ILLUSTRATION 1.

Enter the following transactions in a single column Cash Book :—

2025		₹
March 1	Commenced business with Cash	2,00,000
2	Bought goods for Cash	84,000
5	Sold goods for Cash	65,500
10	Goods purchased from Rohit on Credit	1,50,000
13	Paid to Rohit	90,000
15	Cash Sales	72,000
18	Purchased furniture for Cash	40,000
20	Paid Wages	12,800
24	Paid Rent	15,000
26	Received Commission	6,600

28	Withdrew for personal expenses	10,000
31	Paid Salary	8,000

SOLUTION :

In the Books of ....

CASH BOOK

Dr. Cr.

Date	*Particulars (Receipts)*	*V. No.*	*L. F.*	*Amount*	*Date*	*Particulars (Payments)*	*V. No.*	*L. F.*	*Amount*
2025				₹	2025				₹
March 1	To Capital A/c			2,00,000	March 2	By Purchases A/c			84,000
5	To Sales A/c			65,500	13	By Rohit			90,000
15	To Sales A/c			72,000	18	By Furniture A/c			40,000
26	To Commission				20	By Wages A/c			12,800
	A/c			6,600	24	By Rent A/c			15,000
					28	By Drawings A/c			10,000
					31	By Salary A/c			8,000
	Total Receipts			3,44,100		Total Payments			2,59,800
					31	By Balance c/d			84,300
				3,44,100					3,44,100
April 1	To Balance b/d			84,300					

ILLUSTRATION 2.

Enter the following transactions in Sudhir Kumar's Single Column Cash Book :

2025		₹
March 1	Balance of Cash in Hand	1,25,000
March 5	Goods purchased	40,000
March 10	Goods purchased from Vasudev	75,000
March 15	Goods purchased from Shruti in Cash	22,000
March 18	Goods sold	58,000
March 20	Goods sold to Prisha	72,000
March 25	Goods sold to Dinesh in Cash	25,000
March 28	Received from Prisha	60,000
March 31	Paid salary to office clerk	20,000
March 31	Paid office rent	10,000

SOLUTION :

In the Books of Sudhir Kumar

CASH BOOK

Dr. Cr.

Date	*Particulars (Receipts)*	*V. No.*	*L.F.*	*Amount*	*Date*	*Particulars (Payments)*	*V. No.*	*L.F.*	*Amount*
2025				₹	2025				₹
March 1	To Balance b/d			1,25,000	March 5	By Purchases			

18	To Sales A/c (See Note 1)			58,000		A/c (See Note 1)			40,000
25	To Sales A/c (See Note 3)			25,000	15	By Purchases A/c (See Note 3)			22,000
28	To Prisha			60,000	31	By Salary A/c			20,000
					31	By Office Rent A/c			10,000
					31	By Balance c/d			1,76,000
				2,68,000					2,68,000
April 1	To Balance b/d			1,76,000					

ILLUSTRATION 6.

Enter the following transactions in the Cash Book with Cash and Bank Columns :—

2025		₹
March 1	Cash-in-Hand	50,000
	Cash at Bank	75,000
4	Sold goods for cash	39,600
5	Received from Suresh	7,500
6	Received a Cheque from Ravi and immediately deposited it into Bank	20,200
7	Salary paid to office staff by Cheque	22,800
10	Paid Sudhir by Cheque	28,000
12	Paid for travelling expenses	13,500
15	Cash Purchases	3,000
16	Cash deposited into Bank	25,000
20	Cash Sales	48,000
	Purchased Machinery and payment made by Cash	20,000
21	Paid wages for erection of above Machinery	2,100
22	Withdrew from Bank for office use	15,000
23	Received a Cheque from Anil and deposited it into Bank	32,500
27	Anil's Cheque returned by Bank dishonoured	32,500
28	Purchased a Computer and paid by Cheque	40,000
30	Paid Charity	1,500
31	Paid into Bank	18,000

SOLUTION (6) :

CASH BOOK (With Cash and Bank Columns)

Dr. Cr.

