

Q21. Rectify the following errors:

- I. Purchases Book is overcast by 500.
- II. Salary paid to an employee, Mr. Ajay, is debited to his Personal Account 3,000.
- III. Goods sold to Shashi on credit 300 have been wrongly passed through the Purchases Book.
- IV. Total of Returns Inward Book has been added 9 short.
- V. Purchases of Chair from Happy Traders for 35 have been entered in the Purchases Book as 53.

Solution –**Journal Entries**

S.No	Particulars	L.F	Debit	Credit
1	Suspense A/c .....Dr To Purchases A/c (Being Purchased Book over casted, now rectifies)		500	500
2	Salaries A/c ....Dr To Ajay's A/c (Being salary paid to Ajay, wrongly entered in Ajay personal Account, now rectified)		3,000	3,000
3	Shashi A/c .....Dr To Sales A/c To Purchases A/c (Being material sold to Shashi, wrongly entered in Purchases Book, now rectified)		600	300 300

4	Sales Return A/c To Suspense A/c (Being Sales Account was casted short by 9, now rectified)	.....Dr		9	9
5	Furniture A/c Suspense A/c To Purchase A/c (Being purchase of Chair 35 was recorded in the Purchases Book as 53, Now Rectify)	.....Dr.....Dr		35 18	53

Q22. Mukesh found that the Trial Balance did not agree. He found the following errors:

- I. In the Sales Book for the month of January, total of Page No. 3 was carried forward to Page No. 4 as 1,000 instead of 1,200 and total of Page No. 7 was carried forward to Page No. 8 as 5,600 instead of 5,000.**
- II. Goods returned to Anushka 10,000 were recorded in the Sales Book.**
- III. Bill Receivable for 800 from Riya was Dishonoured and posted to the debit of Allowances Account.**

Solution – Journal Entries

S.No	Particulars	L.F	Debit	Credit

1	<p>Suspense A/c .....Dr</p> <p>To Sales A/c</p> <p>(Being balance of sales book was wrongly carried forward by less, now rectifies)</p>		200	200
	<p>Sales A/c ....Dr</p> <p>To Suspense A/c</p> <p>(Being balance of sales book was wrongly carried forward by more amount, now rectified)</p>		600	600
2	<p>Sales A/c .....Dr</p> <p>To Purchase Returns A/c</p> <p>(Being Purchases returned wrongly posted in Sales book, now rectified)</p>		10,000	10,000
3	<p>Riya's A/c .....Dr</p> <p>To Allowances A/c</p> <p>(Being Bill dishonoured wrongly posted to the debit of allowance A/c, now rectified)</p>		800	800

Q23. Pass the rectifying entries for the following:

- I. Sales of goods 6,000 to Madan were recorded as 600 in the Sales Book.

- II. Credit purchase of goods from Mohan amounting to 2,000 has been wrongly passed through the Sales Book.
- III. Return of goods worth 500 by a customer was entered in 'Purchases Return Book'.
- IV. Cheque of 400 received from Ranjan was dishonoured and debited to the Discount Account.
- V. Bill for 820 received from Ramesh for repair of machinery was entered in the Purchases Book as 720.

Solution –

Journal Entries

S.No	Particulars	L.F	Debit	Credit
1	Madan's A/c .....Dr To Sales A/c (Being goods sold to Mohan of 6,000 was wrongly entered as 600, now rectifies)		5,400	5,400
2	Sales A/c .....Dr Purchases A/c .....Dr To Mohan's A/c (Being Goods purchases on credit basis from Mohan, wrongly recorded in the Sales Book, now rectified)		2,000 2,000	4,000
3	Sales Return A/c .....Dr Purchases Return A/c .....Dr To Customer A/c (Being Sales return was entered wrongly entered in Purchases Return Book, now rectified)		500 500	1000

4	Rajan's A/c To Discount A/c (Being Discount account was wrongly debited instead of dishonour of Rajan's cheque, now rectified)	.....Dr		400	400
5	Repair A/c To Purchase A/c To Suspense A/c (Being Repair 820 was recorded wrongly to Purchases Book, Now Rectify)	.....Dr		820	720 100

Q24. Give the rectifying Journal entries for the following errors:

- I. Sales of goods to Madan 6,000 were entered in the Sales Book as 600.
- II. Credit purchase of 1,500 from Ajay has been wrongly passed through the Sales Book.
- III. Repairs to Building 300 were debited to Building Account.
- IV. 2,050 paid to Rohit are posted to the debit of Mohit's Account as 5,020.
- V. Purchases Return Book is overcastted by 400.

