Recording of Transactions: Journal

Meaning of Journal

Journal is the book of original entry in which the transactions and events are recorded in chronological order.

It is called the book of original entry because transaction are recorded at the first occurrence in this book to provide a chronological record of all the transactions in one place.

Journal is the beginning steps of accounting activities. When any financial events is occurred it is recorded in journal in support of ~~eve~~ evidential documents, in every organization a printed format is used to maintain journal entries. Along with journal, evidential documents are attached. The transactions recorded in the journals are later posted to ledger accounts.

Journal is the primary record of daily transactions with duality concept as per date of occurrence, It is called primary recorded as and when every transaction that occurred is firstly recorded in journal.

Objectives of Journals

→ Journal is the primary book of entry so it carries some major objectives in accounting activities of the office.

→ The following are the common objectives of journal:

a. To keep record of every financial transaction of the organization.
b. To maintain financial transaction in systematic manner.
c. To enclose evidential document for every financial transactions.
d. To support for settlement of financial related disputes.
e. To support for preparation of ledger accounts.

Format of General Journal

Journal Entries

Date	Particulars	LF	Dr. Amount	Cr. Amount
	Account to be Debited			
	To account to be Credited			
	(Being - - - - -)			
	Total		XXX	XXX

Explanation of the column

1. First Column (Date):
- The date column is meant for recording the date of transactions on which takes place. In this column the date is written in chronological order.

2. Second column (Particulars):
In this column ~~particul~~ financial transactions are recorded as debit account and credit account. In the first phase, debit account is recorded by mentioning the word Dr. and in second phase credit account is recorded. Besides, it also involves detail narration of financial transactions for understanding the financial event.

3. Third Column (Ledger Folio):
This column involves the page numbers of ledger account where the debit and credit accounts are posted. This column is used when accounts are posted to ledger account from journal.

4. Fourth Column (Debit amount):
This column is used for recording debit amount of the transaction.

5. Fifth Column (Credit amount):
This column is used for recording credit amount of the transaction.

Rule of debit and credit

According to double entry system of accounting, every transactions has two sides, the 'debit' and 'credit'. It indicates that when a transaction occurs or takes place, there will be one account, which receives the benefits and the other which provides the benefit. The account, which receives the benefit or the destination of benefit, is debited and the account ~~provides~~ providing the benefit or the account from which comes the benefit is credited.

Broadly, two bases are taken into consideration for ~~spe~~ separating debit and credit of financial transactions. They are:

* On the basis of type of account
* On the basis of accounting equation.

* <u>On the basis of type of account</u>
Rules of debit and credit were conventionally explained using the types of accounts as the basis. In this method, accounts are classified as personal and impersonal. Impersonal accounts are further divided into Real and Nominal accounts:

1. <u>Personal Accounts</u>
Accounts involving persons, whether natural or artificial are personal accounts. Natural person represents human being. Artificial person represents firms, companies, institutions etc. which do not have a physical form, but work as persons.

Example of personal accounts are debtors account, Creditors account, Bank accounts, Drawing accounts, Prepaid expenses, outstanding expenses etc.

<u>Rule of debit and credit</u>
Debit: The receiver
Credit: The giver

2. Impersonal account

Accounts, which do not involve persons, are impersonal accounts. These may be related to assets, expenses, income, revenue, loss or gains. Impersonal accounts are classified as Real and Nominal accounts.

a. Real Accounts:

All accounts relating to property are real accounts. Basically, such accounts are related with purchasing and disposing assets and properties. The examples of real accounts are cash, plant and machinery, land and building, goodwill and stock etc.

Rule of debit and credit:

Debit: What comes in
Credit: What goes out

b. Nominal Account

All accounts relating to expenses or losses and income or gains are nominal accounts. Such accounts are imaginary in nature. The examples of nominal accounts are rent a/c, salaries a/c, commission a/c, rent a/c etc.

Rule of debit and credit
Debit: All expenses and losses.
Credit: All incomes and gains.

Homework Questions

Journal entries relating to capital

1. Journalize the following transactions of Subash Trading House:

June 1 Started a business with cash and stock of goods amounting to Rs 150,000 and Rs 50,000 respectively.

June 3 Commenced a business with cash of Rs 150,000 and bank balance of Rs 50,000.

June 5 Setup a business with cash, furniture and building of Rs. 150,000, Rs. 15,000 and Rs. 2,50,000 respectively.