Date	Particulars (Receipts)	Vr. No.	L.F.	Cash	Bank	Date	Particulars (Payments)	Vr. No.	L.F.	Cash	Bank
2025				₹	₹	2025				₹	₹
March 1	To Balance b/d			50,000	75,000	March 7	By Salaries A/c				22,800
4	To Sales A/c			39,600		10	By Sudhir				28,000
5	To Suresh			7,500		12	By Travelling				
6	To Ravi				20,200		Expenses A/c			13,500	
16	To Cash A/c		C		25,000	15	By Purchases A/c			3,000	
20	To Sales A/c			48,000		16	By Bank A/c		C	25,000	
22	To Bank A/c		C	15,000		20	By Machinery A/c			20,000	
23	To Anil				32,500	21	By Machinery A/c			2,100	
31	To Cash A/c		C		18,000	22	By Cash A/c		C		15,000
						27	By Anil				32,500
						28	By Office Equipment A/c				40,000
						30	By Charity A/c			1,500	
						31	By Bank A/c		C	18,000	
	Total Receipts			1,60,100	1,70,700		Total Payments			83,100	1,38,300
						31	By Balance c/d			77,000	32,400
				1,60,100	1,70,700					1,60,100	1,70,700
April 1	To Balance b/d			77,000	32,400						

Single Column Cash Book

Q. 1. Enter the following transactions in a Single Column Cash Book :—

2025		₹
July 1	Commenced business with Cash	5,00,000
3	Bought goods for Cash	1,50,000
3	Paid Carriage	3,000
4	Sold goods for Cash	43,000
6	Sold goods to Ramesh	25,000
10	Received from Ramesh	20,000
15	Cash Sales	34,500
18	Purchased furniture for cash for office	50,000
20	Paid for Advertisement	4,000
20	Purchased goods from Sunny on credit	60,000
24	Paid to Sunny	40,000
25	Paid Wages	12,500
27	Received for Commission	10,000
28	Withdrew for personal use	15,000
31	Paid salary	8,000

[**Ans.** Cash Balance ₹3,25,000.]

Q. 2. Enter the following transactions in M/s Basu & Co. Single Column Cash Book :

2025			₹
June	1	Balance of Cash in hand	2,10,000
	3	Purchased goods for cash	1,20,000
	7	Purchased goods	35,000
	10	Purchased goods from Dilip	1,50,000
	13	Purchased goods from Dilip for cash	40,000
	15	Sold goods	80,000
	18	Sold goods to Vrinda	1,25,000
	20	Sold goods to Manmohan for cash	70,500
	25	Received commission	6,200
	30	Paid Rent	20,000

[**Ans.** Cash Balance ₹1,51,700.]

Q. 3. Enter the following transactions in a Single Column Cash Book :

2025			₹
Feb.	1	Mr. Rawat commenced business with Cash	6,00,000
	3	Opened a Bank Account and deposited	2,50,000
	5	Purchased goods for Cash	1.80,000
	7	Purchased goods	70,000
	10	Purchased goods from Paras	60,000
	12	Paid to Paras	58,600
		Discount received	1,400
	15	Paid Wages in Cash	33,000
	16	Paid to casual labour	2,500
	20	Sold goods to Lucky for Cash	3,20,000
	25	Paid electricity bill in Cash	25,000
	26	Withdrew Cash from Bank	1,30,000
	27	Received for Cash sales	50,000
	27	Paid for miscellaneous expenses	4,200

[**Ans.** Cash Balance ₹4,76,700.]

Hints. Feb 16 By Wages A/c ₹2,500
Feb 25 By Electricity Charges A/c ₹25,000

Q. 4. Enter the following transactions in a Single Column Cash Book :—

2024			₹
Dec.	1	Cash-in-hand	2,50,000
	2	Cash Sales (CGST 6%, SGST 6%)	4,00,000
	4	Received from *X* on behalf of *Y*	40,000
	9	Paid to Shikha	49,000
		Discount Received	1,000
	12	Received from Jitendra	78,000
		and discount allowed	2,000

20	Bought goods for Cash (CGST 6%, SGST 6%)	2,00,000
21	Paid Cartage (CGST 6%, SGST 6%)	10,000
23	Remitted to Anuj	18,800
	and discount allowed by him	1,200
25	Received from Vikash	5,000
27	Borrowed from Palak	75,000
29	Received from Mohit	39,000
	discount allowed	1,000
31	Paid to Lalit ₹27,000 in full settlement of his account of ₹30,000	

[**Ans.** Cash Balance ₹6,05,000.]

