

ACCOUNTS

BOOKS - SULTAN CHAND & SONS ACCOUNTS (HINGLISH)

LEDGER

Example

1. On 1st April, 2019, Ankit paid to Sohan by cheque ₹9,600 in full sattlement of ₹ 10,000.

Pass Journal entry and post it into Ledger
Account in the books of Ankit.

	JOURNAL				(Page 81)		
Date		Particulars			L.F.	Dr. (₹)	Cr. (₹)
2019							48.7
April	1	Sohan	•	Dr.	28	10,000	
		To Bank A/c			20		9,600
		To Discount Received A/c			21		400
		(Being the cheque issued to Sohan i	n full settlement)				

- (i) In the above entry, Sohan has been debited with Bank Account and Discount Received Account . So, in ledger, Sohan's Account will be debited with ₹9,600 as " To Bank A/c and with ₹400 as "To Discount Received A/c".
- (ii) Bank Account has been credited with Sohan. So, in the ledger, Bank Account will be credited with ₹9,600 as " By Sohan".
- (iii) Discount Received Account has been

credited with Sohan. So, in the ledger,
Discount Received Account will be credited
₹400 as " By Sohan ".



View Text Solution

Illustratio

1. Pass the Opening Entry on 1st April, 2019 on the basis of the following information taken from the books of Raman. Also, post the

opening entry.

₹

Cash in Hand 20,000

Sundry Debtor 60,000

Stock of Goods 40,000

Input IGST Account 15,000

Input SGST Account 5,000

Plant 50,000

Land and Building 1,00,000

Sundry Creditors 1,00,000



View Text Solution

2. Journalise the following transactions and post them into the Ledger:

2019 April 1	Ramesh started business with cash	1,00,000
April 2	Paid into bank	70,000
April 3	Bought goods for cash	5,00
April 4	Drew cash from bank for office	1,00
April 13	Sold to Krishna goods on credit	1,50
oril 20	Bought goods from Shyam on credit	2,2
oril 24	Received from Krishna	1,5
pril 28	Paid Cash to Shyam	2,1
·p··· = -	Discount allowed by him	8.
pril 30	Cash sales for the month	0,
pril 30	Paid Rent	3
pril 30	Paid Salary to Ram	1 3



3. Journalise the following transactions for Kamal, Delhi for April, 2019, post them in Ledger Accounts and balance them:

2019			₹
April	1	Kamal started business with cash*	1,00,000
April	2	Bought goods for cash	30,000
April	3	Opened Bank Account with cash*	50,000
April	4	Sold goods for cash	40,000
April	7	Bought goods from Surya, Kanpur (UP) on credit	30,000
April	10	Sold goods to Rakesh, Delhi on credit	25,000
April	15	Purchased Machinery costing ₹ 20,000 from Rahul Bros., Faridabad (Haryana) and	
		payment is made by cheque	
April	19	Paid to Surya in cash on account*	20,000
April	21	Received loan from Anil and deposited the same into bank*	8,000
April	23	Goods returned to Surya	5,000
April	26	Withdrew from bank for personal use*	5,000
April	27	Paid to Surya by cheque in full settlement*	7,500
April	29		10,000
April	30	Purchased stationery for cash	500

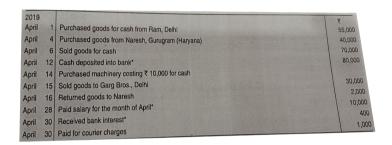
CGST and SGST is levied @ 6% each on intrastate transaction and IGST @ 12% on interstate transactions.

GST is not leived on transaction maked with (*).



4. Ashok of Delhi started business on 1st April ,2019 with Machinery of ₹ 4,00,000 and Furniture of ₹1,00,000. He purchased these assets from Delhi and paid by cheque from his

Savings Account. He introduced capital of ₹
1,00,000 in case. Journalise the following
transactions for the month of April, prepare
the Ledger Accounts and balance them:



CGST and SGST is levied @ 6% each on intrastate transaction and @ 12% on inter-state transactions marked with (*).



Higher Order Thinking Skills Hots Questions

1. What is the meaning of Ledger?



View Text Solution

2. Name the category of account that is not balanced.



3. What is meant by balancing an account?



4. Name the category of account that are balanced.



5. Which account should be debited, if wages are paid for installation of a machine?

Multiple Choice Questions Mcqs

- 1. Ledger is called a book of
 - A. primary entry
 - B. secondary entry
 - C. final entry
 - D. None of these

Answer: c

2. Ledger Account is prepared from

A. events

B. transactions

C. Journals

D. None of these

Answer: c



3. Trail Balace shows

A. both debit and credit balances

B. only debit balance

C. only credit balance

D. None of these

Answer: a



4. Business transactions are recorded

A. in chronological order

B. weekly

C. at the end of the month

D. Any of these

Answer: a



5. Ledger is a book in which

A. Real and Nominal Accounts are maintained

B. Real and Personal Accounts are maintained

C. Real, Personal and Nominal Accounts are maintained

D. None of the above.

Answer: c

6. When total of debit side of an account exceeds the total of its credit side, the account is said to have

A. credit balance

B. Debit balance

C. debit as well as credit balance

D. None of the above.

Answer: b

7. The process of transferring the accounts from the Journal to the ledger is called

A. Journalising

B. Posting.

C. Balancing.

D. Costing.

Answer: b



View Text Solution

Short Answer Type Questions

1. What is an Account?



View Text Solution

2. What are the two sides on an account called

?



3. Write a short note on 'balancing an account

'. Explain by balancing a Cash Account.