Journal Entries in the books of Subash Trading House:

Date	Particulars	LF	Dr. Amount	Cr. Amount
6-1	Cash a/c		150,000	
	Stock a/c		50,000	
	To capital a/c			200000
	(Being business started with cash and stock)			
6-3	Cash a/c		150,000	
	Bank a/c		50,000	
	To capital a/c			200,000
	(Being commenced business with cash and bank balance)			
6-5	Cash a/c		150,000	
	Furniture a/c		15,000	
	Building a/c		250,000	
	To capital a/c			415000
	(Being setup business with cash, furniture & building)			
	Total		815000	815000

Journal entries relating to drawing

2. The following transactions of K&K Inc. are given:

May 6 — withdrawn cash of Rs 3,000 by the owner to pay the school fee of his children.

May 12 — Goods worth Rs 15,000 was taken away by the owner for his domestic purpose.

May 18 — Cash amounting to Rs 30,000, goods worth Rs 3,500 and furniture worth Rs 3,000 were withdrawn by the owner for his personal purpose.

Required: Journal entries in the book of K&K inc.

Journal entries in the book of K&K inc

Date	Particulars	LF	Dr. Amount	Cr. Amount
5-6	Drawing a/c		3,000	
	To cash a/c			3,000
	(Being cash withdrawn by the owner)			
5-12	Drawing a/c		15,000	
	To Purchase a/c (Goods a/c)			15,000
	(Being goods taken by the owner)			
5-18	Drawing a/c		36500	
	To cash a/c			30,000
	To Purchase a/c			3500
	To furniture a/c			3000
	(Being cash, goods and furniture withdrawn by the owner)			

Journal entries relating to purchase and purchase return

8. The following transactions of Lav and Kush Bros. are provided.

Baisakh 1 Purchased goods on cash of Rs 50,000
Baisakh 3 Purchased goods ~~on~~ from Ram of Rs 20,000
Baisakh 7 Purchased goods on credit of Rs 30,000
Baisakh 12 Purchased goods from Subash of Rs 80,000 and paid Rs 20,000 only.
Baisakh 19 Returned goods to Subash of Rs 3500
Baisakh 25 Purchased goods from Rita of Rs 30,000 and paid Rs 10,000 partially.
Baisakh 29 Purchased goods from Sita of Rs 10,000 on cash.

Required: Journal entries in the books of Luv and Kush Bros.

Journal entries in the books of Luv and Kush Bros

Date	Particulars	LF	Dr. Amount	Cr. Amount
1-1	Purchase a/c		50,000	
	To cash a/c			50,000
	(Being goods purchased on cash)			
1-3	Purchase a/c		20,000	
	To Ram a/c			20,000
	(Being goods purchased from Ram)			
1-7	Purchase a/c		30,000	
	To creditors a/c			30,000
	(Being goods purchased on credit)			
1-12	Purchase a/c		80,000	
	To cash a/c			20,000
	To Subash a/c			60,000
	(Being purchase goods and made paital payment)			

1-19	Subash a/c To purchase return a/c (Being goods returned to Subash)		3500	3500
1-25	Purchase a/c To cash a/c To Rita a/c (Being goods purchased and made partial payment)		30,000	10,000 20,000
1-29	Purchase a/c To cash a/c (Being goods purchased from sita)		10,000	10,000
	Total		223500	223500

Journal entries relating to sales and sales return

4. The following transactions of Kuber & Co. are provided:
a) Sold goods of Rs 80,000 on cash.
b) Goods of Rs 15,000 were despatched (sold) to Kabya
c) Sold goods of Rs 30,000 on credit.
d) Returned goods of Rs 15.00 by Kabya.
e) Sold goods to Amit of Rs 30,000 and received a cheque of Rs 5,500 partially.
f) Returned goods of Rs 175 by Amit.
g) Sold goods to Saurav of Rs 10,000 on cash.
h) Sold goods for Rs 25,000 costing Rs 30,000.

Required: Journal entries in the books of Kuber & Co.

Journal entries in the books of Kuber & Co.

