outstanding Wages 5,000	18,000		
Gross Profit (Balancing Figure)	3,42,000		
	13,50,000		13,50,000

Profit and Loss Account
for the year ended March 31, 2017

Dr.		Cr.	
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Postage and Telegrams	8,000	Gross Profit	3,42,000
			0

Bad Debts	4,000		Discount Received	4,000
Add: Provision for Doubtful Debts	10,300		Rent Revenue	12,000
Less: Existing Provision	(8,000)	6,300		
Carriage Outwards		5,000		
Rent, Rates and Taxes		46,000		
Insurance	7,000			
Less: Prepaid Insurance	(1,000)	6,000		
Salaries		2,00,000		
Printing and Stationery		8,000		
Depreciation on:				
Machinery	45,000			
Furniture	2,500	47,500		
Net Profit (<i>Balancing Figure</i>)		31,200		
		3,58,000		3,58,000
				0

Balance Sheet
as on March 31, 2017

Liabilities		Amount (Rs)	Assets		Amount (Rs)
Capital	9,00,000		Plant and Machinery	4,50,000	
Less: Drawings	(50,000)		Less: Accumulated Depreciation	(1,35,000)	3,15,000
Add: Net Profit	31,200	8,81,200	(90,000 + 45,000)		
Reserve Fund		50,000	Furniture	50,000	
Sundry Creditors		90,000	Less: 5% Depreciation	(2,500)	47,500
Wages Outstanding		5,000	Closing Stock		1,50,000
			Sundry Debtors	2,06,000	
			Less: Provision for Doubtful Debts	(10,300)	1,95,700
			Prepaid Insurance		1,000
			Cash at Bank		2,55,000

		Cash in Hand	0
			62,000
	10,26,200		10,26,200

Note: Advance paid by proprietor for Plant and Machinery out of his personal bank account will increase the Capital A/c and Plant & Machinery A/c balance by Rs 50,000. And also increase in the amount of depreciation by Rs 5,000.

Q31

Trading Account for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	68,000	Sales	11,00,000
Purchases	6,60,000	Less: Returns	80,000
Less: Returns	15,000	Closing Stock	70,000
Carriage Inwards	30,000		
Gross Profit	3,47,000		
	10,90,000		10,90,000

Profit & Loss Account for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Advertising	35,000	Gross Profit	3,47,000
Bad Debts	5,000	Bad-Debts Recovered	6,000
Carriage Outwards	25,000	Discount Received	5,000
Depreciation on Motor Vehicles	20,000	Provision for Doubtful Debts	7,000
General Expenses	34,000	Rent Received	3,000
Interest on Loan	3,000		
Stationery	2,000		
Salaries	90,000		
Rent & Insurance	30,000		
Travelling Expenses	5,000		
Net Profit	1,19,000		
	3,68,000		3,68,000

Balance Sheet
as on March 31, 2018

Dr.		Cr.	
Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors (1,00,000 – 6,000)	94,000	Cash at Bank (35,000 – 10,000)	25,000
Capital 3,00,000		Cash in Hand	20,000
Less: Drawings 48,000		Motor Vehicles 1,00,000	
Add: Net Profit 1,19,000	11,15,200	Less: Depreciation 20,000	80,000
Loan	95,000	Debtors 2,00,000	
Bills Payable	20,000	Less: Travelling Expenses 5,000	
		Add: Dishonour 10,000	2,05,000
		Closing Stock	70,000
		Land & Building	1,20,000
		Bills Receivable	60,000
	5,80,000		5,80,000

Chapter 12.

Accounts From incomplete Records

Single Entry System

Q1

Statement of Profit or Loss	
Particulars	Amount (Rs)
Capital at the end	90,000
Add: Drawings	5,000
	95,000
Less: Additional Capital Introduced	(10,000)
Adjusted Capital at the end	85,000
Less: Capital in the beginning	60,000
Net Profit for the year	25,000

Q2

Statement of Profit or Loss	
Particulars	Amount (Rs)
Capital at the end	1,25,000
Add: Drawings	30,000
	1,55,000
Less: Additional Capital Introduce	(37,500)
Adjusted Capital at the end	1,17,500
Less: Capital in the beginning	1,00,000
Net Profit for the year	17,500

Q3

Capital at the end = Opening Capital + Additional Capital + Profit – Drawings
 = 70,000 + 20,000 + 20,000 – 7,000 = Rs 1,03,000

Q4

Additional Capital

= Capital at the End + Drawings – (Capital in the Beginning + Profit)