Solution – Journal Entries

S.No	Particulars	L.F	Debit	Credit
1	Madan's A/c To Sales A/c (Being Good sold to Madan of 6,000 was wrongly entered as 600, now rectifies)	.....Dr	5,400	5,400

2	Purchases A/c .....Dr Sales A/c .....Dr To Ajay's A/c (Being Good purchased from Mr. Ajay was wrongly entered in Sales Book, now rectified)		1,500 1,500	3,000
3	Repair A/c .....Dr To Building A/c (Being Building Account wrongly debited instead of Repair account, now rectified)		300	300
4	Rohit's A/c .....Dr Suspense A/c .....Dr To Mohit's A/c (Being amount paid to Rohit was wrongly debited in Mohit's Account as 5,020, now rectified)		2,050 2,970	5,020
5	Purchase Return A/c .....Dr To Suspense A/c (Being Purchase Return Book was over credited, Now Rectify)		400	400

Q25. Give rectifying entries for the following:

- I. 5,400 received from Mr. A were posted to the debit of his account.

- II. The total of Sales Return Book overcastted by 800.
- III. 2,740 paid for repairs to motor car were debited to Motor Car Account as 1,740.
- IV. Returned goods to Shyam 1,500 were passed through Returns Inward Book.

Solution – Journal Entries

S.No	Particulars	L.F	Debit	Credit
1	Suspense A/c .....Dr To Mr.A's A/c (Being amount received from Mr.A, wrongly debited to his Account now rectifies)		10,800	10,800
2	Suspense A/c ....Dr To Sales Return A/c (Being Sales Return Book was over Debited, now rectified)		800	800
3	Repair A/c ....Dr To Motor Car A/c To Suspense A/c (Being motor car account wrongly debited instead off Repairs of Motor Cars, now rectified)		2,740	1,740 1,000
4	Shyam's A/c .....Dr To Return Inward A/c		3,000	1,500

	To Return Outward A/c (Being Return Outward to Shyam was wrongly recorded in the Return Inwards Book, now rectified)			1,500
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Q26. Pass Journal entries rectifying the following errors:

- I. A cheque for 10,000 was received from Ranjan on which 200 Cash Discount was allowed. The cheque was not honoured on due date and the amount of discount was credited to Discount Received Account.**
- II. 2,000 paid as wages for machinery installation was debited to Wages Account.**
- III. 5,000 received from Rakesh were credited to his Personal Account. The amount had been written off as bad debts earlier.**
- IV. Repair bill of machinery was recorded as 100 against the bill amount of 1,000.**

Solution – Journal Entries

S.No	Particulars	L.F	Debit	Credit
1	Discount Received A/c .....Dr To Discount Allowed A/c		200	200

	(Being Discount Received Account was wrongly credited instead of crediting Discount Allowed Account, now rectifies)			
2	Machinery A/c .....Dr To Wages A/c (Being wages account wrongly debited instead of Machinery account, now rectified)		2,000	2,000
3	Rakesh A/c .....Dr To Bad Debt Recovered A/c (Being amount received from Rakesh was wrongly credited to Rakesh's Account was previously written off as Bad debt, now rectified)		5,000	5,000
4	Repair A/c .....Dr To Cash A/c (Being Repair account under casted by 900, now rectified)		900	900

Q27. Rectify the following errors:

- I. Sales Book has been totalled 1,000 short.**
- II. Goods worth 1,500 returned by Green & Co. have not been recorded anywhere.**
- III. Goods Purchased worth 2,500 have been posted to the debit of the supplier, Gupta & Co.**

- IV. Furniture purchased from Gulab & Co worth 10,000 has been entered in purchase book
- V. Cash received from A 2,500 has not been posted in his account.

Solution -

Journal Entries

S.No	Particulars	L.F	Debit	Credit
1	Suspense A/c .....Dr To Sales A/c (Being Sales Book was under credited by 1,000, now rectifies)		1,000	1,000
2	Sales Return A/c .....Dr To Green & Co. A/c (Being Sales return by Green & Co. was not recorded, now rectified)		1,500	1,500
3	Suspense A/c ....Dr To Gupta & Co. A/c (Being material purchased from Gupta & Co. was wrongly debited to his account 2,500, now rectified)		5,000	5,000
4	Furniture A/c .....Dr To Purchases A/c (Being Furniture Purchased worth 10,000 wrongly debited in purchases account, now rectified)		10,000	10,000

5	<div style="display: flex; justify-content: space-between;"> <div>Suspense A/c</div> <div>.....Dr</div> </div> <div style="margin-top: 10px;"> <div style="display: flex; justify-content: space-between;"> <div>To A's A/c</div> <div></div> </div> <div>(Being amount received from Mr. A was not posted to his account, Now Rectify)</div> </div>		2,500	2,500
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Q28. Pass Journal entries to rectify the errors in the following cases:

- I. A purchase of goods from David amounting to 150 has been wrongly passed through the Sales Book.
- II. A credit sale of goods of 120 to peter has been wrongly passed through the Purchases Book.
- III. 200, salary paid to Cashier, Bimal, stand wrongly debited to his Personal Account.
- IV. A credit sale of 4,230 to Krishan entered as purchase from Kishan 4,320.
- V. Ramesh's Account was credited with 840 twice instead of once.

