

PRACTICAL QUESTIONS

(Question Nos. 1 to 30 are strictly in the serial order of Illustrations)

Q. 1. Enter the following transactions in the Journal of Ved Prakash & Co. :—

2025		₹
Jan. 1	Ved Prakash started business with cash	5,00,000
2	Purchased furniture for cash	60,000
4	Purchased goods for cash	47,000
5	Bought goods from Nirmal	28,000
10	Paid cash to Nirmal	28,000
16	Purchased goods from Rakesh	12,500
18	Purchased goods from Rakesh for cash	15,000
20	Paid rent for the office	5,000

[Ans. Total ₹6,95,500.]

Q. 2. Enter the following transactions in the Journal of M/s Sushil & Sons :—

2025		₹
March 6	Sold goods for cash	50,000
8	Sold goods to Narayan	35,000
14	Received cash from Narayan	20,000
26	Received Commission	1,800
27	Paid Salary to Gopal	10,000
28	Received cash from Narayan	15,000
29	Withdrew cash from office for personal use	20,000
30	Wages paid	16,400
30	Bought Machinery for Cash	80,000

[Ans. Total ₹2,48,200.]

Q. 3. Enter the following transactions in the Journal of Junaid & Co. :

2025		₹
Feb. 1	Purchased goods from Muskan for Cash	30,000
3	Purchased goods from Atul	1,50,000
6	Returned goods to Atul	6,000
8	Paid cash to Atul	1,00,000
10	Sold goods to Charu	2,00,000
12	Charu returned 20% of goods	
15	Paid rent	8,500
20	Junaid withdrew for personal use	25,000

[Ans. Total ₹5,59,500.]

Q. 4. Enter the following transactions in the Journal of John Brothers :

2025		₹
March 3	Sold goods to Dev	2,50,000

5	Received from Dev in full settlement of his account	2,45,000
6	Sold goods to Manmohan	1,20,000
8	Manmohan returned goods	4,000
15	Received from Manmohan in full settlement of his account	1,15,200
16	Received cash from Ram and discount allowed	38,300
20	Paid cash to Pawan and discount received from him	1,700
25	Sold goods to Varun of the list price of ₹80,000 at 20% trade discount	11,600
		400

[Ans. Total ₹8,56,000.]

Q. 5. Pass Journal entries in the books of Rama Kant Enterprises from the following :

2025		₹
April 1	Commenced business with cash	3,00,000
2	Purchased goods from Subhash	60,000
4	Sold goods to Ramnath	40,000
6	Ramnath returned defective goods	2,000
10	Received cash from Ramnath and Discount allowed	37,400
12	Gopal sold goods to us	600
14	Paid to Gopal in full settlement of his account after deducting 5% discount.	40,000
15	Paid Rent	15,000
16	Paid Rent of Rama Kant's residence	10,000
18	Purchased goods for cash from Govind for ₹15,000 at 20% trade discount.	
20	Purchased goods from Govind for ₹50,000 at 20% trade discount.	
24	Paid to Govind ₹38,800 in full settlement of his account.	
25	Paid to Subhash ₹19,200; discount received ₹800.	
30	Paid Wages ₹4,000; Salaries ₹20,000; Advertisement expenses ₹2,200 and Trade expenses ₹3,000.	

[Ans. Total ₹6,86,200.]

Hints : April 16 : Rent of Rama Kant's (i.e., proprietor's) residence is treated as drawings.
April 24 : Discount will be ₹1,200.

Q. 6. Enter the following transactions in the Journal of Marutinandan Stores :

2025	
Jan. 10	Purchased goods from Ghanshyam of the list price of ₹80,000 at 20% trade discount.
13	Returned goods to Ghanshyam of the list price of ₹5,000.
15	Paid cash to Ghanshyam ₹57,500 in full settlement of his account.
20	Purchased goods from Raghu of the list price of ₹40,000 at 15% trade discount.
22	Returned goods to Raghu of the list price of ₹6,000.
25	Paid cash to Raghu ₹27,000 in full settlement of his account.

[Ans. Total ₹1,96,000. Cash discount on Jan. 15 ₹2,500 and on Jan. 25 ₹1,900.]

