

Pass Journal Entries for the following transactions and post them into Ledger :—

2012		₹
April 1	Siya Ram commenced business with cash	2,00,000
3	Purchased office furniture for cash	20,000
5	Purchased goods for cash	50,000
8	Purchased goods — from Vishal Trading Co.	25,000
	from Mohan Garments	16,000
		5,000
10	Returned goods to Vishal Trading Co.	
14	Paid cash to Vishal Trading Co. in full settlement of their account, after deducting 5% cash discount	40,000
15	Sold goods for cash	30,000
18	Sold goods to Hero Limited, less 10% Trade Discount	10,000
20	Siya Ram withdrew from business for his personal use —	
	Cash	4,000
	Goods	

## *holiday home work*

21	Paid to Mohan Garments	7,800
	Discount received	200
22	Received from Hero Limited	8,850
	Discount allowed	150
25	Sold goods to Hansraj Ltd. for cash	12,000
28	Purchased goods from Pawan Brothers	24,000
30	Paid for Rent ₹2,000 and Salaries ₹4,000.	



# holiday home work

6.8

ACCOUNTING EQUATIONS

## ILLUSTRATION 4.

Show the effect of the following transactions on Assets, Liabilities and Capital through accounting equation :

	₹
(a) Started business with cash	1,20,000
(b) Rent received	10,000
(c) Invested in shares	50,000
(d) Received dividend	5,000
(e) Purchased goods on credit from Ragani	35,000
(f) Paid cash for household expenses	7,000
(g) Sold goods for cash (costing ₹10,000)	14,000
(h) Cash paid to Ragani	35,000
(i) Deposited into bank	20,000
(Solution on Next Page)	

## ILLUSTRATION 5.

Transactions of M/s Vipin Traders are given below :

Show the effects on Assets, Liabilities and Capital with the help of accounting equation.

	₹
(a) Business started with cash	1,25,000
(b) Purchased goods for cash	50,000
(c) Purchased furniture from R.K. Furniture	10,000
(d) Sold goods to Parul Traders (Costing ₹7,000 vide bill no. 5,674)	9,000
(e) Paid cartage	100
(f) Cash Paid to R.K. Furniture in full settlement	9,700
(g) Cash sales (costing ₹10,000)	12,000
(h) Rent received	4,000
(i) Cash withdrew for personal use	3,000
(Solution on Page 6.10)	

## ILLUSTRATION 6.

Prove that Accounting Equation is satisfied in all the following transactions of Sameer Goel :

- (i) Started business with Cash ₹1,00,000.
- (ii) Paid rent in advance ₹3,000.
- (iii) Purchased goods for cash ₹50,000 and Credit ₹20,000.
- (iv) Sold goods for Cash ₹80,000 costing ₹40,000.
- (v) Paid salary in cash ₹4,500 and salary outstanding ₹1,000.
- (vi) Bought motor cycle for personal use ₹30,000.

(Solution on Page 6.11)