= 2,00,000 + 50,000 – (1,30,000 + 1,00,000)

= 2,50,000 – 2,30,000 = Rs 20,000

Q5

Statement of Profit or Loss	
Particulars	Amount (Rs)
Capital as on March 31, 2017	16,900
Add: Drawings	4,800
	21,700
Less: Addition Capital Introduced	(2,000)
Adjusted Capital as on March 31, 2017	19,700
Less: Capital as on April 01, 2016	(15,200)
Profit made during the year 2016-17	4,500

Q6

Statement of Affairs as on March 31, 2018			
Liabilities	Amount (Rs)	Assets	Amount (Rs)
Sundry Creditors	1,200	Cash	320
Brother's Loan	1,000	Stock	3,480
Capital (<i>Balancing Figure</i>)	13,200	Debtors	3,100
		Plant	8,500
	15,400		15,400

Statement of Profit or Loss for the year end March 31, 2018	
Particulars	Amount (Rs)
Capital as on March 31, 2017	13,200
Add: Drawings (Rs 200 × 12)	2,400
	15,600
Less: Capital as on April 01, 2016	(10,000)
Profit made during the year 2016-2017	5,600

Q7

Statement of Affairs as on March 31, 2018			
Liabilities	Amount (Rs)	Assets	Amount (Rs)

Sundry Creditors	12,000	Cash	3,200
Brother's Loan	10,000	Stock	34,800
Capital (<i>Balancing Figure</i>)	1,32,000	Debtors	31,000
		Plant	85,000
	1,54,000		1,54,000

Statement of Profit or Loss
for the year end March 31, 2018

Particulars	Amount (Rs)
Capital as on March 31, 2018	1,32,000
Add: Drawings (Rs 2,000 × 12)	24,000
	1,56,000
Less: Capital as on April 01, 2017	(1,00,000)
Profit made during the year 2017-2018	56,000

Q8

Books of Ram Prashad Statement of Affairs as on March 31, 2018			
Liabilities	Amount (Rs)	Assets	Amount (Rs)
Trade Creditors	4,000	Book Debts	10,000
Bank Overdraft	1,000	Cash in Hand	510
Capital (<i>Balancing Figure</i>)	12,590	Stock	6,000
		Furniture and Fittings	1,200
		Less: 10% Depreciation	120
			1,080
	17,590		17,590

Statement of Affairs as on April 01, 2017			
Liabilities	Amount (Rs)	Assets	Amount (Rs)
Capital (<i>Balancing Figure</i>)			

Statement of Profit or Loss for the year and March 31, 2018	
Particulars	Amount (Rs)
Capital as on March 31, 2017	12,590
Add: Drawings	2,400
	14,990
Less: Capital as on April 01, 2016	(10,000)
Profit made during the year 2016-17	4,990

Q9

Statement of Profit/Loss

Particulars	Amount (₹)
Closing Capital	60,000
Less: Opening Capital	(33,000)
Less: Additional Capital	(16,800)
Add: Drawings	6,000
Profit for the Year	16,200

Working Notes:

Opening Statement of Affairs
as on April 01, 2015

Dr.		Cr.	
Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	14,900	Cash	1,200
Capital	33,000	Debtors	16,800
(Bal. Fig.)		Stock	22,400
		Furniture	7,500
	47,900		47,900

Closing Statement of Affairs

Dr.			Cr.
Liabilities	Amount Rs	Assets	Amount Rs
Creditors	11,600	Cash	1,600
Capital	60,000	Bills Receivable	2,400
(Bal. Fig.)		Debtors	27,200
		Stock	24,400
		Investments	8,000
		Furniture	8,000
	71,600		71,600

Q10

Statements of Affairs

as on April 01, 2017

Liabilities	Amount (₹)	Assets	Amount (₹)
Sundry Creditors	17,500	Furniture	2,000
Capital (Balancing Figure)	35,000	Stock	28,000
		Sundry Debtors	21,000
		Cash	1,500
	52,500		52,500

Statement of Affairs

as on March 31, 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Sundry Creditors	19,000	Furniture	2,000
Loan	5,000	Less: 10% Depreciation	(200)
Capital (Balancing Figure)	53,900	Stock	30,500
		Sundry Debtors	34,000
			0
		Less: 10% Reserve for Doubtful Debts	(3,400)
		Cash	2,000
		Bills Receivables	3,000
		Investments	10,000