Q. 7. Pass Journal Entries for the following transactions :

2025	
Jan. 6	Sold goods to Muskan of the list price of ₹4,00,000 at trade discount of 20%.
8	Muskan returned goods of the list price of ₹10,000.
15	Received from Muskan the full payment under a cash discount of 4%.

[Ans. Total ₹6,40,000; Cash Discount ₹12,480.]

Q. 8. Give Journal Entries for the following transactions in the books of Raja Ram & Co.:

2025	
March 3	Bought goods for cash of the list price of ₹4,00,000 at 10% trade discount and $2\frac{1}{2}\%$ cash discount.
5	Sold goods for cash of the list price of ₹2,00,000 at 15% trade discount and 3% cash discount.
6	Sold goods to Nagpal of the list price of ₹1,00,000 at 20% trade discount.
8	Nagpal returned one-fourth of the above goods.
10	Nagpal settled the account by paying cash under a discount of 5%.

[Ans. Total ₹6,90,000; Cash Discount on March 3 ₹9,000; on March 5 ₹5,100 and on March 10 ₹3,000.]

Q. 9. Pass Journal entries in the books of Raghunath Bros. from the following transactions :—

2025	
June 1	Raghunath Bros. started business with cash ₹2,50,000; Goods ₹1,00,000 and furniture ₹60,000.
June 2	Sold goods to Nandlal of the list price of ₹20,000 at trade discount of 10%.
June 4	Nandlal returned goods of the list price of ₹4,000.
June 8	Received from Nandlal ₹14,150 in full settlement of his account.
June 10	Purchased goods from Brij Mohan of the list price of ₹10,000 at 15% trade discount.
June 13	Returned goods to Brij Mohan of the list price of ₹1,000.
June 16	Settled the account of Brij Mohan by paying cash, under a discount of 4%.
June 18	Purchased goods from Anil ₹5,000; Sunil ₹10,000.
June 19	Paid cash to Anil ₹1,900 and discount received ₹100.
June 20	Paid ₹9,800 to Sunil in full settlement of his account.
June 20	Bought a 'Computer' for ₹50,000 for the domestic use of Raghunath.
June 25	Sold goods for cash of the list price of ₹8,000 at 10% trade discount and 3% cash discount.
June 30	Paid Rent ₹20,000; Trade Expenses ₹12,000 and Travelling Expenses ₹6,200.

[Ans. Total ₹5,16,100.]

Hints : June 4 : Goods returned by Nandlal will be valued at ₹3,600.

June 8 : Discount allowed to Nandlal ₹250.

June 13 : Goods returned to Brij Mohan will be valued at ₹850.

June 16 : Paid to Brij Mohan ₹7,344; Discount Received ₹306.

June 20 : Purchase of Computer for domestic use will be treated as drawings.

June 25 : Sales ₹7,200; Cash received ₹6,984; Discount allowed ₹216.

Q. 10. Journalise the following transactions :

2025	
Feb. 3	Sold goods to Simran for ₹80,000 at 15% trade discount and 4% cash discount. Received 75% amount immediately through a cheque.
Feb. 11	Purchased goods from Ved for ₹60,000 at 10% trade discount and 5% cash discount. 60% amount paid by cheque immediately.

[Ans. Cash Discount on March 5th ₹2,040 and on March 10th ₹1,620.]

Q. 11. Pass journal entries for the following :

2025	
April 6	Purchased goods from Henry for ₹50,000 on 10% trade discount and 4% cash discount and paid 60% amount by cheque.
" 15	Bought goods from Amit for ₹2,00,000 at terms 5% cash discount and 20% trade discount. Paid 3/4th of the amount in cash at the time of purchase.
" 18	Sold goods to Sherpa at the list price of ₹50,000 less 20% trade discount and 4% cash discount if the payment is made within 7 days. 75% payment is received by cheque on April 23rd.
" 25	Sold goods to Garima for ₹1,00,000, allowed her 20% trade discount and 5% cash discount if the payment is made within 15 days. She paid 1/4th of the amount by cheque on May 5th and 60% of the remainder on May 15th in cash.