4. What is the object of preparing an account



View Text Solution

5. What is ledger?



6. What do you mean by posting?



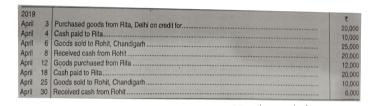
7. What is a Trial Balance?



View Text Solution

Practical Problems

1. On 1st April, 2019, Mohit, Delhi started business with a capital of ₹50,000. He made the following transaction during the month of April:



You are required to journalise the above transactions and show the respective Ledger accounts.



2. Suresh, Kanpur commenced business on 1st January, 2019 introducing capital in cash ₹ 1,00,000. His other transactions during the month were as follows:



Enter the above transactions in his books of accounts.



3. Following balances appeared in the books of Ashok, Delhi on 1st April, 2019:

Assets : Cash ₹ 50,000,Stock ₹ 30,000, Machinery ₹ 60,000.

Liabilities : Creditor- Rajest ₹ 30,000.

The following transactions took place in April,

2019:

2019			₹
April	4	Sold goods for cash	7.000
April	6	Goods returned by Ram, Delhi	1.000
April	10	Purchased goods from Rajesh, Jaipur (Rajasthan) of list price ₹ 10,000 for	9,000
April	15	Bought goods of list price of ₹ 15,000 from Rakesh, Kolkata less 10% trade	
		discount and 5% cash discount and paid 40% of amount immediately	
April	20	Paid to Rajesh in full settlement of his account*	38,600
April	25	Paid for the life insurance premium of the proprietor*	50
April	30	Received commission (including CGST and SGST @ 6% each)	2,00

CGST and SGST @ 6% each is levied on intrastate transactions nad IGST is levied @ 12% on inter-state transactions. Transactions maked with (*) are not subject ot levy of GST.

Pass Journal entries for the above transactions, post them into the Ledger and prepare the Trial Balance on 30th April, 2019.



View Text Solution

4. On 1st April, 2019, the following were Ledger balances of M/s Ram& Co., Delhi:

Cash in Hand ₹300, Cash at Bank ₹7,000, Bills

Payable ₹ 1,000 ,Zahir (Dr.) ₹800, Stock ₹4,000 ,

Gobind (Cr.) ₹2,000, Sharma (Dr.) ₹ 1,500,

Rahul (Cr.) ₹ 900 ,Capital ₹ 9,700.

Transactions during the month of April ,2019

were:

2019			
April	2	Bought goods from Cobing Dolls	₹
April	- 3	Bought goods from Gobind, Delhi	900
April	5		1,000
April	8	Bought goods from Rahul, Delhi	1,200
April	15	Sold goods to Zahir, KolkataPaid Gobind by cheque on account*	500
April	18	Received from Sharma a cheque of	1,500
	- 1	Allowed him discount*	50
April	20	Sold goods to Sharma, Kanpur	806
April	20	Paid rent by cheque	200
April	25	Sold goods to Zahir, Kolkata	1,00
Anril	30	Paid salaries in cash*	30

Inter-state transactions are subjected to levy of IGST @12% and Intra-state transaction are subjected to levy of CGST and SGST @ 6% each. GST is not levied on transaction marked with (*).

Post the above transactions to the Ledger and prepare the Trial Balance on 30th April, 2019

5. Journalise the following transactions in the book of Shri Manoj, Kolkata are prepared Ledger Accounts:

Opening Debit Balances:

Cash in Hand ₹ 15,000, Cash at Bank ₹ 55,000,

Stock ₹ 28,000, Debtor ₹ 25,000 (Sunil ₹ 5,000,

Abhay ₹ 10,000 and Alok ₹ 10,000), Fixed Asset:

Computer and Printer ₹ 50,000, Furniture ₹

10,000, Delivery Van ₹ 25,000.

Opening Credit Balances:

Bank Loan ₹ 90,000, Salaries Outstanding ₹ 15,000, Creditor ₹ 20,000, Bills Payable ₹ 10,000, Capital ₹ 73,000.

Transaction for the month of April, 2019 were:

(i) Purchased goods from M/s Prabhat

Electricals, Delhi ₹ 10,000 less 10% Trade

Discount. Cheque was issued immediately and availed 2% Cash Discount on purchase price.

(iii) Cheque was received from Abhay for the balance due*.

balance allowind him discount of 2%*.

(ii) Cheque was received from Abhay for the

(iv) Sunil was unable to pay the full dues and

offered to pay 75%, which was accepted. Cheque was dully received*. (v) Gave goods costing ₹ 1,000 as charity. These goods were purchased in Kolkata. (vi) In a competition held by the RWA where the shop is located on electric iron costing ₹ 500 was given as an award. It had been purchased from Prabhat Electricals, Delhi. (vii) A debt of ₹ 10,000 that was written off as bad debt in the past was received * (viii) Salaries amounting to ₹ 15,000 provided in the books for the months of March, 2019 were paid through cheque*.

Sales for the months were: Cash Sales ₹

15,00,000 (Intra-state) and Credit Sales ₹

3,00,000 (Inter-state) ₹ 9,00,000.

Cheque Received from Debtors ₹ 2,00,000,

Deposited Cash ₹ 15,00,000.

(xi) Paid to creditors through cheques ₹

8,90,000*.

(xii) Bank Loan repaid during the month ₹ 20,000*.

Inter-state transactions are subject to levy of IGST @ 12% and Intra- state transaction are subjected to levy of CGST and SGST @ 6%

each. GST is not levied on transaction marked with (*).