	77,900		77,900

Statement of Profit or Loss
for the year ended March 31, 2018

Particulars	Amount (₹)
Capital as on March 31, 2018	53,900
Add: Drawings	5,000
	58,900
Less: Capital as on April 01, 2017	(35,000)
Profit made during the year 2017-18	23,900

Q11

Statement of Affairs
as on March 31, 2018

Liabilities	Amount ₹	Assets	Amount ₹
Wife's Loan 5,000		Furniture and Fixture 2,000	
Add: Outstanding Interest		Less: 10% Depreciation (200)	1,800
(5,000 × 9% × 6/12) 225	5,225	Cash in Hand	2,800
Sundry Creditors	500	Sundry Debtors	4,800
Rent Outstanding	150	Stock	6,800
Capital (<i>Balancing Figure</i>)	11,925	Bills Receivable	1,600
	17,800		17,800

Statement of Profit or Loss
for the year ended March 31, 2018

Particulars	Amount ₹
Capital as on March 31, 2017	11,925
Add: Drawings (Rs 1,200 × 3)	3,600
	15,525
Less: Additional Capital Introduced	(1,500)
Adjusted Capital as on March 31, 2017	14,025
Less: Capital as on April 01, 2016	(10,000)
Profit made during the year 2016-17	4,025

Q12:

Statement of Affairs

as on April 01, 2017

Liabilities	Amount ₹	Assets	Amount ₹
Creditors	3,50,000	Cash in Hand	1,50,000
Capital (<i>Balancing Figure</i>)	14,00,000	Bank Balance	7,50,000
		Furniture	1,00,000
		Stock	5,00,000
		Debtors	2,50,000
	17,50,000		17,50,000

Statement of Affairs

as on March 31, 2018

Liabilities	Amount ₹	Assets	Amount ₹
Creditors	4,00,000	Cash in Hand	1,75,000
Capital (<i>Balancing Figure</i>)	16,25,000	Bank Balance	8,00,000
		Furniture	1,00,000
		Stock	6,50,000
		Debtors	3,00,000
	20,25,000		20,25,000

Statement of Profit or Loss

for the year ended March 31, 2018

Particulars	Amount ₹
Capital as on March 31, 2017	16,25,000
Add: Drawings	5,00,000
	21,25,000
Less: Additional Capital Introduced	(2,50,000)
Adjusted Capital as on March 31, 2017	18,75,000
Less: Capital as on April 01, 2016	(14,00,000)
Profit made during the year 2016-17	4,75,000

Answer 13:

Statement of Affairs

as on April 01, 2017

Liabilities	Amount (₹)	Assets	Amount (₹)
-------------	---------------	--------	---------------

Sundry Creditors	20,000	Cash	6,000
Bills Payable	15,000	Sundry Debtors	68,000
		Stock	59,000
Capital (<i>Balancing Figure</i>)	1,13,000	Furniture	15,000
	1,48,000		1,48,000

Statement of Affairs
as on March 31, 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Sundry Creditors	18,000	Cash	7,000
Bills Payable	11,000	Stock	87,000
9% Loan from Friend 20,000		Furniture	13,500
Add: Interest Outstanding (2,000 × 9% × 6/12) 900	20,900		
Capital (<i>Balancing Figure</i>)	1,18,400	Sundry Debtors 64,000	
		Less: 5% Provision for Doubtful Debts (3,200)	60,800
	1,68,300		1,68,300

Statement of Profit or Loss
for the year ended March 31, 2018

Particulars	Amount (₹)
Capital as on March 31, 2017	1,18,400
Add: Drawings (Rs 250 × 12)	30,000
	1,48,400
Less: Capital as on April 01, 2016	(1,13,000)
Profit made during the year 2016-17	35,400

Answer 14:

Statement of Profit/Loss	
Particulars	Amount (₹)
Closing Capital	4,25,000
Less: Opening Capital	(2,50,000)
Less: Additional Capital	(50,500)

Add: Drawings	65,760
Profit for the Year	1,90,260

Note: Drawings include loan to brother, withdrawals in cash, rent and electricity charges.