Hints : Dec. 4 : 'To *Y*' will be recorded on the Dr. side.
Dec. 27 : 'To Palak's Loan A/c' will be recorded on the Dr. side.

Q. 5. Enter the following transactions in a Single Column Cash Book of M/s Mihir Das & Bros. :

2025		₹
March 1	Cash in Hand	1,70,000
2	Bought machinery for ₹84,000 and paid carriage	3,000
4	Bought goods for ₹25,000 and paid carriage	1,000
5	Bought goods from Prakash	15,000
6	Cash received from sale of Motor bike	5,000
8	Sold goods for cash less 5% cash discount	20,000
10	Sold goods	40,000
12	Paid to Prakash on account	10,000
15	Bought goods from Newton for cash *less* 4% cash discount	30,000
20	Paid to Prakash	4,500
	Discount received	500
25	Cash collected from Gautam (Debtor)	10,000
28	Purchased postal stamps	500
28	Salary paid to accountant	45,000

[**Ans.** Cash Balance ₹42,200.]

Hints.

March 2	By Machinery A/c	₹87,000
March 4	By Purchases A/c	₹25,000
March 4	By Carriage A/c	₹ 1,000

Two Columnar Cash Book (With Cash and Bank Columns)

Q. 6. Write up Cash Book of Raj Kumar with Cash and Bank Columns from the following transactions :—

2025		₹
Jan. 1	Cash-in-hand	12,710
	Cash at Bank	38,800
3	Received from Ankit	3,500
4	Sold goods for cash	10,000

7	Paid Rent by Cheque	1,800
8	Paid to Rizwan by cheque	3,000
10	Bought goods for cash	25,000
12	Paid cash for stationery	200
	Drew from Bank for office use	8,000
15	Received cheque from Kapil and sent it to Bank	6,600
16	Paid for advertisement	750
18	Issued cheque in favour of Tiwari Brothers	4,300
19	Cash Sales	13,000
	Paid into Bank	16,000
20	Received cheque from Sushant and sent it to Bank	2,400
22	Bought Scooter and paid for the same by cheque	28,000
25	Bank returned Kapil's cheque dishonoured	
28	Paid salary by cheque	18,500
	Paid Trade expenses	2,000
29	Cash sales	9,500
30	Paid into Bank	10,000

[**Ans.** Cash Balance ₹2,760 and Bank Balance ₹3,600.]

Q. 7. Prepare Two Column Cash Book from the following transactions and balance the book on 31st March, 2025 :—

March 1	Cash in hand ₹50,000; Bank overdraft ₹1,90,000.
,, 2	Purchased goods from Rajesh Kumar of the list price of ₹50,000 at 5% trade discount and payment made by cheque.
,, 6	Goods sold for ₹80,000 and payment received by cheque. Cheque deposited into Bank on same day.
,, 10	Goods purchased for cash ₹19,800.
,, 15	Furniture sold for ₹1,77,000 and payment received by cheque & cheque deposited into Bank on same day.
,, 18	Salaries paid ₹4,500.
,, 21	Settled the amount due to Raghu ₹2,000 by paying cash ₹1,910.
,, 22	Cash received from Veer ₹14,780 in full settlement of his account of ₹15,000.
,, 23	Paid Life Insurance premium by cheque ₹2,500.
,, 31	Deposited with bank the entire balance after retaining ₹7,000 cash in hand.

[**Ans.** Cash in Hand ₹7,000; Bank Balance ₹48,570; Excess Cash deposited into bank on 31st March ₹31,570.]

