

## Banking Transactions:-

Q6. Pass necessary Journal entries for the following Transactions:

<b>2024</b>		
<b>April 1</b>	<b>Deposited in bank</b>	<b>30,000</b>
<b>April 3</b>	<b>Cash withdrawn from bank</b>	<b>10,000</b>
<b>April 7</b>	<b>Wages paid by cheque</b>	<b>7,000</b>
<b>April 10</b>	<b>Cheque received from Deewan 8,500 and discount allowed to him 500. Cheque is deposited in bank on the same day.</b>	
<b>April 12</b>	<b>As per standing instructions, Bank paid Telephone bill</b>	<b>1,000</b>
<b>April 14</b>	<b>Deewan cheque returned by the bank as dishonoured</b>	
<b>April 16</b>	<b>Charges debited by bank</b>	<b>400</b>
<b>April 17</b>	<b>Goods sold and sale proceeds deposited in bank</b>	<b>8,000</b>
<b>April 19</b>	<b>Bank has paid insurance premium as per our standing instructions</b>	<b>1,800</b>
<b>April 25</b>	<b>Dividend collected by bank</b>	<b>2,500</b>

Solution -

Journal Entries

Date	Particulars	L.F.	Dr.	Cr.
<b>2024</b>				
<b>April 1</b>	Bank A/c .....Dr To Cash A/c (Being amount deposited into bank)		<b>30,000</b>	<b>30,000</b>
<b>April 3</b>	Cash A/c .....Dr To Bank A/c (Being Cash withdrew from bank)		<b>10,000</b>	<b>10,000</b>

April 7	Wages A/c To Bank A/c (Being wages Paid)	....Dr	7,000	7,000
April 10	Bank A/c Discount Allowed A/c To Deewan A/c (Being cheque received from Deewan and deposited into bank)	....Dr ....Dr	8,000 500	9,000
April 12	Telephone Bill A/c To Bank A/c (Being Bank paid telephone bill)	....Dr	1,000	1,000
April 14	Deewan A/c To Bank A/c (Being cheque dishonoured by bank)	.....Dr	8,500	8,500
April 16	Bank Charges A/c To Bank A/c (Being charges debited by bank)	....Dr	400	400
April 17	Bank A/c To Sales A/c (Being goods sold)	....Dr	8,000	8,000

April 19	Insurance Premium A/c To Bank A/c (Being Paid to Mohan in settle of his account)	.....Dr		1,800	1,800
	Bank A/c To Dividend A/c (Being dividend paid by bank)	....Dr		2,500	2,500
April 25					

**Q7. Pass necessary Journal entries for the following transactions:**

<b>2024</b>		
<b>April 1</b>	<b>Deposited in bank for opening a Current Account</b>	<b>10,000</b>
<b>April 2</b>	<b>Withdrawn from bank</b>	<b>5,000</b>
<b>April 5</b>	<b>Received a cheque from Ramesh to whom goods were sold 12,000 last year</b> <b>Allowed him 1% discount on payment</b> <b>Ramesh cheque deposited in bank</b>	
<b>April 7</b>	<b>Ramesh cheque dishonoured (bank charges 20)</b>	
<b>April 9</b>	<b>Ramesh settled his account by issuing cheque including 60 for interest</b>	
<b>April 20</b>	<b>Cash directly deposited by Raja (customer) in bank account</b>	<b>12,080</b>
<b>April 21</b>	<b>Bank draft got issued in favour of M/s Lal &amp; Sons 5,000. Bank charges 700</b>	
<b>April 23</b>	<b>A bill of exchange of 4,000 (due after one month) discounted from bank for 3,800</b> <b>Received a cheque of 1,000 from Shyam after banking hours</b>	<b>8,000</b>
<b>April 28</b>	<b>Goods sold for cash 7,000 and half of the sale proceeds deposited in bank</b>	
<b>April 30</b>		
<b>April 30</b>		<b>2,500</b>

## Solution -

## Journal Entries

Date	Particulars	L.F.	Dr.	Cr.
<b>2024</b>				
<b>April 1</b>	Bank A/c .....Dr To Cash A/c (Being amount deposited into bank)		10,000	10,000
<b>April 2</b>	Cash A/c .....Dr To Bank A/c (Being Withdrew from bank)		5,000	5,000
<b>April 5</b>	Cheque In Hand A/c .....Dr Discount Allowed A/c .....Dr To Ramesh A/c (Being cheque received allowed 1 % cash Discount )		11880 120	12,000
<b>April 7</b>	Bank A/c .....Dr To Cheque In Hand A/c (Being cheque deposited)		11880	11880
<b>April 9</b>	Ramesh A/c .....Dr Bank Charges A/c .....Dr To Bank A/c To Discount Received A/c		12,000 20	11900 120

	(Being cheque dishonoured Cash Discount received bank charged paid )			
April 20	Bank A/c .....Dr To Ramesh A/c (Being Amount received by Ramesh)		12,080	12,080
April 21	Bank A/c .....Dr To Raja A/c (Being Amount directly deposited into bank )		8,000	8,000
April 23	M/s Lal & Son's A/c .....Dr Bank Charges A/c .....Dr To Bank A/c (Being Issue bank draft)		5,000 700	5,700
April 28	Bank A/c .....Dr Discount charges A/c .....Dr To Bill Receivable A/c (Being Bill discounted from bank)		3,800 200	4,000
April 30	Cheque In Hand A/c .....Dr To Shyam A/c (Being cheque received from Shyam)		1000	1000
	Bank A/c .....Dr			