Answer 15:

Statement of Affairs
for the year ending March 31, 2006

Liabilities	Amount Rs	Assets	Amount Rs
Creditors	3,00,000	Cash	30,000
Loan from Friend	1,00,000	Stock	4,70,000
Capital	4,50,000	Debtors	3,50,000
(Balancing Figure)			
	8,50,000		8,50,000

Statement of Profit and Loss
for the year ending March 31, 2006

Particulars	Amount Rs
Capital as on March 31, 2006	4,50,000
Add: Drawings (8,000 × 6)	48,000
	4,98,000
Less: Additional Capital Introduced	(75,000)
Adjusted Capital as on March 31, 2006	4,23,000
Less: Capital as on Oct.01, 2005	(4,00,000)
Profit made during the year 2005-06	23,000

Answer 16:

Statement of Affairs
as on April 01, 2017

Liabilities	Amount (₹)	Assets	Amount (₹)
Bank Overdraft	200	Machinery	8,000
Sundry Creditors	5,000	Furniture	2,000
Capital (Balancing Figure)	15,800	Stock	7,000
		Sundry Debtors	4,000

	21,000		21,000

Statement of Affairs

as on March 31, 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Sundry Creditors	3,500	Machinery	8,000
Capital (<i>Balancing Figure</i>)	16,900	Less: 10% Depreciation	(800)
		Furniture	2,000
		Less: 5% Depreciation	(100)
		Stock	5,000
		Sundry Debtors	4,500
		Bank Balance	1,800
	20,400		20,400

Statement of Profit or Loss

for the year ended March 31, 2018

Particulars	Amount (₹)
Capital as on March 31, 2017	16,900
Add: Drawings	4,100
	21,000
Less: Additional Capital Introduced	(300)
Adjusted Capital as on March 31, 2017	20,700
Less: Capital as on April 01, 2016	(15,800)
Profit made during the year 2016-17	4,900

Answer 17:

Statement of Affairs

(Previous Year)

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Trade Creditors	6,270	Stock	12,350
Loan from Naresh	5,000	Cash in Hand	570
Capital (<i>Balancing Figure</i>)	18,170	Shop Fittings	7,250
		Trade Debtors	5,280
		Bank Balance	3,990
	29,440		29,440

Statement of Affairs
(Current Year)

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Trade Creditors	5,890	Stock	11,980
Loan from Naresh 5,000		Cash in Hand	650
Add: Outstanding Interest (5,000 × 5%) 250	5,250	Shop Fittings 7,800	
Capital (Balancing Figure)	16,930	Less: Depreciation (780)	7,020
		Trade Debtors 4,560	
		Less: Bad Debts (270)	4,290
		Bank Balance	4,130
	28,070		28,070

Statement of Profit or Loss
(Current Year)

Particulars	Amount (Rs)
Capital of the Current Year	16,930
Add: Drawings (Rs 100 × 52)	5,200
	22,130
Less: Capital of the Previous Year	(18,170)
Profit made during the Current Year	3,960

Answer 18:

Statement of Affairs
for the year ended March 31, 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	30,000	Bank	10,000
Bills Payable	10,000	Debtors 50,000	
Capital (Balancing Figure)	1,30,700	Less: 5% Provision for Doubtful Debts (2,500)	47,500
		Stock	40,000
		Plant 68,000	
		Less: 10% Depreciation (6,800)	61,200
		Furniture	12,000
	1,70,700		1,70,700

Statement of Profit or Loss
for the year ended March 31, 2018

Particulars	Amount (₹)
Capital as on March 31, 2018	1,30,700
Add: Drawings	24,000
	1,54,700
Less: Additional Capital Introduced	(30,000)
Adjusted Capital as on March 31, 2018	1,24,700
Less: Capital as on April 01, 2017	(40,000)
Profit made during the year 2017-18	84,700

Answer 19:

Statement of Affairs
as on July 01, 2017

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	9,000	Cash and Bank balances	25,000
Capital (<i>Balancing Figure</i>)	2,71,000	Debtors	65,000
		Stock	40,000
		Plant and Machinery	1,50,000
	2,80,000		2,80,000

Statement of Affairs
as on December 31, 2017

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	10,000	Cash and Bank balances	31,000
Outstanding Wages	1,000	Debtors	60,000
Capital (<i>Balancing Figure</i>)	2,65,500	Stock	45,000
		Prepaid Salary	500
		Plant and Machinery	1,40,000
	2,76,500		2,76,500

Statement of Profit or Loss
for the half year ended December 31, 2017

Particulars	Amount (₹)
Capital at the end of the year	2,65,500
Add: Drawings made during the year	1,200

Adjusted capital at the end of the year	2,66,700
Less: Capital in the beginning of the year	2,71,000
Gross Loss (Profit before Adjustment)	4,300
Less: Interest on Drawings	21
Add: Depreciation on Plant and Machinery	7,000
Bad Debts	5,000
Provision for Doubtful Debts	1,100
Net Loss (Profit After Adjustment)	17,379