SN	Particulars	LF	Dr. Amount	Cr. Amount
a.	Cash a/c		80,000	
	To sales a/c			80,000
	(Being goods sold on cash)			
b.	~~Ka' Cash a/c~~			
	Kabya ~~To~~ a/c		15,000	
	To sales a/c			15,000
	(Being goods sold to Kabya)			
c.	~~Creditors a/c~~			
	Debtors a/c		30,000	
	To sales a/c			30,000
	(Being goods sold on credit)			
d.	Sales return a/c		1500	
	To Kabya a/c			1500
	(Being goods returned by Kabya)			
e.	Bank a/c		5,500	
	Amit a/c		24,500	
	To sales a/c			30,000
	(Being goods sold and partial amount received)			
f.	Sales return a/c		175	
	To Amit ~~A~~ a/c			175
	(Being goods returned by Amit)			
g.	Cash a/c		10,000	
	To sales a/c			10,000
	(Being goods sold to Saurav)			

h.	Cash a/c		25,000	
	To sales a/c			25,000
	(Being goods sold at loss)			
	Total		191675	191675

Journal entries relating to service revenue

5\. You are given the following transactions of Ace Travel Pvt. Ltd.

March 1 Provided transportation service and received cash of Rs 30,000

March 8 Provided transportation service to Himalayan Treks of Rs 40,000.

March 15 Sold airlines tickets to Malla Travels of Rs 200,000 and received Rs 50,000 in cash and Rs 100,000 by cheque and remaining was on credit.

March 25 Cash of Rs 15,000 received from Suraj Travels.

Required: Journal Entries

Journal entries in the books of Ace Travel Pvt. Ltd.

Date	Particulars	LF	Dr. Amount	Cr. Amount
3-1	Cash a/c		30,000	
	To service revenue a/c			30,000
	(Being provided transportation service and received cash)			
3-8	Himalayan Treks a/c		40,000	
	To service revenue a/c			40,000
	(Being provided transportation service to Himalayan Treks)			

3-15	Cash a/c		50,000	
	Bank a/c		100,000	
	Malla Travels a/c		50,000	
	To airlines tickets a/c			200,000
	(Being sold airline tickets and received partial payment)			
3-25	Cash a/c		15,000	
	To Suraj Travels a/c			15,000
	(Being received cash from Suraj Travels)			
	Total		285,000	285,000

Journal entries relating to discount.

6. The following transactions relating to discount are given below:

2020-06-03 Purchased goods of Rs 15,000 at a discount of 10%.

2020-06-08 Purchased goods from Payal for Rs 40,000 at a discount of 10%.

2020-06-18 Sold goods to Rajan of Rs 30,000 at a discount of 10%.

2020-06-20 Sold goods of Rs 50,000 and received cheque after deducting 10% discount

2020-06-202 Issued a cheque of Rs 35,000 to Payal in full settlement.

2020-06-27 Received a cheque of Rs 25,000 from Rajan in full settlement.

2020-06-28 Paid to Hari of Rs 10,000 in full settlement of Rs 11,000.

2020-06-29 Received cash of Rs 20,000 in full settlement to Gita of Rs 22,000.

2020-06-30 Paid Rs 5,400 to Hari after deducting 10% discount.

Required: Journal entries.

Journal entries in the books of ....

Date	Particulars	LF	Dr. Amount	Cr. Amount
2020-06-03	Purchase a/c		13,500	
	To cash a/c			13,500
	(Being purchased goods at discount)			
2020-06-08	Purchase a/c		36,000	
	To ~~cash~~ Payal a/c			36,000
	(Being purchased goods from Payal at discount)			
2020-06-18	Rajan a/c		27,000	
	To sales a/c			27,000
	(Being goods sold to Rajan at discount)			
2020-06-20	Bank a/c		45,000	
	To sales a/c			45,000
	(Being sold goods and received a cheque)			
2020-06-22	Payal a/c		36,000	
	To Bank a/c			35,000
	To discount a/c			1,000
	(Being issued cheque in full settlement)			

2020-06-27	Bank a/c		25,000	
	Discount a/c		2,000	
	To Rajan a/c			27,000
	(Being received cheque in full settlement)			
2020-06-28	Hari a/c		11,000	
	To cash a/c			10,000
	To discount a/c			1,000
	(Being paid in full settlement)			
2020-06-29	Cash a/c		22,000	~~2,000~~
	~~To Gita a/c~~ Discount a/c		2,000	~~20,000~~
	To ~~discount~~ Gita a/c			24,000 ~~2,000~~
	(Being cash received in full settlement)			
2020-06-30	Hari a/c		6,000	
	To cash a/c			5,400
	To discount a/c			600
	(Being paid after discount)			
	Total		223500	223500

Journal entries relating to expenses

7. The following transactions are provided to you;

a) paid wages of Rs 5,000
b) Paid Rs 1,100 by cheque for printing charges.
c) Paid interest of Rs 5,000 by cheque to Gita.
d) Issued a cheque of Rs 5,000 for advertisement.