Solution – Journal Entries

S.No	Particulars	L.F	Debit	Credit
1	<div style="display: flex; justify-content: space-between;"> <div>Purchases A/c</div> <div>.....Dr</div> </div> <div style="margin-top: 10px;"> <div style="display: flex; justify-content: space-between;"> <div>Sales A/c</div> <div>....Dr</div> </div> <div>To David's A/c</div> <div>(Being goods Purchased from David was wrongly entered in Sales Book, now rectified)</div> </div>		150 150	300
2	<div style="display: flex; justify-content: space-between;"> <div>Peter's A/c</div> <div>....Dr</div> </div> <div style="margin-top: 10px;"> <div style="display: flex; justify-content: space-between;"> <div>To Sales A/c</div> <div></div> </div> <div>To Purchases A/c</div> </div>		240	120 120

	(Being sale of goods to Peter was wrongly passed through Purchases Book, now rectified)			
3	Salaries A/c .....Dr To Cash A/c (Being salary paid to cashier, now rectified)		200	200
4	Krishan's A/c .....Dr Kishan's A/c .....Dr To Sales A/c To Purchases A/c (Being Goods sold to Krishan wrongly recorded as purchases from Kishan with a incorrect amount, now rectified)		4,230 4,320	4,230 4,320
5	Ramesh A/c .....Dr To Suspense A/c (Being amount of 840 credited to Ramesh account two times, Now Rectify)		840	840

Q29. (i) What are the different causes that make a Trial Balance incorrect?

(ii) Pass the rectifying Journal entries:

- a. A credit sale of goods for 2,500 to Krishna has been wrongly passed through the Purchases Book.
- b. 5,000 paid for freight on machinery purchased was debited to the Freight Account as 500.
- c. The Returns Inward Book has been wrongly overcastted by 100.

- d. An amount of 500 due from Ramesh which had been written off as bad debt in previous year was recovered and had been posted to the Personal Account of Ramesh.
- e. A sum of 460 owed by Hari has not been included in the list of debtors.

Solution – Journal Entries

S.No	Particulars	L.F	Debit	Credit
1	Krishna's A/c .....Dr To Sales A/c To Purchases A/c (Being goods Sold on credit basis to Krishna was wrongly posted in Purchases Book, now rectifies)		5,000	2,500 2,500
2	Machinery A/c .....Dr To Freight A/c To Suspense A/c (Being furniture purchases for office use wrongly recorded in purchase book, now rectified)		5,000	500 4,500
3	Suspense A/c .....Dr To Return Inwards A/c (Being Return Inwards Book was over debited, now rectified)		100	100
4	Ramesh's A/c .....Dr To Bad Debt Recovered A/c		500	500

	(Being amount received 500 which previously written off as Bad debt wrongly credited to Ramesh Account, now rectified)			
5	Sundry Debtors A/c .....Dr To Hari's A/c (Being Harish's which was not in the List of Sundry Debtors, Now Rectify)		460	460

Q30. Rectify the following errors:

- I. Wages paid for the construction of office debited to the Wages Account 5,000.
- II. Machinery purchased for 35,000 was passed through the Purchases Book.
- III. Old Furniture sold for 1,000 passed through the Sales Book.
- IV. 2,000 paid to Mehta Bros. against acceptance were debited to Malhotra Bros. account.
- V. Sales of 204 to Ram debited to his account as 402 and purchases of 1,012 from Shyam credited to his account as 1,210.

Solution – Journal Entries

S.No	Particulars	L.F	Debit	Credit
1	Building A/c .....Dr To Wages A/c (Being Wages account wrongly debited, now rectifies)		5,000	5,000
2	Machinery A/c ....Dr To Purchases A/c		35,000	35,000

	(Being Machinery purchased wrongly debited to purchases, now rectified)			
3	<p>Sales A/c .....Dr</p> <p>To Furniture A/c</p> <p>(Being old furniture was sold wrongly entered in Sales account, now rectified)</p>		1,000	1,000
4	<p>Bills Payable A/c .....Dr</p> <p>To Malhotra Bros A/c</p> <p>(Being amount received from Mr. Mehta Bros was wrongly debited to Malhotra Bros, now rectified)</p>		2,000	2,000
5	<p>Shyam's A/c .....Dr</p> <p>To Ram's A/c</p> <p>(Being good sold to Ram of 204 was debited to his account as 402 and Purchase from Shyam 1,012 was Credited to his account as 1,210, Now Rectify)</p>		198	198