

QI) Journalise the following transactions:

- 1) Sold goods for Rs.10,000.
- 2) Sold goods to Sachin for Rs.20,000.
- 3) Sold goods to Amit for Rs.30,000 and payment made by cheque.
- 4) Sold goods to Atul of the list price of Rs.30,000 at a trade discount of 10%.
- 5) Sold goods to Sunil of the list price of Rs.1,25,000 less 20% trade discount and received a cheque under a cash discount of 2%.
- 6) Sold goods to Sahil of the list price of Rs.1,25,000 less 20% trade discount and 2% cash discount and paid 40% by cheque.
- 7) Sold goods costing Rs.40,000 to Anita for cash at a profit of 25% on cost less 20% trade discount and charged 8% sales tax and paid cartage Rs.100 (not to be charged from customer)
- 8) Sold goods costing Rs.40,000 to Anil at a profit of 20% on sales less 20% trade discount and charged 8% sales tax and paid cartage Rs.100(to be charged from customer)
- 9) Sachin rejected and returned 10% of goods.
- 10) Bought goods of the list price of Rs.2,50,000 from Mohan less 20% trade discount and 2% cash discount and paid 40% by cheque.
- 11) Purchased machinery from Rajiv for Rs.5,000 and paid him by means of a bank draft purchased from bank for Rs.5020.
- 12) Paid rent of building Rs.12,000. Half of the building is used by the proprietor for residential use.
- 13) Paid life insurance premium Rs.2,000.
- 14) Charge depreciation on furniture @10% p.a. for one month(furniture Rs.12,000).
- 15) Provide interest on capital (Rs.60,000) at 15% p.a. for six months.
- 16) Charge interest on drawings (Rs.10,000) at 18% p.a. for six months.
- 17) Brokerage due to us Rs.500.
- 18) Proprietor withdrew for private use Rs.1,000 from office and Rs.800 from bank.
- 19) Purchased a cow for business Rs.20,000.
- 20) Paid Rs.250 in cash as wages on installation of a machinery.

QII) Pass the opening entry in the journal of Ram(as on 1<sup>st</sup> April 2011)

	Rs.
Cash in hand :	1,000
Cash at Bank:	5,000
Stock:	20,000
Land and building:	1,00,000
Plant and machinery:	50,000
Furniture and fixtures:	25,000

Owings from X Ltd:	12,500
Prepaid insurance:	500
Interest received in advance:	250
Loan from Y Ltd:	10,000
Owing to Z Ltd:	3,750

QIII) Write up the following transactions in the journal of Ashok Furnitures and post them to the ledger. Also prepare a trial balance.

January 2008	Amount Rs.
1 Started business with cash	4,00,000
2 Deposited into bank	3,50,000
10 Purchased machinery (issued a cheque for the same)	1,00,000
10 Paid installation charges for machinery	2,000
20 Purchased timber from Singh & Co. at the list price of Rs.20,000. He allows 10% trade discount.	
25 Timber costing Rs.5,000 was used for furnishing the office.	
31 Sold furniture to Rakesh on the list price of Rs.10,000 and allowed him 10% trade discount.	

QIV) What is a journal? Give its importance.

QV) Explain giving an example the meaning of compound entry.

QVI) What is meant by posting?

QVII) Why is ledger called the Book of Final Entry?

QVIII) Explain the utility of ledger.

QIX) Differentiate between ledger and journal.