[Ans. Cash Discount on April 6th ₹1,080; On April 15th ₹6,000; on April 23rd ₹1,200; and on May 5th ₹1,000.]

Hint : It will be assumed that the cheque received is deposited into the Bank on the same day.

Q. 12. Journalise the following transactions in the books of Dixit & Sons. :

2025	
Jan. 3	Sold goods to Shubham of the list price of ₹75,000 for ₹70,000.
" 15	Purchased goods costing ₹2,00,000 from Mayank. Paid 75% immediately by cheque to avail 4% discount.
" 21	Sold goods to Vishal Traders costing ₹40,000 at 25% profit, allowing 10% trade discount and 10% cash discount. Received 80% payment immediately by cheque.
" 28	Sold goods to Brij & Co. costing ₹50,000 at 40% profit, allowing 10% trade discount and 5% cash discount. Brij & Co. paid the full amount by cheque and availed cash discount.

[Ans. Total ₹3,78,600; Cash Discount on Jan. 16 ₹6,000; Jan. 20 ₹3,600 and Jan. 26 ₹3,150.]

Q. 13. Journalise the following transactions :

2025		₹
May 1	Paid into bank for opening a Current Account	1,00,000
3	Goods sold for ₹80,000 and the amount was deposited into the bank	
7	Amount withdrawn from bank	30,000
10	Goods sold for Cash	42,000

12	Amount deposited into bank	25,000
14	Goods purchased and payment made by cheque	1,50,000

[Ans. Total ₹4,27,000.]

Q. 14 (A). Following balances appeared in the books of Radhika Traders as on 1st April, 2025 :—

Assets : Cash ₹8,000; Cash at Bank ₹7,000; Stock ₹30,000; Debtors : ₹36,000 (Mohan ₹10,000; Sohan ₹12,000; Dinesh ₹14,000); Furniture ₹5,000; Building ₹1,25,000.

Liabilities : Creditors — X ₹5,000; Y ₹6,000.

In April, 2025, the following transactions took place :

		₹
April 2	Bought goods of the list price of ₹6,000 from Khanna Brothers less 15% trade discount and 2% cash discount and paid 40% price at the same time.	
3	Received a draft from Mohan in full settlement and deposited it into Bank	9,750
5	Purchased goods from Suresh of the list price of ₹8,000 at 20% trade discount and paid him by cheque.	
8	Sold goods and received a cheque	25,000
10	Deposited the above cheque into Bank	
12	Sohan deposited in our Bank A/c	4,000
16	Paid Income Tax by Cheque	5,600
20	Received a cheque from Sohan and sent to Bank	7,800
	Discount allowed	200
21	Withdrew from Bank—for office	2,000
	for private use	4,000
23	Sent a cheque to X in full settlement of his A/c	4,900
27	Cheque of Sohan returned by the bank as dishonoured.	
28	Dinesh was declared insolvent and a payment of 60 paise in a ₹ received from his estate by a Cheque	
30	Bank allowed Interest	350
	Paid for Rent by cheque	1,500
	Paid for travelling expenses by cheque	500

Pass Journal entries for the above transactions.

[Ans. Capital ₹2,00,000; Total ₹3,35,450.]

- Hints :**
- April 2 : Cash paid ₹1,999; Cash discount ₹41.
 - April 8 : Cheques in Hand account will be debited and Sales account will be credited.
 - April 10 : Bank account will be debited and Cheques in Hand account will be credited.
 - April 16 : Income Tax is the personal expenses of the proprietor, hence, will be treated as drawings.
 - April 27 : Sohan will be debited from ₹8,000; Bank will be credited from ₹7,800 and discount allowed account will be credited from ₹200.

April 30 : Bank account will be debited and interest received account will be credited for the amount of interest.

Q. 14 (B). Following was the position of Harish & Co. as on 1st April, 2023 :—

Cash in Hand ₹10,000; Cash at Bank ₹16,800; Furniture ₹8,000; Stock ₹50,000;
Debtors— Ram ₹8,000; Shyam ₹12,000; Creditors— Anil ₹4,000; Sunil ₹5,000.