Hint : March 2 By Purchases ₹47,500.

Q. 8 (A). Enter the following particulars in the Cash Book with Cash and Bank columns :—

2025		₹
June 1	Balance of cash in hand ₹20,000 and at Bank ₹1,50,000.	
3	Received cash from Madhav	18,000

5	Cash Sales	12,000
6	Purchases by cheque	13,500
9	Paid cash for freight	500
10	Paid into Bank	20,000
12	Drew from Bank for office use	10,000
13	Issued a cheque in favour of M/s Arun & Sons	27,000
17	Drew Cash for his son's birthday party	12,000
19	Received a cheque from Navin for ₹28,000 and deposited it into bank on the same day.	
20	Cash Sales	39,000
25	Drew from Bank for office use	5,000
26	Purchased computer for ₹25,000 and payment made by cheque.	
27	Navin's cheque dishonoured, Bank charges ₹500.	
29	Purchased business premises, payment made by cheque ₹1,85,000.	
30	Received cheque for ₹15,000 from Harish.	

[**Ans.** Cash in hand ₹71,500; Bank Overdraft ₹81,000.]

Hints : **(1)** There will be Contra entries on 10th, 12th, and 25th June.

(2) On 30th June, since there is no information about the date of deposit of the cheque, it has been assumed that the cheque has been deposited on the same day.

Q. 8 (B). Enter the following transactions in the Cash Book with Cash and Bank Columns :—

2024		₹
June 1	Cash in hand	8,000
	Bank Overdraft	57,000
7	Received a cheque from Bharti	32,500
9	Deposited the above cheque into bank	
12	Paid to Bhavana by cheque	24,250
15	Bharti's cheque returned dishonoured	
20	Withdrew from Bank for office use	2,500
25	Cheque received from Panna Lal and endorsed it in favour of Kamal on 28th June	12,000
30	Income Tax paid by cheque	1,500
30	Bank charges	250

(ISC 2024)

[**Ans.** Cash in hand ₹10,500; Bank Overdraft ₹85,500.]

Hints :

(1) On June 7, Cheque received from Bharti will be recorded through Journal Proper :

Cheques in Hand A/c	Dr.	32,500	
To Bharti			32,500

When the Cheque is deposited into Bank on 9th June, it will be recorded in the Bank Column of the Cash Book on Dr. side.

(2) Receipt and endorsement of Cheque will not be entered in Cash Book. It will be recorded through Journal Proper.

(3) June 30th : Income tax is the personal expenses of the proprietor. As such, it will be treated as Drawings.

Q. 9. Enter the following transactions in the Cash Book with Cash and Bank Columns :—

2025	
April 1	Balance of Cash in hand ₹4,000, overdraft at Bank ₹45,000.
4	Invested further capital ₹1,00,000 out of which ₹60,000 deposited into the bank.
5	Sold goods for cash ₹30,000 plus CGST and SGST @ 6% each.
10	Purchased goods ₹60,000 plus CGST and SGST @ 6% each and issued a cheque for the same.
11	Paid to Ram Vilas, our creditor ₹25,000; discount allowed by him ₹1,000.
14	Rent of ₹8,000 plus CGST and SGST @ 6% each paid by cheque.
15	Office Furniture purchased and a cheque of ₹22,400 issued for the same including CGST and SGST @ 6% each.
16	Drew cheque for personal use ₹5,000.
18	Collection from Atul ₹15,000, deposited in the bank on 19th April.
20	Goods sold to Amritraj for ₹80,000 plus CGST and SGST @ 6% each.
25	Received a cheque of ₹88,000 from Amritraj in full settlement of his account; deposited into bank on 28th April.
29	Drew from the bank for salary of the office staff ₹25,000.
29	Paid salary of the manager by cheque ₹9,400.

[**Ans.** Cash Balance (Dr.) ₹52,600; Bank Balance (Cr.) ₹19,960.]

Hints :

(1) On 20th April, Entry for Credit Sales of ₹80,000 plus CGST and SGST @ 6% each will be recorded in Journal.