**Statement of Affairs (After adjustments)
as on December 31, 2017**

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	10,000	Cash and Bank balances	31,000
Outstanding Wages	1,000	Debtors	60,000
Capital	2,71,000	Less: Bad Debts	5,000
Less: Net Loss	17,379		55,000
Less: Drawings	1,200	Less: Provision for D.D.	1,100
			53,900
Less: Interest on Drawings	21	Plant and Machinery	1,40,000
	2,52,400	Less: Depreciation	7,000
			1,33,000
		Stock	45,000
		Prepaid Salary	500
	2,63,400		2,63,400

**Statement of Affairs (After adjustments)
as on December 31, 2017**

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	10,000	Cash and Bank balances	31,000
Outstanding Wages	1,000	Debtors	60,000
Capital	2,71,000	Less: Bad Debts	5,000
	0		55,000
Less: Net Loss	17,379	Less: Provision for D.D.	1,100
Less: Drawings	1,200		53,900
		Plant and Machinery	1,40,000
Less: Interest on Drawings	21		0
	2,52,400	Less: Depreciation	7,000
	0		1,33,000

		Stock	0
		Prepaid Salary	45,000
	2,63,40		500
	0		2,63,40
			0

Working Notes:

WN1: Depreciation on plant and machinery would be charged for six months only i.e., Rs 7,000 $(1,40,000 \times 10 \times 6)/(100 \times 12)$

WN2: Amount of Provision for Doubtful Debts would be Rs 1,100 $(2/100 \times (60,000 - 5,000))$

WN3:

Calculation of Amount of Interest on Drawings:

Date	Amount	Months	Product
Jul. 01	200	6	1,200
Aug. 01	200	5	1,000
Sep. 01	200	4	800
Oct. 01	200	3	600
Nov. 01	200	2	400
Dec. 01	200	1	200
Total			4,200

Interest on Drawings = $(4,200 \times 6 \times 1)/(100 \times 12)$ = Rs 21

Answer 20:

Cost of Goods Sold = Net Sales – Gross Profit

Cost of Goods Sold = Opening Stock + Purchases – Closing Stock

Cost of Goods Sold = 40,000 + 1,10,000 – 30,000 = ₹ 1,20,000

Gross Profit = 25% of Sales or 33.33% of COGS

Gross Profit = ₹ 40,000

Net Sales = Cost of Goods Sold + Gross Profit

Net Sales = 1,20,000 + 40,000 = ₹ 1,60,000

Answer 21:

Credit Sales = ₹ 1,80,000 (3/4 of Total Sales)

Total Sales = ₹ 2,40,000

Gross Profit = 25% of Cost or 20% of Sales

Gross Profit = ₹ 48,000

Cost of Goods Sold = Net Sales – Gross Profit

Cost of Goods Sold = 2,40,000 – 48,000 = ₹ 1,92,000

Cost of Goods Sold = Opening Stock + Purchases – Closing Stock

$$1,92,000 = 20,000 + \text{Purchases} - 15,000$$

$$\text{Purchases} = ₹ 1,87,000$$

Answer 22:

Let cost be Rs 100

$$\text{Loss} = ₹ 16.67 \text{ (1/6 of 100)}$$

$$\text{Sale} = ₹ 83.33 \text{ (100 - 16.67)}$$

$$\% \text{ Loss on Sale} = 20\% \text{ (16.67/83.33)}$$

$$\text{Loss on Sale} = ₹ 16,000 \text{ (20\% of 80,000)}$$

$$\text{Cost of Goods Sold} = \text{Net Sales} + \text{Loss on Sale}$$

$$\text{Cost of Goods Sold} = 80,000 + 16,000 = ₹ 96,000$$

$$\text{Cost of Goods Sold} = \text{Opening Stock} + \text{Purchases} - \text{Closing Stock}$$

$$96,000 = \text{Opening Stock} + 60,000 - 8,000$$

$$\text{Opening Stock} = ₹ 44,000$$

Answer 23:

$$\text{Rate of Gross Profit on Cost} = 1/3$$

$$\text{Rate of Gross Profit on Sale} = 1/4$$

$$\text{Total Sales} = \text{Cash Sales} + \text{Credit Sales}$$

$$\text{Total Sales} = 60,000 + 40,000 = 1,00,000$$

$$\text{Gross Profit} = ₹ 25,000 \text{ (1/4 of 1,00,000)}$$

$$\text{Cost of Goods Sold} = \text{Net Sales} - \text{Gross Profit}$$

$$\text{Cost of Goods Sold} = 1,00,000 - 25,000 = ₹ 75,000$$

$$\text{Cost of Goods Sold} = \text{Opening Stock} + \text{Purchases} - \text{Closing Stock}$$