Required: Journal entries

Journal entries in the books of ...

Date	S.N	Particulars	L.F.	Dr. Amount	Cr. Amount
	a.	Wages a/c		5,000	
		To cash a/c			5,000
		(Being wages paid)			
	b.	Printing Charges a/c		1,100	
		To bank a/c			1,100
		(Being paid printing charges by cheque)			
	c.	Interest a/c		5,000	
		To Bank a/c			5,000
		(Being interest paid by cheque to Gita)			
	d.	Advertisement a/c		5,000	
		To Bank a/c			5,000
		(Being issued a cheque for advertisement)			
		Total		16,100	

Journal entries relating to incomes.

8. The following transactions are provided to you:

a) Received commission of Rs 1,500.

b) Received interest of Rs 12,000 from Hari.

c) Received rent of Rs 30,000 by cheque

Required: Journal entries.

Journal entries in the books of ....

SN	Particulars	L.F.	Dr. Amount	Cr. Amount
a.	Cash a/c		1500	
	To commission a/c			1500
	(Being commission received)			
b.	Cash a/c		12,000	
	To Interest a/c			12,000
	(Being interest received from Hari)			
c.	~~Rent a/c~~ Bank a/c		30,000	
	To ~~Bank~~ rent a/c			30,000
	(Being rent received by cheque)			
	Total		43,500 ~~16,500~~	43,500 ~~16,500~~

Journal entries relating to assets

9. The following transactions relating to assets and liabilities are given.

July 1	Purchased a computer of Rs 60,000
July 3	Purchased a vehicle of Rs 6,75,000 on credit from Samir Auto.
July 8	Purchased furniture of Rs 20,000 from Nita and paid by cheque Rs 5,000 partially.
July 11	Sold an old machinery for Rs 15,000 and payment received by cheque.
July 14	Withdrawn cash from bank for office use amounting to Rs 1,500

July 20 Paid rent in advance of Rs 10,000
July 26 Interest earned but not received of Rs 5,000
Required: Journal entries

Journal entries in the books of ----

Date	Particulars	L.F.	Dr. Amount	Cr. Amount
7-1	Computer a/c		60,000	
	To cash a/c			60,000
	(Being purchased a computer)			
7-3	Vehicle a/c		6,75,000	
	To Samir Auto a/c			6,75,000
	(Being purchased a vehicle on credit)			
7-8	Furniture a/c		20,000	
	To Bank a/c			5,000
	To Nita a/c			15,000
	(Being purchased a furniture and made partial payment)			
7-11	Bank a/c		15,000	
	To old machinery a/c			15,000
	(Being sold an old machinery and payment received by cheque)			
7-14	Cash a/c		1,500	
	To Bank a/c			1,500
	(Being cash withdrawn from the bank)			

7-20	Prepaid rent a/c To cash a/c (Being rent paid in advance)	10,000	10,000
7-26	Accrued Interest a/c To interest received a/c (Being interest earned but not received.	5,000	5,000
	Total	786500	7,86,500

Journal entries relating to liabilities

10. Following transactions relating to liabilities of Thakali Traders for the month of Shrawn is given.

Shrawn 1	Received rent in advance of Rs 25,000.
Shrawn 2	Borrowed a loan from bank of Rs 150,000 at 10% interest.
Shrawn 10	Paid to creditors of Rs 50,000
Shrawn 12	Paid salary due of previous month Rs 15,000 by cheque.
Shrawn 15	Repaid bank loan of Rs 40,000
Shrawn 28	Commission due for the Month of Rs 50,000.

Required: Journal Entries

Journal entries in the books of Thakali Traders.

