

Career Jyoti Education No.1 Computer Institute

JOURNAL ENTRIES

1 Ashok starts business with Rs. 1,00,000

Cash A/c	Dr	1,00,000
To Capital A/c		1,00,000

2 Purchased Machinery ₹50,000 and Furniture ₹20,000 (Cash)

Machinery A/c	Dr	50,000
Furniture A/c	Dr	20,000
To Cash A/c		70,000

3 Paid rent ₹1,000

Rent A/c	Dr	1,000
To Cash A/c		1,000

4 Deposited ₹10,000 in Bank

Bank A/c	Dr	10,000
To Cash A/c		10,000

5 Purchased goods ₹20,000 from Mr. Ram (Credit)

Purchase A/c	Dr	20,000
To Mr. Ram A/c		20,000

6 Sold goods to Mr. Rakesh ₹10,000 (Credit)

Career Jyoti Education No.1 Computer Institute

Mr. Rakesh A/c	Dr	10,000
To Sales A/c		10,000

7 Withdraw ₹5,000 from Bank for personal use

Drawings A/c	Dr	5,000
To Bank A/c		5,000

8 Withdraw ₹1,000 from Bank for office use

Cash A/c	Dr	1,000
To Bank A/c		1,000

9 Received cash from Mr. Rakesh

Cash A/c	Dr	10,000
To Mr. Rakesh A/c		10,000

10 Paid to Mr. Ram

Mr. Ram A/c	Dr	20,000
To Cash A/c		20,000

✚ Exam Tip (Short Trick):

- Received → Debit
- Paid → Credit
- Expense → Debit
- Income → Credit

1 Started business with cash ₹2,00,000

Entry

Cash A/c	Dr
To Capital A/c	

Ledger Under:

- Cash → Cash-in-Hand
 - Capital → Capital Account
-

2 Deposited cash into bank ₹50,000

Bank A/c Dr
To Cash A/c

Ledger Under:

- Bank → Bank Accounts
 - Cash → Cash-in-Hand
-

3 Purchased furniture ₹30,000 cash

Furniture A/c Dr
To Cash A/c

Ledger Under:

- Furniture → Fixed Assets
 - Cash → Cash-in-Hand
-

4 Purchased machinery ₹1,00,000 by cheque

Machinery A/c Dr
To Bank A/c

Ledger Under:

- Machinery → Fixed Assets
 - Bank → Bank Accounts
-

5 Paid rent ₹5,000

Rent A/c Dr
To Cash A/c

Ledger Under:

- Rent → Indirect Expenses
 - Cash → Cash-in-Hand
-

6 Paid salary ₹10,000

Salary A/c Dr
To Cash A/c

Ledger Under:

- Salary → Indirect Expenses
 - Cash → Cash-in-Hand
-

7 Purchased goods ₹40,000 from Mr. A (Credit)

Purchase A/c Dr
To Mr. A A/c

Ledger Under:

- Purchase → Purchase Accounts
 - Mr. A → Sundry Creditors
-

8 Sold goods ₹25,000 to Mr. B (Credit)

Mr. B A/c Dr
To Sales A/c

Ledger Under:

- Mr. B → Sundry Debtors
 - Sales → Sales Accounts
-

9 Received cash from Mr. B ₹25,000

Cash A/c Dr
To Mr. B A/c

Ledger Under:

- Cash → Cash-in-Hand
 - Mr. B → Sundry Debtors
-

Career Jyoti Education No.1 Computer Institute

10 Paid cash to Mr. A ₹40,000

Mr. A A/c Dr
To Cash A/c

Ledger Under:

- Mr. A → Sundry Creditors
 - Cash → Cash-in-Hand
-

11 Withdraw cash for personal use ₹8,000

Drawings A/c Dr
To Cash A/c

Ledger Under:

- Drawings → Capital Account
 - Cash → Cash-in-Hand
-

12 Purchased stationery ₹2,000

Stationery A/c Dr
To Cash A/c

Ledger Under:

- Stationery → Indirect Expenses
 - Cash → Cash-in-Hand
-

13 Paid electricity bill ₹3,000

Electricity A/c Dr
To Cash A/c

Ledger Under:

- Electricity → Indirect Expenses
 - Cash → Cash-in-Hand
-

Career Jyoti Education No.1 Computer Institute

14 Received commission ₹4,000

Cash A/c Dr
To Commission Received A/c

Ledger Under:

- Cash → Cash-in-Hand
 - Commission → Indirect Income
-

15 Paid commission ₹2,500

Commission Paid A/c Dr
To Cash A/c

Ledger Under:

- Commission Paid → Indirect Expenses
 - Cash → Cash-in-Hand
-

16 Bought computer ₹45,000

Computer A/c Dr
To Cash A/c

Ledger Under:

- Computer → Fixed Assets
 - Cash → Cash-in-Hand
-

17 Goods returned to Mr. A ₹5,000

Mr. A A/c Dr
To Purchase Return A/c

Ledger Under:

- Mr. A → Sundry Creditors
 - Purchase Return → Purchase Return
-

Career Jyoti Education No.1 Computer Institute

18 Goods returned by Mr. B ₹3,000

Sales Return A/c Dr
To Mr. B A/c

Ledger Under:

- Sales Return → Sales Return
 - Mr. B → Sundry Debtors
-

19 Paid insurance premium ₹6,000

Insurance A/c Dr
To Cash A/c

Ledger Under:

- Insurance → Indirect Expenses
 - Cash → Cash-in-Hand
-

20 Paid carriage inward ₹1,500

Carriage Inward A/c Dr
To Cash A/c

Ledger Under:

- Carriage Inward → Direct Expenses
 - Cash → Cash-in-Hand
-

21 Paid carriage outward ₹1,200

Carriage Outward A/c Dr
To Cash A/c

Ledger Under:

- Carriage Outward → Indirect Expenses
 - Cash → Cash-in-Hand
-

Career Jyoti Education No.1 Computer Institute

22 Received interest ₹2,000

Cash A/c Dr
To Interest Received A/c

Ledger Under:

- Cash → Cash-in-Hand
 - Interest Received → Indirect Income
-

23 Paid interest ₹1,000

Interest Paid A/c Dr
To Cash A/c

Ledger Under:

- Interest Paid → Indirect Expenses
 - Cash → Cash-in-Hand
-

24 Owner brought furniture from home ₹10,000

Furniture A/c Dr
To Capital A/c

Ledger Under:

- Furniture → Fixed Assets
 - Capital → Capital Account
-

25 Cash sales ₹15,000

Cash A/c Dr
To Sales A/c

Ledger Under:

- Cash → Cash-in-Hand
 - Sales → Sales Accounts
-

✓ MASTER REMEMBER TABLE (EXAM GOLD)

Ledger	Group
Cash	Cash-in-Hand
Bank	Bank Accounts
Capital	Capital Account
Drawings	Capital Account
Debtor	Sundry Debtors
Creditor	Sundry Creditors
Assets	Fixed Assets
Expenses	Direct / Indirect
Income	Indirect Income

◆ CAPITAL & CASH (1-15)

1 Started business with cash ₹1,00,000

Cash A/c Dr
To Capital A/c

- Cash → Cash-in-Hand
- Capital → Capital Account

2 Started business with bank ₹2,00,000

- Bank → Bank Accounts
- Capital → Capital Account

3 Additional capital introduced ₹50,000

- Cash → Cash-in-Hand
- Capital → Capital Account

4 Cash withdrawn for personal use ₹5,000

- Drawings → Capital Account
- Cash → Cash-in-Hand

5 Bank withdrawal for personal use ₹10,000

- Drawings → Capital Account
- Bank → Bank Accounts

6 Deposited cash into bank ₹20,000

Career Jyoti Education No.1 Computer Institute

- Bank → Bank Accounts
- Cash → Cash-in-Hand

7 Cash balance brought forward

- Cash → Cash-in-Hand

8 Capital transferred to partner

- Capital → Capital Account

9 Owner brought goods from home ₹3,000

- Purchase → Purchase Account
- Capital → Capital Account

10 Owner brought furniture ₹15,000

- Furniture → Fixed Assets
- Capital → Capital Account

◆ PURCHASE & SALES (16–35)

16 Purchased goods cash ₹25,000

- Purchase → Purchase Account
- Cash → Cash-in-Hand

17 Purchased goods credit from Mr. A ₹40,000

- Purchase → Purchase Account
- Mr. A → Sundry Creditors

18 Sold goods cash ₹30,000

- Cash → Cash-in-Hand
- Sales → Sales Account

19 Sold goods on credit to Mr. B ₹20,000

- Mr. B → Sundry Debtors
- Sales → Sales Account

20 Purchase return to Mr. A ₹5,000

- Mr. A → Sundry Creditors

Career Jyoti Education No.1 Computer Institute

- Purchase Return → Purchase Return

21 Sales return from Mr. B ₹3,000

- Sales Return → Sales Return
- Mr. B → Sundry Debtors

22 Cash discount allowed ₹1,000

- Discount Allowed → Indirect Expenses
- Mr. B → Sundry Debtors

23 Cash discount received ₹800

- Mr. A → Sundry Creditors
- Discount Received → Indirect Income

24 Goods purchased for cash ₹12,000

- Purchase → Purchase Account
- Cash → Cash-in-Hand

25 Goods sold at profit

- Debtor → Sundry Debtors
- Sales → Sales Account

◆ ASSETS (36–55)