$$75,000 = 20,000 + 70,000 - \text{Closing Stock}$$

$$\text{Closing Stock} = ₹ 15,000$$

Answer 24:

$$\text{Rate of Gross Profit on Cost} = 1/4$$

$$\text{Rate of Gross Profit on Sale} = 1/5$$

$$\text{Gross Profit} = ₹ 24,000 \text{ (1/5 of 1,20,000)}$$

$$\text{Cost of Goods Sold} = \text{Net Sales} - \text{Gross Profit}$$

$$\text{Cost of Goods Sold} = 1,20,000 - 24,000 = ₹ 96,000$$

$$\text{Cost of Goods Sold} = \text{Opening Stock} + \text{Purchases} + \text{Direct Expenses} - \text{Closing Stock}$$

$$96,000 = 16,000 + 93,000 + 20,000 - \text{Closing Stock}$$

$$\text{Closing Stock} = ₹ 33,000$$

Answer 25:

$$\text{Cost of Goods Sold} = \text{Opening Stock} + \text{Purchases} - \text{Closing Stock}$$

$$65,000 = 4,000 + \text{Purchases} - 5,000$$

$$\text{Purchases} = ₹ 66,000$$

Answer 26:

Rate of Gross Profit on Sale = $\frac{1}{5}$

Rate of Gross Profit on Cost = $\frac{1}{4}$

Gross Profit = ₹ 50,000 ($\frac{1}{4}$ of 2,00,000)

Sales = Cost of Goods Sold + Gross Profit

Sales = 2,00,000 + 50,000 = ₹ 2,50,000

Answer 27:**Debtors Account**

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Balance b/d	30,000	Cash A/c	35,000
Sales A/c	75,000	Sales Return A/c	5,000
		Bill Receivable A/c	25,000
		Bad-Debts A/c	2,000
		Balance c/d	38,000
	1,05,000		1,05,000

Answer 28:**Creditors Account**

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Cash A/c	20,000	Balance b/d	15,000
Purchases Return A/c	1,000	Purchases A/c	30,000
Bills Payable A/c	10,000		
Balance c/d	14,000		
	45,000		45,000

Answer 29:**Creditors Account**

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Cash A/c	15,000	Balance b/d	15,000
Purchases	1,000	Purchases A/c	13,000
Return A/c			
Balance c/d	12,000		
	28,000		28,000

Answer 30:**Creditors Account**

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Cash A/c	30,200	Balance b/d	6,000
Purchases	1,200	Purchases A/c	40,300
Return A/c			
Bills Payable	10,900		
A/c			
Balance c/d	4,000		
	46,300		46,300

Total Purchases = Cash Purchases + Credit Purchases

Total Purchases = 25,800 + 40,300 = ₹ 66,100

Answer 31:

Gross Profit = Net Sales – Cost of Goods Sold

1,29,000 = Net Sales – 97,000

Net Sales = ₹ 2,26,000

Credit Sales = Total Net Sales – Cash Sales

Credit Sales = 2,26,000 – 85,000 = ₹ 1,41,000

Answer 32:**Debtors Account**

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Balance b/d	20,400	Cash A/c	60,800
Sales A/c	75,800	Sales Return A/c	5,400
		Bad-Debts A/c	2,400
		Balance c/d	27,600
	96,200		96,200

Total Sales = Cash Sales + Credit Sales

Total Sales = 56,800 + 75,800 = ₹ 1,32,600

Answer 33:**Debtors Account**

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Balance b/d	30,800	Cash A/c	70,000
Bill Receivable A/c	1,800	Sales Return A/c	8,700
Sales A/c	97,300	Bad-Debts A/c	4,800
		Bill Receivable A/c	20,900
		Balance c/d	25,500
	1,09,000		1,09,000

Total Sales = Cash Sales + Credit Sales

Total Sales = 15,900 + 97,300 = ₹ 1,13,200

Answer 34:**Debtors Account**

Dr.		Cr.	
Particulars	Amount	Particulars	Amount

	(₹)		(₹)
Balance b/d	43,100	Cash A/c	1,30,000
Bill Receivable A/c	1,900	Discount Allowed A/c	1,100
Sales A/c	1,40,000	Bill Receivable A/c	16,500
		Balance c/d	37,400
	1,85,000		1,85,000