(2) Cheque received from Amritraj on 25th will be recorded in Journal as follows :

Cheques in Hand A/c	Dr.	88,000	
Discount Allowed A/c	Dr.	1,600	
To Amritraj			89,600

When the above cheque is deposited into Bank on 28th April, it will be recorded in the Bank Column of Cash Book by writing 'To Cheques in Hand A/c'.

Q. 10 (A). Write the following transactions in a Two Column Cash Book and balance the Cash Book :—

2025		₹
Jan. 1	Cash in hand	60,000
	Bank Balance (Cr)	30,000
3	Deposited into Bank	20,000
5	Received from Mohan	4,000
	Discount allowed	100
7	Received a cheque from Hari and sent it to bank	6,000
9	Received a cheque from Prem Mohan	16,000
	Discount allowed	250
12	Withdrew from bank for office use	3,000
13	Bought goods for cash	6,000

14	Sold goods for cash	12,000
16	Paid to Ganesh by cheque	4,940
	Discount received	60
18	Prem Mohan's cheque deposited in the bank	
20	Sold goods to Gopal for ₹15,000 for which he gave cash ₹8,000 and a cheque of ₹7,000.	
22	Deposited into bank (including Gopal's cheque)	9,000
24	Paid rent by cheque	1,500
25	Withdrew from bank for personal use	2,000
28	Bank notifies that Prem Mohan's cheque was dishonoured	
30	Received from Anil ₹2,700 in cash and ₹5,400 by cheque. Discount Allowed ₹900. The cheque was deposited into bank.	
31	Bank charges as shown in Pass Book	50
	Paid Salary	5,000

[**Ans.** Cash Balance ₹56,700; Bank Balance (Cr.) ₹1,090.]

Hints :

(1) Cheques received from Prem Mohan on 9th and from Gopal on 20th will be recorded through Journal. These will be recorded in the Cash Book on the dates of their deposit into the Bank.

(2) Since cheque from Prem Mohan has been dishonoured, the discount previously allowed to him would be withdrawn. Entry for discount will be recorded in journal.

Q. 10 (B). Prepare a Two Column Cash Book from the following transactions :—

2025	
May 1	Cash at office ₹720.
	Bank overdraft ₹12,500.
4	Received from Prem Chand a cheque for ₹18,750 in full settlement of his account of ₹19,000. The cheque was banked on the same day.
5	Bought goods and paid by cheque ₹5,000.
6	Narinder settled his account of ₹7,000 by a cheque. This was banked on the same day.
9	Paid to Manohar Lal by a cheque for ₹4,200. Discount received ₹800.
12	Cash sales to date ₹4,000 of which ₹3,000 were banked.
17	Sold old typewriter for cash ₹3,200.
20	Received a cheque for ₹4,000 from Naresh in full settlement of his account of ₹4,600. The cheque is endorsed to Suresh on 24th May in full settlement of his account of ₹4,200.
25	Received a cheque from Hari Prakash for ₹1,500. The cheque is endorsed to Raj Prakash on 27th May; Discount received ₹300.
28	Withdrew from Bank for office use ₹1,000 and for personal use ₹1,000.
29	Withdrew (from office) for payment of private bills ₹4,250.
30	Paid by cheque salaries ₹1,600 and rent ₹1,000.
31	Bank charges as per Pass Book ₹50.

[**Ans.** Cash Balance ₹1,670; Bank Balance (Dr.) ₹2,400.]

Hints : On May 17, To Office Equipment A/c.
On May 20 and on May 25, Cheque received and endorsed will be recorded through Journal.

Q. 11 (A). Enter the following transactions in the Two Column Cash Book of Mr. Mohan:—

2018		₹
Jan. 1	Cash in Hand	2,200
	Cash at Bank	50,000
3	Purchased goods for ₹75,000; Trade Discount 20%; CGST 6%, SGST 6%; Payment made by Cheque	
4	Sold goods for ₹40,000; Trade Discount 15%; IGST 12%; Payment received by Cheque	
5	Received a cheque from Naresh	1,000
8	Cheque received from Naresh endorsed to Suresh in full settlement of his account of ₹1,050	
10	Paid Life Insurance premium of Mr. Mohan	100
13	Received a cheque from Pawan in full settlement of his account of ₹750.	700
16	Pawan's cheque returned dishonoured by bank	—
20	Deposited into Bank, balance of Cash in excess of ₹250	

(KVS 2019)

[**Ans.** Cash Balance ₹250; Bank Balance ₹22,730.]