36 Purchased furniture ₹20,000 cash

- Furniture → Fixed Assets
- Cash → Cash-in-Hand

37 Purchased machinery ₹50,000 by cheque

- Machinery → Fixed Assets
- Bank → Bank Accounts

38 Purchased computer ₹40,000

- Computer → Fixed Assets
- Cash → Cash-in-Hand

39 Purchased building ₹5,00,000

- Building → Fixed Assets

Career Jyoti Education No.1 Computer Institute

- Bank → Bank Accounts

40 Purchased motor vehicle ₹3,00,000

- Motor Vehicle → Fixed Assets
- Bank → Bank Accounts

41 Depreciation on machinery ₹5,000

- Depreciation → Indirect Expenses
- Machinery → Fixed Assets

42 Sold old furniture ₹8,000

- Cash → Cash-in-Hand
- Furniture → Fixed Assets

43 Repair charges paid ₹2,000

- Repairs → Indirect Expenses
- Cash → Cash-in-Hand

44 Insurance paid on assets ₹6,000

- Insurance → Indirect Expenses
- Cash → Cash-in-Hand

45 Installation charges ₹4,000

- Installation → Fixed Assets
- Cash → Cash-in-Hand

◆ EXPENSES (56–80)

56 Paid rent ₹5,000

- Rent → Indirect Expenses
- Cash → Cash-in-Hand

57 Paid salary ₹15,000

- Salary → Indirect Expenses
- Cash → Cash-in-Hand

58 Paid wages ₹10,000

- Wages → Direct Expenses

Career Jyoti Education No.1 Computer Institute

- Cash → Cash-in-Hand

59 Paid electricity bill ₹3,000

- Electricity → Indirect Expenses
- Cash → Cash-in-Hand

60 Paid water bill ₹1,500

- Water Charges → Indirect Expenses

61 Paid telephone bill ₹2,000

- Telephone → Indirect Expenses

62 Paid internet charges ₹1,200

- Internet → Indirect Expenses

63 Paid advertisement ₹4,000

- Advertisement → Indirect Expenses

64 Paid printing charges ₹1,800

- Printing → Indirect Expenses

65 Paid carriage inward ₹2,500

- Carriage Inward → Direct Expenses

66 Paid carriage outward ₹1,500

- Carriage Outward → Indirect Expenses

67 Paid conveyance ₹900

- Conveyance → Indirect Expenses

68 Paid travelling expenses ₹2,200

- Travelling → Indirect Expenses

69 Paid audit fees ₹6,000

- Audit Fees → Indirect Expenses

70 Paid legal charges ₹3,500

Career Jyoti Education No.1 Computer Institute

- Legal Charges → Indirect Expenses
-

◆ INCOME & RECEIPTS (81–95)

81 Commission received ₹5,000

- Cash → Cash-in-Hand
- Commission Received → Indirect Income

82 Interest received ₹2,000

- Cash → Cash-in-Hand
- Interest Received → Indirect Income

83 Rent received ₹8,000

- Cash → Cash-in-Hand
- Rent Received → Indirect Income

84 Dividend received ₹4,000

- Cash → Cash-in-Hand
- Dividend → Indirect Income

85 Bad debts recovered ₹1,500

- Cash → Cash-in-Hand
- Bad Debts Recovered → Indirect Income

86 Profit on sale of asset ₹3,000

- Cash → Cash-in-Hand
 - Profit on Sale → Indirect Income
-

◆ BANK & PARTIES (96–110)

96 Received cheque from Mr. B ₹20,000

- Bank → Bank Accounts
- Mr. B → Sundry Debtors

97 Paid cheque to Mr. A ₹30,000

- Mr. A → Sundry Creditors

Career Jyoti Education No.1 Computer Institute

- Bank → Bank Accounts

98 Bank charges debited ₹500

- Bank Charges → Indirect Expenses
- Bank → Bank Accounts

99 Interest credited by bank ₹700

- Bank → Bank Accounts
- Interest Received → Indirect Income

100 Loan taken from bank ₹1,00,000

- Bank → Bank Accounts
- Bank Loan → Loans (Liability)

101 Loan repaid ₹20,000

- Bank Loan → Loans
- Bank → Bank Accounts

102 Outstanding salary ₹4,000

- Salary → Indirect Expenses
- Outstanding Salary → Current Liabilities

103 Prepaid rent ₹2,000

- Prepaid Rent → Current Assets
- Rent → Indirect Expenses

104 Accrued income ₹3,000

- Accrued Income → Current Assets
- Income → Indirect Income

105 Bad debts written off ₹2,000

- Bad Debts → Indirect Expenses
- Debtor → Sundry Debtors

106 Provision for bad debts

- PBD → Indirect Expenses
- Provision → Current Liabilities

107 Goods lost by fire ₹5,000

Career Jyoti Education No.1 Computer Institute

- Loss by Fire → Indirect Expenses
- Purchase → Purchase Account

108 Insurance claim received ₹4,000

- Bank → Bank Accounts
- Insurance Claim → Indirect Income

109 Goods given as charity ₹1,000

- Charity → Indirect Expenses
- Purchase → Purchase Account

110 Closing stock recorded

- Closing Stock → Current Assets
- Trading A/c

mnycfe