Following transactions took place during April, 2023 :—

April 2	Received a cheque from Ram in full settlement of his account after deducting 5% cash discount.
4	Deposited the above cheque into Bank.
5	Goods purchased for ₹20,000 at 10% trade discount and 5% cash discount. Payment made by cheque.
6	Received a cheque from Shyam for ₹3,860 and discount allowed to him ₹140. Cheque deposited into the bank on the same day.
10	Cash paid to Anil after deducting 2% cash discount.
15	Old furniture sold for ₹800.
16	Sold goods to Shiv Parshad of the list price of ₹10,000 at a trade discount of 15%.
18	Shiv Parshad returned goods of the list price of ₹1,000.
20	Paid for furniture repairs to Bahadur Singh ₹100.
25	Received a cheque from Shiv Parshad after deducting 4% cash discount. Cheque was deposited into bank.
28	Bank charged ₹50 for 'Bank Charges'.
30	Received Commission ₹200.

[Ans. Capital ₹95,800; Total ₹1,64,550.]

Hints :

- (1) On April 2, Cheques in Hand A/c will be debited.
- (2) On April 4, Bank A/c will be debited and Cheques in Hand A/c will be credited.
- (3) On April 20th, Repairs Account will be debited and Cash Account will be credited.
- (4) On April 25th, Cash discount allowed to Shiv Parshad = $7,650 \times \frac{4}{100} = ₹306$
- (5) On April 28th, Bank Charges Account will be debited and Bank Account will be credited.

Q. 15. Pass Journal Entries for the following transactions :—

1. Provide depreciation on Furniture costing ₹50,000 @ 10% and Machinery costing ₹3,00,000 @ 10%.
2. Received cash ₹40,000 for bad-debts written off last year.
3. Ajay Singh was declared bankrupt. He owed ₹18,000 to us. Nothing could be recovered from his estate.
4. ₹2,00,000 for wages and ₹37,500 for salaries are outstanding.
5. Purchased furniture for ₹60,000 for the proprietor and paid the amount by cheque.
6. Provide 8% interest on capital amounting to ₹20,00,000.
7. Provide interest on drawings ₹8,000.

[Ans. Total ₹5,58,500.]

Q. 16. Pass journal entries for the following :

Nov. 5	Purchased goods for Cash ₹50,000 and spent ₹4,000 for their carriage.
" 10	Purchased machinery for Cash ₹3,00,000 and spent ₹20,000 for its carriage.
" 15	Paid by Cheque ₹2,00,000 for Cement, ₹1,00,000 for timber and ₹50,000 as wages for the construction of building.
" 17	Purchased an old machinery for ₹2,00,000 and spent ₹25,000 on its immediate repairs.
" 20	Paid ₹21,500 for repairing some other machinery.

[Ans. Total ₹9,70,500.]

Hints :	(i) (Nov. 15) Building A/c	Dr.	3,50,000	
	To Bank A/c			3,50,000
	(ii) (Nov. 17) Machinery A/c	Dr.	2,25,000	
	To Cash A/c			2,25,000
	(iii) (Nov. 20) Repairs A/c	Dr.	21,500	
	To Cash A/c			21,500

Q. 17. Enter the following transactions in the Journal of Arun Govil & Co. :

2022

- June 1 Arun Govil & Co. paid into bank as capital ₹6,00,000.
- June 3 Purchased goods from Mukesh of the list price of ₹2,00,000 at 10% trade discount.
- June 4 One-fourth of the above goods returned to Mukesh for not being upto specifications.
- June 6 Issued a cheque to Mukesh for the amount due to him after deducting 2% as cash discount.
- June 7 Withdrew from bank ₹2,50,000 for office use and ₹10,000 for personal use.
- June 10 Purchased a machinery for ₹1,00,000 and spent ₹5,000 on its installation. Payment for machinery was made by cheque and installation expenses were paid in cash.
- June 12 Sold goods for ₹1,00,000 to Amar.
- June 13 Amar clears his account by giving a cheque of ₹98,500. Cheque is immediately sent to bank.
- June 15 Purchased stationery for personal use ₹3,000 and for office use ₹5,000.
- June 20 Purchased land for ₹2,00,000 and paid 1% as brokerage and ₹15,000 as registration charges on it. Entire payment is made by Cheque.
- June 30 Wages due to labourers ₹20,000 and salary due to the clerk ₹30,000.