Hints : (1) Receipt and endorsement of Cheque will be recorded through Journal.
(2) On 20th January the amount of Cash deposited into bank will be ₹1,850.

Q. 11 (B). Enter the following transactions in a Two Columnar Cash Book :—

2024		₹
Dec. 1	Started business with cash	5,00,000
2	Pays into Bank	2,80,000
3	Purchased goods for ₹1,00,000; IGST 18%; Payment made by Cheque	
4	Sold goods for ₹1,50,000; Trade Discount 20%; IGST 18%; Payment received by Cheque	
5	Withdrew cash from bank for private use	50,000
12	Sold goods to Kamla : IGST @ 18%	2,00,000
14	Received cheque from Kamla	1,48,000
	Discount allowed	2,000
16	Kamla's cheque endorsed to Bala in full settlement of her account of ₹1,51,000	
29	Paid rent by cheque	10,000
30	Deposited into bank, balance of cash in excess of	25,000

[**Ans.** Cash Balance (Dr.) ₹25,000; Bank Balance (Dr.) ₹4,38,600. Excess Cash deposited into Bank on 30th December ₹1,95,000.]

Hints :

(1) Receipt and endorsement of Cheque of ₹1,48,000 will be recorded through Journal Proper.

Q. 12. Enter the following transactions in the Cash Book with Cash and Bank Columns :—

2023	
June 1	Balance of Cash in Hand ₹12,000; Overdraft at Bank ₹1,500.
2	Deposited into Bank ₹10,000.
	Sold goods for Cash ₹28,000 and paid half the proceeds into Bank.
3	Purchased goods for ₹7,000 from Manoj & Co. on Credit.
5	Received a Money Order from Suresh ₹500.
8	Received ₹2,800 from Govind. Paid ₹1,000 into Bank.
10	Received a cheque for ₹7,600 from Subhash in full settlement of ₹8,000 due from him.
12	Settled the account of Manoj & Co. by payment of ₹6,600 half Cash and half by cheque.
13	Cheque received from Subhash deposited into Bank.
15	Paid for purchase of Machinery by cheque ₹20,000.
16	Paid wages for the erection of above Machinery ₹1,000.
17	Cheque issued for ₹6,000 in favour of Sachdeva & Co. for purchase of furniture.
20	Purchased goods from Kalpna Garments for ₹10,500 on credit.
	Received a Bank Draft for ₹4,800 from Damodar & Co. in full settlement of ₹5,000 due from them. Sent the draft to bank.
24	Bank issued a draft for ₹10,000 in favour of Kalpna Garments on our request. Bank charged ₹25 for issuing the draft. Account of Kalpna Garments was fully settled.
26	Drew from bank for petty cash ₹100.
28	Paid salary by cheque ₹6,000.
30	Bank Charges ₹50 and Interest ₹1,620 charged by bank.
	Deposited into bank the entire balance after retaining ₹4,000 at office.

[**Ans.** Cash Balance ₹4,000; Bank Overdraft ₹1,195. Excess cash deposited into bank on 30th June ₹10,000.]

Hints : June 2, To Sales (₹14,000 will be recorded in cash column and ₹14,000 in bank column)

June 5, To Suresh (₹500 in Cash Column)

June 8, To Govind (₹1,800 will be recorded in cash column and ₹1,000 in bank column)

June 10, Receipt of Cheque from Subhash will be recorded through Journal Proper.