Cost of Goods Sold = Opening Stock + Purchases – Closing Stock

Cost of Goods Sold = 26,000 + 1,10,000 – 24,000 = 1,12,000

Gross Profit = $30/70 \times 1,12,000$ = Rs 48,000

Sales = Cost of Goods Sold + Gross Profit

Sales = 1,12,000 + 48,000 = ₹ 1,60,000

Credit Sales = 1,60,000 – 20,000 = ₹ 1,40,000

Creditors Account

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Cash A/c	95,000	Balance b/d	20,600
Discount Received A/c	800	Purchases A/c	1,10,000
Bills Payable A/c	14,000		
Balance c/d	20,800		
	1,30,600		1,30,600

Answer 35:**Trading Account for the year ended 31st March, 2018**

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	35,000	Sales	2,45,000
Purchases:		Closing Stock	37,500
Cash 1,56,000			
Credit 13,500	1,69,500		
Gross Profit c/d	78,000		
	2,82,500		2,82,500

Profit and Loss Account

for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Salary and Wages	21,400	Gross Profit b/d	78,000
Trade Expenses	7,200		
Rent for Business Premises	5,920		
Provision for Doubtful Debts	1,000		
Depreciation on Furniture	250		
Interest on wife's loan	1,000		
Net Profit t/d to Capital	41,230		
	78,000		78,000

Balance Sheet

as on March 31, 2018

Liabilities	Amount (₹)	Assets	Amount (₹)
Wife's Loan from			
<i>Add</i>		<i>Less</i>	
<i>Less</i>		<i>Less</i>	
<i>Add</i>			

	86,370	86,370

Cash Account

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital	40,000	Goodwill	15,000
Wife's Loan	20,000	Furniture	5,000
Debtors	2,30,000	Stock	35,000
		Purchases	1,56,000
		Salary and Wages	21,400
		Trade Expenses	7,200
		Rent for Business Premises	5,920
		Drawings(2,960+26,400)	29,360
		Balance c/d	15,120
	2,90,000		2,90,000

Working Notes

Dr. Creditors Account Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)
	13,500		13,500

Dr. Debtors Account Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)
	2,45,000		2,45,000

Answer 36:

Trading Account
for the year ended March 31, 2018

Dr.			Cr.	
Particulars	Amount (₹)		Particulars	Amount (₹)
Purchases	4,00,000		Sales	5,00,000
Less: Drawings	12,000	3,88,000	Closing Stock	1,60,000
Gross Profit		2,72,000		
		6,60,000		6,60,000

Profit & Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Salary	48,000	Gross Profit	2,72,000
Trade Expenses	16,000		
Bad Debts	4,000		
Net Profit	2,04,000		
	2,72,000		2,72,000

Balance Sheet
as on March 31, 2018

Dr.		Cr.	
Liabilities	Amount (₹)	Assets	Amount (₹)
Capital 4,00,000	5,52,000	Cash in Hand	2,56,000
Less: 52,000		Debtors 1,40,000	
Drawings			
Add: 2,04,000		Less: Bad Debts 4,000	1,36,000
Net Profit			
Creditors	80,000	Furniture	80,000
		Closing Stock	1,60,000
	6,32,000		6,32,000

Cash Account

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Capital A/c	4,00,000	Creditors A/c	2,00,000
Debtors A/c	1,60,000	Drawings A/c	40,000
Sales A/c	2,00,000	Furniture A/c	80,000
		Purchases A/c	1,20,000
		Salaries A/c	48,000
		Trade Expenses A/c	16,000
		Balance c/d	2,56,000
	7,60,000		7,60,000

Debtors Account

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Sales A/c	3,00,000	Cash A/c	1,60,000
		Balance c/d	1,40,000
	3,00,000		3,00,000

Creditors Account

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Cash A/c	2,00,000	Purchases A/c	2,80,000
Balance c/d	80,000		
	2,80,000		2,80,000

Answer 37:

Trading Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	31,250	Sales (1,00,000 + 20,625)	1,20,625
Purchases	37,500	Closing Stock	15,625
Light & Power	2,375		
Wages	33,625		
Gross Profit	31,500		
	1,36,250		1,36,250

Profit & Loss Account
for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Depreciation on Plant	4,050	Gross Profit	31,500
Interest	375		
Rent	6,625		
Salary	5,625		
Sundry Expenses	10,625		
Net Profit	4,200		
	31,500		31,500