Date	Particulars	LF	Dr. Amount	Cr. Amount
Shrawn 1	Cash a/c		25,000	
	To advance rent a/c			25,000
	(Being rent received in advance)			
Shrawn 2	Cash a/c		150,000	
	To Bank's loan a/c			150,000
	(Being borrowed loan from the bank)			
Shrawn 10	Creditors a/c		50,000	
	To cash a/c			50,000
	(Being creditors paid)			
Shrawn 12	Salary a/c		15,000	
	To ~~salary due~~ Bank a/c			15,000
	(Being paid salary of previous month)			
Shrawn 15	Bank loan a/c		40,000	
	To cash a/c			40,000
	(Being repaid bank loan)			
Shrawn 28	Commission due a/c		50,000	
	To commission a/c			50,000
	(Being commission due)			
	Total		330,000	330,000

Journal entries relating to losses and gains.

11. You are given the following transactions:

January 5 Sold goods to Suman for Rs 30,000 at a loss of Rs 2,000

January 9 Goods costing Rs 50,000 were sold for Rs 55,000

January 12 Goods costing Rs 43,000 were sold to Hirachan at a profit of Rs 1,000.

January 18 A part of machinery having book value of Rs 5,000 was sold for Rs 8,000 and received a cheque.

January 25 A second hand motorbike was sold for Rs 45,000 at a loss of Rs 5,000.

Required: Journal entries

Journal Entries in the books of ....

Date	Particulars	LF	Dr. Amount	Cr. Amount
1-5	Suman a/c		30,000	
	To sales a/c			30,000
	(Being goods sold at loss)			
1-9	Cash a/c		55,000	
	To sales a/c			55,000
	(Being goods sold at profit)			
1-12	Hirachan a/c		44,000	
	To sales a/c			44,000
	(Being goods sold at profit)			
1-18	Bank a/c		8,000	
	To machinery part a/c			5,000
	To profit a/c			3,000
	(Being sold machinery part and received a cheque)			

1-25	Cash a/c		~~40,000~~ 45,000	
	Loss a/c		5,000	
	To motor bike a/c			50,000
	(Being sold motorbike at loss)			
	Total		187,000	187,000

Journal entries relating to mixed transactions:

12. The following transactions are given below:

2077-04-05 Started a business with cash of Rs 3,00,000 and bank balance of Rs 2,00,000

2077-04-08 Purchased goods on credit of Rs 20,000.

2077-04-12 Sold goods for Cash of Rs 30,000

2077-04-25 Paid rent and salary of Rs 10,000 and 15,000 respectively.

Required: Journal entries.

Journal entries in the books of ----

Date	Particulars	LF	Dr. Amount	Cr. Amount
2077-04-05	Cash a/c		3,00,000	
	Bank balance a/c		2,00,000	
	To capital a/c			5,00,000
	(Being started business with cash and bank balance)			
2077-04-08	Purchase a/c		20,000	
	To ~~Cr~~ Creditors a/c			20,000
	(Being purchased goods on credit)			

2077-04-12	Cash a/c		30,000	
	To sales a/c			30,000
	(Being sold goods for cash)			
2077-04-25	Rent a/c		10,000	
	Salary a/c		15,000	
	To cash a/c			25,000
	(Being paid rent and salary)			
	Total		575,000	575,000

13. Consider the following transactions:

2020-06-01 Purchased a machinery of Rs 60,000

2020-06-07 Sold goods on credit of Rs 15,000

2020-06-10 Received Rs 18,000 from Hari in full settlement of Rs 20,000

2020-06-21 Received rent of Rs 1,500.

Required: Journal entries.

Journal entries in the books of - - - -

Date	Particulars	LF	Dr. Amount	Cr. Amount
2020-06-01	Machinery a/c		60,000	
	To cash a/c			60,000
	(Being purchased a machinery)			
2020-06-07	Debtors a/c		15,000	
	To sales a/c			15,000
	(Being sold goods on credit)			

2020-06-10	Cash a/c		18,000	
	Discount a/c		2,000	
	To Hari a/c			20,000
	(Being received cash in full settlement)			
2020-06-21	Cash a/c		1,500	
	To rent a/c			1,500
	(Being rent received)			
	Total		96,500	96,500

14. The following transactions are given to you:

2020-06-02 Received loan from Manisha of Rs 20,000
2020-06-08 Sold goods to Ramisha of Rs 25,000
2020-06-10 Returned goods from Ramisha of Rs 3,500.
2020-06-21 Withdrawn goods of Rs 5,000 for domestic use