[Ans. Total ₹18,00,000.]

- Hints :** (i) On June 6, Cheque issued to Mukesh will be for ₹1,32,300.
- (ii) On June 10, Machinery A/c will be debited by ₹1,05,000.
- (iii) On June 20, Land A/c will be debited by ₹2,17,000.

Q. 18. Journalise the following transactions of Raj Kumar Traders, timber merchants :—

1. Purchased timber from Kuldeep Kumar, for cash ₹2,000 and credit ₹10,000.
2. Paid to Kuldeep Kumar in full settlement of his account ₹9,950.

- (e) Prepaid salary ₹10,000.
 (f) Kapil who owed us ₹30,000 becomes insolvent and nothing is received from his estate.

[Ans. Total ₹4,52,400]

Q. 23. Journalise the following transactions in the Journal of Navin Gupta & Sons:—

1. Out of Insurance premium paid this year, ₹15,000 is related to next year.
2. Credit purchases from Ram & Co. for ₹50,000. Cash discount will be received at 5% on payment of bill within 10 days.
3. Cash paid to Ram & Co. and discount availed of.
4. Paid Income Tax ₹20,000 by cheque.
5. Goods costing ₹2,00,000 sold for cash at a profit of 10%.
6. Purchased iron safe for ₹2,00,000, filing cabinet for ₹50,000 and Computer for ₹1,00,000.

[Ans. Total ₹7,05,000]

Hints :— In transaction No. 1, Prepaid Insurance A/c will be debited and Insurance A/c will be Credited.
 In transaction No. 5, entry will be passed for cash sales of ₹2,20,000.
 In transaction No. 6, Office Equipment A/c will be debited by ₹3,50,000.

Q. 24. Journalise the following transactions in the books of Kanishk Traders :

- (i) Sold goods costing ₹1,20,000 to Charu at a profit of $33\frac{1}{3}\%$ on cost less 15% Trade Discount.
- (ii) Sold goods costing ₹80,000 to Arun against cheque at a profit of 25% on cost less 15% Trade Discount.
- (iii) Paid by cheque ₹8,400 as insurance premium for a period of 12 months starting 1st August 2022. Financial year closes on 31st March every year.

[Ans. Total ₹2,32,200.]

Hints : In transaction (i) Sales will be credited by ₹1,36,000.
 In transaction (ii) Sales will be credited by ₹85,000.
 In transaction (iii) Prepaid Insurance ₹2,800.

Q. 25. Journalise the following :—

2023

- March 4 Purchased building for ₹1,50,000 and incurred expenses of ₹10,000 on its purchase.
 March 10 Satish who owed us ₹20,000 is declared insolvent and 60 paise per ₹ is received from his estate.
 March 15 Paid ₹500 for repairing the office furniture.
 March 18 Proprietor withdrew for his personal use cash ₹5,000 and goods worth ₹2,000.
 March 20 Purchased the following items for business :
 Iron Safe ₹15,000; Filing Cabinet ₹5,000; Computer ₹12,000; Postage ₹200 and Stationery ₹150.
 March 28 Paid electricity charges ₹1,600.
 March 31 Charge depreciation on Machinery @ 10% for one year (Machinery ₹75,000).

March 31 Outstanding Wages at the end of the year ₹6,000.

[Ans. Total ₹2,34,950]

- Hints :** (i) On March 4th Building A/c will be debited by ₹1,60,000.
 (ii) On March 15th; Repairs A/c will be debited.
 (iii) On March 20th; Purchase of Iron Safe, filing cabinet and computer will be debited to Office Equipment A/c. Hence, Office Equipment A/c will be debited by ₹32,000.

Q. 26. Journalise the following :

1. Purchased goods for ₹25,000 for Cash and paid ₹200 for carriage on these goods.
2. Purchased goods for ₹40,000 on Credit from Sudhir and paid ₹500 for carriage on these goods.
3. Purchased machinery for ₹20,000 and spent ₹500 on its carriage and ₹300 on its installation.
4. Purchased goods from Anil for ₹15,000.
5. Sold $\frac{1}{3}$ rd of the above goods at a profit of 20% on cost.
6. Goods costing ₹12,000 sold to Mr. X, issued invoice at 25% above cost less 10% trade discount.
7. Provide 20% depreciation on furniture costing ₹10,000.
8. Gave as charity — Cash ₹500 and Goods ₹2,000.