Balance Sheet
as on March 31, 2018

Dr.			Cr.	
Liabilities	Amount (₹)	Assets	Amount (₹)	
Capital	78,000	Bank	16,375	
Less: Drawings	7,500	Closing Stock	15,625	
Add: Additional Capital	12,500	Debtors	30,625	
Add: Net Profit	4,200	Plant	36,575	
Creditors				
	87,200			
	12,000			
	99,200		99,200	

--	--	--

Balance Sheet
as on April 01, 2017

Dr.		Cr.	
Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	12,625	Bank	37,500
Capital	78,000	Closing Stock	18,750
(bal. fig.)		Debtors	3,125
		Plant	31,250
	90,625		90,625

Bank Account

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Balance b/d	3,125	Creditors A/c	38,125
Capital A/c	12,500	Drawings A/c	7,500
Debtors A/c	88,125	Interest A/c	375
Sales A/c	20,625	Light & Power A/c	2,375
		Plant A/c	3,125
		Rent A/c	6,625
		Salaries A/c	5,625
		Sundry Expenses A/c	10,625
		Wages A/c	33,625
		Balance c/d	16,375
	1,24,375		1,24,375

Debtors Account

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Balance b/d	18,750	Cash A/c	88,125
Sales A/c (bal.fig.)	1,00,000	Balance c/d	30,625
	1,18,750		1,18,750

Creditors Account

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Cash A/c	38,125	Balance b/d	12,625
Balance c/d	12,000	Purchases A/c (<i>bal.fig.</i>)	37,500
	50,125		50,125

Answer 38:

Trading Account

for the year ended 31st March, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Opening Stock	28,000	Sales: Cash	15,000
Purchases	49,800	Credit	51,000
Gross Profit c/d	13,200	Closing Stock	25,000
	91,000		91,000

Profit and Loss Account

for the year ended March 31, 2018

Dr.		Cr.	
Particulars	Amount (₹)	Particulars	Amount (₹)
Bad Debts	900	Gross Profit b/d	13,200
Expenses	6,600		
<i>Add:</i> Closing Creditors for Expenses	1,800		
	8,400		
<i>Less:</i> Opening Creditors for Expenses	1,500		
	6,900		
Depreciation on Furniture and Fittings	1,000		
Net Profit t/d to Capital	4,400		
	13,200		13,200

Balance Sheet

as on March 31, 2018

Liabilities	Amount	Assets	Amount
-------------	--------	--------	--------

	(Rs)		(Rs)
Creditors for Goods	19,000	Cash Balance	4,600
Creditors for Expenses	1,800	Stock	25,000
Bills Payable	11,500	Debtors	34,000
Capital	46,900	Furniture and Fittings	12,000
Less: Drawings	8,000		
	38,900		
Add: Net Profit	4,400		
	43,300		
	75,600		75,600

Working Notes

Balance Sheet

as on March 31, 2017

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors for Goods	21,000	Cash Balance	5,100
Creditors for Expenses	1,500	Stock	28,000
Bills Payable	8,700	Debtors	35,000
Capital (Balancing Figure)	46,900	Furniture and Fittings	10,000
	78,100		78,100

Cash Account

Liabilities	Amount (₹)	Assets	Amount (₹)
	71,200		71,200

Dr.

Creditors for Goods Account

Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)

Balance c/d	19,000		
	70,800		70,800

Dr. Debtors Account Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)
Balance b/d	35,000	Bad Debts	900
Sales-Credit	51,000	Cash (Balancing Figure)	51,100
		Balance c/d	34,000
	86,000		86,000

Dr. Bills Payable Account Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)
Cash (Balancing Figure)	18,000	Balance b/d	8,700
Balance b/d	11,500	Creditors for goods	20,800
	29,500		29,500

Dr. Furniture and Fittings Account Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)
Balance b/d	10,000	Depreciation	1,000
Cash-Purchases (B/F)	3,000	Balance c/d	12,000
	13,000		13,000

Computation of Cost of Goods Sold and Credit Sales

COGS = Opening. Stock + Purchases – closing. Stock
= 28,000 + 49,800 – 25,000 = 52,800

Gross Profit = 52,800 × 25/100 = 13,200

Total Sales = COGS + Gross Profit = 52,800 + 13,200 = 66,000

Credit Sales = Total Sales – Cash Sales
= 66,000 – 15,000 = 51,000

Note: It has been assumed that a Drawings in cash of Amount ₹ 8,000 has been made by Surya during the year.