June 13, To Cheques in Hand A/c (₹7,600 in Bank Column)

June 16, By Machinery (₹1,000 in Cash column)

June 26, By Petty Cash (₹100 in Bank column only)

Q. 13 (A). Prepare a Cash Book with Cash and Bank Columns from the following transactions :—

2025	
March 1	Cash in hand ₹18,000 and at Bank ₹1,10,000.
5	Received a cheque for commission ₹39,600. Cheque was immediately deposited into bank.

7	Bought goods for cheque ₹70,000.
8	Bought goods for cash ₹5,000.
10	Purchased a Computer and payment made by cheque of ₹50,000.
14	Paid Trade Expenses ₹1,050.
16	Paid into Bank ₹10,000.
18	Ramesh who owed us ₹5,000 became bankrupt and paid us 50 paise in a ₹.
20	Received ₹4,000 from Manohar and allowed him discount ₹100.
23	Withdrew from Bank ₹4,000.
23	Paid ₹3,000 to Ghanshyam Dass & Co. They allowed us discount ₹100.
24	Received ₹20,000 from Hari Ram and deposited the same into Bank.
25	Withdrew from Bank for private expenses ₹3,000.
27	Sold goods for cash ₹2,000.
28	Received cheque for goods sold ₹90,000.
29	Received repayment of a loan of ₹50,000 and deposited ₹30,000 out of it into Bank.
30	Bank charges as per Pass Book ₹50.

[**Ans.** Cash in hand ₹31,450; Bank Balance ₹1,72,550.]

Hint : On 18th March : the amount of bad debts will not be recorded in the Cash Book.

On 28th March : It will be assumed that the cheque has been deposited into the bank on the same day.

Q. 13 (B). From the following transactions, prepare Cash Book with Cash and Bank Columns :—

2024		₹
May 1	Cash in hand	4,800
	Bank Overdraft	30,400
2	Fresh Capital introduced	20,000
3	Deposited into Bank	15,000
4	Sold goods to Mahesh on Credit	6,200
5	An amount of ₹4,200 due from Ashok written off as bad debts in the previous year, now recovered.	
6	Withdrew from bank for the payment of Life Insurance Premium	3,000
8	Received a cheque from Mahesh for ₹6,000 in full settlement of his account and deposited the same into the Bank.	
10	Sold goods to Varun on Credit.	30,000
12	Received a cheque for ₹28,000 from Varun in full settlement.	
15	Cheque received from Varun sent to Bank	
18	Varun's cheque returned by Bank dishonoured. Bank charged ₹25 on this cheque.	
20	Received a cheque of ₹6,800 from Vijay which was endorsed to Amrit Raj on 23rd May.	
25	Withdrew cash from Bank ₹5,000 for paying gift to his daughter on her birthday.	
26	Bought goods from Gupta General Store for ₹10,000 on credit and they allowed us trade discount of 25%.	

28	Paid to Gupta General Stores in cash in full settlement	7,000
28	Sale of old machinery, payment received in cash ₹7,700.	
30	Paid Salary by cheque ₹1,500. Paid Rent in cash ₹2,200.	
31	Paid into Current Account the entire balance after retaining ₹5,000 at office.	

[**Ans.** Cash Balance (Dr.) ₹5,000; Bank Overdraft ₹11,425; Excess Cash deposited into Bank on 31st May ₹7,500.]

Hints : May 6th : Life Insurance Premium is treated as Drawings.
May 12th : Entry for receipt of Cheque will be recorded in Journal Proper.
May 15th : To Cheques in Hand A/c (₹28,000 in Bank Column)
May 18th : By Varun (₹28,025 in Bank Column); Entry for discount withdrawn ₹2,000 will be passed through Journal Proper.