[Ans. Total ₹1,25,500]

Q. 27. Journalise the following :

- (i) Received ₹1,000 from sales of old newspapers and ₹5,000 from sales of old chairs.
- (ii) Goods costing ₹7,000 given away as charity.
- (iii) Arun pays us ₹63,000 after getting 10% discount for prompt payment.
- (iv) Received Cash from a debtor written off as bad-debt last year ₹20,000.
- (v) Sold goods costing ₹50,000 to Ashok on credit at a profit of 20% on cost.
- (vi) Sold goods costing ₹1,00,000 for ₹1,40,000.
- (vii) Provide ₹50,000 as interest on Capital.
- (viii) Paid rent of building ₹60,000 by cheque. Half the building is used by the proprietor for residential purpose.
- (ix) Outstanding salary at the end of the year ₹30,000.

[Ans. Total ₹4,43,000.]

Hints : In transaction (iii) Discount Allowed A/c will be debited from ₹7,000.

In transaction (iv) Cash A/c will be debited and Bad debts recovered A/c will be credited.

Q. 28. Journalise the following transactions :

2023

- | | |
|---------|---|
| April 1 | Purchased goods for ₹1,00,000 from Manoj and availed discount of ₹10,000. |
| 2 | Paid amount due to Manoj by cheque and availed discount of ₹4,500. |
| 5 | Cash ₹5,000 paid to Desai and discount allowed by him ₹200. |

- 10 Cash ₹10,000 received from Govardhan and allowed him discount ₹500.
 12 Sold personal Car of the proprietor for ₹ 80,000 against cheque, which was deposited into the firm's bank account.
 16 Sold personal Car of the proprietor for ₹1,50,000 against cheque, which was deposited into the proprietor's personal bank account.
 20 Sold goods to Gaurav costing ₹1,00,000 at a profit of 40% and allowed him 10% trade discount and paid for cartage ₹3,000 not to be charged from him.
 24 Placed an order with Rudra & Co. for supply of goods of ₹80,000 and a cheque for 40% amount is sent to them as an advance.

[Ans. Total ₹4,36,700.]

Hints : On April 1, Debit Purchases A/c and Credit Manoj by ₹90,000.

On April 5, Debit Desai by ₹5,200.

On April 10, Credit Govardhan by ₹10,500.

On April 16, No Entry.

On April 20, Debit Gaurav and Credit Sales A/c by ₹1,26,000.

Debit Carriage outwards and credit Cash A/c by ₹3,000.

Q. 29. Give the journal entries corresponding to the narration given below :—

S. No.	Particulars	L. F.	Amount Dr.	Amount Cr.
(i)	Dr. Dr. To (Goods of the list price of ₹5,000 sold at 10% trade discount and 2% cash discount)		₹	₹
(ii)	(The purchase of Motor Car for ₹80,000 and the payment of ₹5,000 as repair charges on it. Entire payment is made by cheque)			
(iii)	Chaturvedi Dr. To Cash A/c To (Chaturvedi's account settled, cash discount three percent)		5,000	
(iv)	Bank A/c Dr. Dr. To (70 paise per rupee received from the estate of Ashok on his insolvency)			8,400
(v)	Dr. To (For goods used by proprietor for personal use)		3,000	3,000

(vi)	Dr.	2,000	
To			2,000
(For Rent due to landlord)			

- [Ans. (i) Cash will be debited by ₹4,410; Discount Allowed A/c will be debited by ₹90 and Sales will be credited by ₹4,500.
(ii) Motor Car will be debited and Bank A/c will be credited by ₹85,000.
(iii) Chaturvedi will be debited by ₹5,000; Cash will be credited by ₹4,850 and Discount Received A/c will be credited by ₹150.
(iv) Bank will be debited by ₹5,880; Bad debts will be debited by ₹2,520 and Ashok will be credited by ₹8,400.
(v) Drawings will be debited and Purchase will be credited.
(vi) Rent will be debited and Outstanding Rent will be credited.