April 30	Cash A/c	....Dr		3,500	
	To Sales A/c			3,500	
	(Being Goods sold half amount deposited into bank)				7,000

Transaction Relating to Goods:-

Q8. Pass necessary Journal entries for the following transaction:

2024		
April 1	Goods withdrawn by owner of 1,000 for personal use.	
April 2	Goods distributed as sample	500
April 3	Goods Given as Charity	300
April 4	Timber used for making office furniture 5,000(Assume that the firm is a timber merchant)	
April 5	Goods destroyed by fire	3,500
April 6	Goods lost in transit	2,000

Solution - Journal Entries

Date	Particulars	L.F.	Dr.	Cr.
2024				
April 1	Drawing A/c	....Dr	1,000	
	To Purchased A/c			1,000

	(Being Goods Withdrawn by Owner)			
April 2	Free Sample A/c To Purchase A/c (Being Goods distributed as sample)	....Dr	500	500
April 3	Charity A/c To Purchase A/c (Being Good given as Charity)	....Dr	300	300
April 4	Furniture A/c To Purchase A/c (Being Timber used for making office furniture)	....Dr	5,000	5,000
April 5	Loss By Fire A/c To Purchase A/c (Being goods destroyed by fire)	....Dr	3,500	3,500
April 6	Loss in Transit A/c To Purchase A/c (Being goods lost in transit)	....Dr	2,000	2,000

**Transactions Relating to Fixed Assets:-**

**Q9. Pass Journal entries for the following transactions:**



<b>2024</b>		
<b>April 1</b>	<b>Paid repairing charges on existing machineries</b>	<b>1,000</b>
<b>April 2</b>	<b>Purchased a new machinery</b>	<b>42,500</b>
<b>April 3</b>	<b>Paid fright and Carriage on machinery</b>	<b>2,500</b>
<b>April 4</b>	<b>Paid installation charges on machinery</b>	<b>5,000</b>
<b>April 5</b>	<b>Purchased a second-hand machinery</b>	<b>18,000</b>
<b>April 6</b>	<b>Paid repairing charges on above machinery</b>	<b>2,500</b>

**Solution -**

**Journal Entries**

<b>Date</b>	<b>Particulars</b>	<b>L.F.</b>	<b>Dr.</b>	<b>Cr.</b>
<b>2024</b>				
<b>April 1</b>	<b>Repair A/c</b> .....Dr <b>To Cash A/c</b> <b>(Being Amount paid for repairing)</b>		<b>1,000</b>	<b>1,000</b>
<b>April 2</b>	<b>Machinery A/c</b> .....Dr <b>To Cash A/c</b> <b>(Being Machinery Purchased)</b>		<b>42,500</b>	<b>42,500</b>
<b>April 3</b>	<b>Machinery A/c</b> .....Dr <b>To Cash A/c</b> <b>(Being amount paid for freight and carriage)</b>		<b>2,500</b>	<b>2,500</b>
<b>April 4</b>	<b>Machinery Charge A/c</b> .....Dr		<b>5,000</b>	

April 5	To Cash A/c (Being amount paid to installation)			5,000
	Machinery A/c .....Dr To Cash A/c (Being old machinery purchased)		18,000	18,000
April 6	Machinery A/c .....Dr To Cash A/c (Being repair amount paid )		2,500	2,500

#### Adjustment Entries:-

Q10. Pass Journal entries for the following adjustment on 31<sup>st</sup> March, 2024:

- I. Interest due but not received 10,000.
- II. Salaries due to staff 50,000.
- III. Out of the rent paid this year, 5,000 are for the next year.
- IV. Provide 10% depreciation on Furniture costing 1, 00,000.
- V. Goods used in making Furniture (Sales Price 5,000 cost 4,000).
- VI. Received commission of 20,000 by cheque, half of which is in advance.
- VII. Allow interest on capital 8,000.
- VIII. Charge interest on Drawings 1,500

Solution -

Journal Entries

Date	Particulars	L.F.	Dr.	Cr.
2024				
1	Accrued Interest A/c .....Dr To Interest received A/c		10,000	10,000

	(Being Interest due but not received)			
2	Salary A/c .....Dr To Outstanding Salary A/c (Being Salary due to staff)		50,000	50,000
3	Prepaid Rent A/c .....Dr To Rent A/c (Being Rent paid prepaid)		5,000	5,000
4	Depreciation A/c .....Dr To Furniture A/c (Being Depreciation provide on furniture)		10,000	10,000
5	Furniture A/c .....Dr To Purchase A/c (Being goods used to making furniture)		4,000	4,000
6	Bank A/c .....Dr To Commission a/c To advance commission a/c (Being Commission Received )		20,000	10,000 10,000

7.	<p>Interest On Capital A/c <span style="float: right;">....Dr</span></p> <p style="padding-left: 40px;">To Capital A/c</p> <p>(Being Allow Interest on capital)</p>		8,000	8,000
8.	<p>Drawing A/c <span style="float: right;">....Dr</span></p> <p style="padding-left: 40px;">To Interest on Drawing</p> <p>(Being Interest on drawing charged)</p>		1,500	1,500