Q. 14. Compile a Two Column Cash Book from the following transactions of Divyanshi Enterprises :—

2025	
Feb. 1	Cash in hand ₹5,590; Cash at bank ₹8,000.
3	Received a cheque of ₹5,880 for cash sales. Cheque was immediately deposited into bank.
5	Received two cheques from Kalpna each of ₹10,000.
6	First cheque received from Kalpna is endorsed to Sunita in full settlement of ₹10,200. Second cheque is sent to bank for collection.
8	Second cheque received from Kalpna is returned as dishonoured by the bank. The bank has debited our account with ₹20 as bank charges on this cheque.
10	Received cheque from sale of old furniture ₹1,950. Next day, the cheque is endorsed to a creditor Ramesh in full settlement of ₹2,000 due to him.
12	Purchased goods from Mohan on Credit for ₹8,000.
15	Settled Mohan's account by giving a cheque for ₹4,000 and Cash ₹3,900.
16	Goods sold to Pawan for ₹8,000. He paid the amount in cash immediately after deducting 3% cash discount.
20	Paid salary by cheque ₹4,800.
25	Cash sale to date ₹50,000 of which ₹40,000 banked.
26	Paid electric bill of ₹1,600 for January by cheque. Paid Rent for January ₹2,000.
27	Cash purchases ₹5,600, issued a cheque.
28	Deposited into bank cash retaining ₹7,000.

[**Ans.** Cash in Hand ₹7,000; Cash at Bank ₹48,310. Excess cash deposited into bank on 28th Feb. ₹10,450.]

Hint : Entry for receipt and endorsement of Cheque will be recorded through Journal Proper.

Petty Cash Book

Q. 15. Prepare a Petty Cash Book on the Imprest System from the following :

2025	
April 1	Received ₹10,000 for Petty Cash.

3	Paid Cartage ₹800.
4	Paid Bus Fare ₹400; Speed Post ₹200.
6	Paid for Stationery ₹700.
7	Paid for Courier Services ₹300.
9	Paid for Taxi fare ₹800; Wages ₹300.
10	Paid for Wages ₹400; Charity ₹500.
11	Paid for Newspaper bill ₹600.
12	Paid for soap ₹320; Speed post charges ₹300.
13	Paid for Postage ₹780.
14	Paid for Repairs of Chairs ₹500.
15	Paid for Refreshment to customers ₹900.

[**Ans.** Petty Cash balance ₹2,200. Postage & Courier ₹1,580; Wages ₹700; Conveyance ₹1,200; Cartage ₹800; Stationery ₹700; Miscellaneous Expenses ₹2,820.]

Q. 16. Record the following transactions in a Petty Cash Book with suitable columns. The book is kept on imprest system, amount of imprest being ₹4,000.

2025	
April 1	Petty cash in hand ₹540. Received cash to make-up the imprest. Paid for office cleaning ₹100.
April 4	Paid railway fare ₹320, bus fare ₹280, wages ₹150.
April 5	Bought shorthand note books for office ₹370.
April 7	Paid carriage on parcels ₹150, paid for wages ₹220.
April 10	Bought stamps for ₹300, envelopes for ₹450 and an accounts register for ₹400.
April 12	Paid for repairs ₹200, gave tips to office peon ₹150.
April 13	Gave charity ₹100, served tea to customers ₹250.
April 15	Paid for wages ₹160, rewards to servant ₹100.

[**Ans.** Petty cash balance ₹300. Postage & Courier ₹300; Wages ₹530; Conveyance ₹600; Cartage ₹150; Stationery ₹1,220; Miscellaneous Expenses ₹900.]

Q. 17. Mr. Yadav, the petty cashier of M/s Triputi Traders received ₹10,000 on April 1, 2024 from the Head Cashier. Following were the petty expenses :—

		₹
April 2	Taxi fare	750
3	Refreshments	450
5	Registered postal charges	200
5	Wages	700
8	Auto fare	200
9	Courier charges	150
12	Postal Stamps	600
14	Eraser/Sharpeners/Pencils	400
17	Speed Post charges	200
20	Cartage	600
20	Computer Stationery	500
22	Wages	300

24	Bus fare	600
25	Office Sanitation	800
26	Refreshments	750
28	Loading Charges	300
30	Photostatting Charges	200
30	Wages	800

You are required to prepare a Petty Cash Book.

[**Ans.** Petty cash balance ₹1,500; Postage & Courier ₹1,150; Wages ₹1,800; Conveyance ₹1,550; Cartage ₹900; Stationery ₹900; Miscellaneous Expenses ₹2,200.]