Total ₹1,07,900.]

Q. 30. Rectify the following entries assuming that the narration in each case is correct :

Date	Particulars	L. F.	Amount Dr.	Amount Cr.
2025			₹	₹
May 4	Building A/c Dr. Brokerage A/c Dr. To Bank A/c (Purchase of building and payment of brokerage on its purchase)		5,00,000 10,000	5,10,000
May 10	Drawings A/c Dr. To Sales A/c (Goods taken away by the proprietor for personal use)		12,000	12,000
May 16	Filing Cabinet A/c Dr. Electric Fan A/c Dr. To Cash A/c (Purchase of filing cabinet and an electric fan)		4,000 2,500	6,500
May 18	Cash A/c Dr. To Sales A/c (Goods worth ₹10,000 sold at 10% trade discount and 3% cash discount)		8,730	8,730
May 20	Bank A/c Dr. To Naresh (Receipt of 25 paise per rupee from the estate of Naresh who is declared insolvent)		10,000	10,000
May 31	Bank Charges A/c Dr. To Cash A/c (Charges made by bank for its services)		150	150

[Ans.

- May 4 Building will be debited and Bank will be credited by ₹5,10,000.
 May 10 Drawings will be debited and Purchase will be credited by ₹12,000.
 May 16 Office equipment will be debited instead of filing cabinet and Fixtures will be debited instead of electric fan.
 May 18 Discount Allowed A/c will also be debited by ₹270 and Sales will be credited by ₹9,000 instead of ₹8,730.
 May 20 Bad debts will also be debited by ₹30,000 and Naresh will be credited by ₹40,000 instead of ₹10,000.
 May 31 Bank will be credited instead of Cash.
 Total ₹5,77,650.]

SOME OTHER QUESTIONS

Q. 31. Journalise the following transactions :

- Goods destroyed by Fire for ₹8,000.
- Paid by cheque ₹22,000 as wages on installation of a Machinery.
- Issued a cheque in favour of M/s Parmatma Saran & Sons on account of purchase of goods ₹75,000.
- Goods sold costing ₹60,000 to M/s Kalu Sons at an invoice price 10% above cost less 5% Trade discount.

[Ans. Total ₹1,67,700]

Q. 32. Journalise the following transactions :—

	₹
1. Charge depreciation on Machinery costing ₹2,00,000 @ 15%	
2. Salary due to Office Clerks	1,50,000
3. Received cash for Bad-Debts written off last year	20,000
4. Purchased goods from Ashok & Co. for ₹40,000 at 20% Trade Discount. Half the payment was made in cash.	
5. Issued cheque to Ashok & Co. in full settlement	15,500
6. Paid Life Insurance Premium by cheque	12,000
7. Proprietor used goods for household purposes	40,000
8. Goods given free to a hospital out of business	20,000

[Ans. Total ₹3,20,000.]

Q. 33. Journalise the following transactions :—

2025	₹
July 1 Started business with cash	5,00,000
2 Purchased Machinery for cash	2,00,000
Paid installation charges on machinery	20,000
5 Purchased goods from X of the list price of ₹1,00,000, Trade Discount 20% and cash discount 5%. Payment was made in cash immediately.	
10 Sold goods to Y costing ₹40,000 at 30% profit on cost less 10% trade discount.	

15	Paid Rent	20,000
20	Goods stolen from business	8,000
22	Gave as charity : Cash	5,100
	Goods	3,000
31	Purchased Stationery	4,000
31	Purchased a Computer for business	75,000

[Ans. Total ₹9,61,900.]

Q. 34. Journalise the following transactions :

1. Purchased a Motor Car for ₹3,00,000 and paid ₹25,000 for its repair and renewal. Entire payment is made by cheque.
2. Received Rent ₹5,000.
3. Goods worth ₹20,000 were distributed as free samples.
4. Charge depreciation on Motor Car ₹32,500.
5. Rent due to Landlord ₹10,000 and Salary due to Clerks ₹80,000.
6. Charge interest on Capital ₹20,000.
7. ₹5,000 due from Sanjay Gupta are bad-debts.
8. Goods worth ₹50,000 were destroyed by fire.
9. Cash ₹5,000 and goods worth ₹20,000 were stolen by an employee.

[Ans. Total ₹5,72,500.]

Hints : In transaction 1, Motor Car A/c will be debited by ₹3,25,000.

Q. 35. Journalise the following transactions :

- (i) Bought goods from Arun for ₹2,00,000 at a trade discount of 15% and cash discount of 2%. Paid 80% amount immediately.
- (ii) Purchased goods for ₹20,000 from X and supplied it to Y for ₹26,000.
- (iii) Cash withdrawn from bank ₹5,000 for personal use and ₹25,000 for office use.
- (iv) Goods destroyed by fire : Cost Price ₹40,000.
- (v) Provide 20% depreciation on machinery costing ₹50,000.
- (vi) Out of insurance paid this year, ₹3,000 is related to next year.
- (vii) Allow ₹5,000 as interest on capital and charge ₹1,000 as interest on drawings.
- (viii) Sohan who owed us ₹25,000 was declared insolvent and a cheque of 40 paise in a ₹ is received from him in full settlement.
- (ix) Paid Income Tax ₹10,000 by cheque.
- (x) Salary paid ₹80,000 and Salary Outstanding ₹20,000.

[Ans. Total ₹4,40,000]

Hint : In transaction No. (i) Cash discount will be ₹2,720.

Q. 36. Journalise the following in the books of Vansh Enterprises :

2025	
May 1	Sold goods to Kuber costing ₹2,00,000 at 25% above cost less trade discount of 10% and cash discount of 5%. Kuber did not avail the cash discount.
4	Received an order from Chakravarti for goods of ₹4,00,000 alongwith a cheque of 10% of the order as advance.
8	Paid cash ₹8,000 to Dushyant and discount allowed by him ₹800.

- | | |
|----|---|
| 10 | Goods stolen by an employee (Sale Price ₹20,000; Cost ₹15,000). |
| 15 | Purchased stationery worth ₹8,000 for office use and ₹2,000 for personal use. |
| 20 | Manoj pays us ₹5,400 after deducting 10% for prompt payment. |
| 28 | Purchased a Machinery for ₹1,00,000 and the payment was made by issuing a cheque from Proprietor's saving bank account. |

[Ans. Total ₹4,04,800.]

Hints : May 1, Debit Kuber and Credit Sales A/c by ₹2,25,000.

May 8, Debit Dushyant by ₹8,800.

May 10, Debit Loss by Theft by ₹15,000.

May 20, If amount received is ₹90, amount due = ₹100

$$\text{If amount received is ₹5,400 amount due} = \frac{100}{90} \times 5,400 = ₹6,000$$

$$\text{Hence, Discount Allowed} = ₹6,000 - ₹5,400 = ₹600$$

Q. 37. Journalise the following transactions in the books of Shankar :

- | | |
|--------|---|
| (i) | Opened a current account with Punjab National Bank ₹5,00,000. |
| (ii) | Purchased a horse for business for ₹20,000. |
| (iii) | Sold goods to Gokul at a list price of ₹4,000. Trade discount 10% and cash discount 5%. He paid the amount on the same day and availed the cash discount. |
| (iv) | Purchased goods for ₹10,000 and paid ₹400 for carriage on these goods. |
| (v) | Additional cash introduced by the proprietor ₹40,000. |
| (vi) | Withdrawn from Bank ₹20,000. |
| (vii) | Received an order to supply goods of ₹40,000 from Manu and received ₹10,000 as an advance together with the order. |
| (viii) | Cash ₹50,000 and goods worth ₹90,000 were stolen. |
| (ix) | Purchased goods from Devendra for ₹40,000 and the payment was made by cheque. |
| (x) | Sold 1/4th of the above goods at a profit of 25% on cash. |
| (xi) | Received a cheque of ₹73,600 from Chandradev and allowed discount ₹1,400 to him. The cheque was deposited into Bank on the same day. |
| (xii) | Purchased machinery for ₹3,00,000, payment made by cheque. Installation charge of machinery ₹20,000 paid in cash. |

[Ans. Total ₹11,91,500.]