Required: Journal entries

Journal entries in the books of -----

Date	Particulars	LF	Dr. Amount	Cr. Amount
2020-06-02	Cash a/c		20,000	
	To loan from Manisha a/c			20,000
	(Being loan received from Manisha)			
2020-06-08	Ramisha a/c ~~Cash a/c~~		25,000	
	To ~~Ramisha~~ ~~Sales~~ sales a/c			25,000
	(Being goods sold to Ramisha)			

2020-06-10	Sales return a/c To Ramisha a/c (Being goods returned from Ramisha)		3,500	3,500
2020-06-2	Drawing a/c To ~~sales~~ Purchase a/c (Being goods withdrawn ~~for~~ for domestic use)		5,000	5,000
	Total		53500	53500

15. Journalize the following transactions in the books of Janaki Enterprises

2077-03-10 Purchased goods of Rs 25,000 from Shyam Stores and paid 60% cash immediately

2077-03-17 Returned goods to Shyam Stores of Rs 2500

2077-03-19 Rent of Rs 4,000 was due

2077-03-22 Withdrawn cash from bank Rs 6,000 for office use and Rs 3,000 for personal use.

Required: Journal Entries

Journal entries in the books of Janaki Enterprises

Date	Particulars	LF	Dr. Amount	Cr. Amount
2077-03-10	Purchase a/c To cash a/c To Shyam Stores a/c (Being purchased goods and made partial payment)		25,000	15,000 10,000

2077-03-17	Shyam stores a/c To purchase return a/c (Being returned goods)	2,500	2,500
2077-03-19	Rent a/c To rent outstanding a/c (Being rent due)	4,000	4,000
2077-03-22	Cash a/c Drawing a/c To Bank a/c (Being cash withdrawn from bank for office use and domestic use)	6,000 3,000	9,000
	Total	40,500	40,500

16. The following transactions are provided to you:

May 3 Started a business with cash of Rs 1,00,000 and furniture of Rs 50,000

May 5 Sold goods to Hari of Rs 60,000

May 12 Received a cheque of Rs 15,500 from Pradip and allowed discount of Rs 500

May 15 Received cash of Rs 9,300 from Manjiksha after deducting 7 percent discount.

May 18 Paid Rs 5,500 to sabina and received discount of Rs 500.

May 25 Cash Rs 2,000 and goods Rs 5,000 were taken away by the proprietor

May 30 Purchased computers from Elite Computer Supplier of Rs 60,000 and paid Rs 20,000 partially.

Journal entries in the books of ....

Date	Particulars	LF	Dr. Amount	Cr. Amount
5-3	Cash a/c		1,00,000	
	Furniture a/c		50,000	
	To capital a/c			1,50,000
	(Being business started with cash and furniture)			
5-5	Hari a/c		60,000	
	To sales a/c			60,000
	(Being goods sold to Hari)			
5-12	Bank a/c		15000	
	Discount a/c		500	
	To Pradeep a/c			15500
	(Being cheque received from Pradip and allowed discount)			
5-15	Cash a/c		9300	
	Discount a/c		700	
	To Manjisha a/c			10,000
5-18	Sabina a/c		5,500	
	To cash a/c			5,000
	To discount a/c			500
	(Being paid to sabina and received discount)			

5-25	Drawing a/c		7,000	
	To cash a/c			~~5,000~~ 2,000
	To Purchase a/c			5,000
	(Being cash and goods taken by proprietor)			
5-30	Computer a/c		60,000	
	To Cash a/c			20,000
	To Elite Computer supplier a/c			40,000
	(Being purchased computer and paid partially)			
			308000	308000

17. The following transactions of Yara Ltd. are provided.

Dec 1	Commenced a business with cash of Rs 60,000 and stock of goods worth Rs 1,20,000.
Dec 5	Purchased goods of Rs 55,000 and paid 40%. in cash and remaining on credit
Dec 20	Purchased goods from Utsav for Rs 6,000 and paid Rs 1,000 as down payment.
Dec. 25	Goods costing Rs 4,000 were destroyed by fire and the insurance company accepted the claim in full
Dec 30	Settled the account of Utsav by issuing a cheque of Rs 4,800

Required: Journal entries in the books of Yara company.

Journal Entries in the books of Yasa Ltd.

Date	Particulars	LF	Dr. Amount	Cr. Amount
12-1	Cash a/c		60,000	
	Stock a/c		120,000	
	To capital a/c			180,000
	(Being commenced business with cash and stock of goods)			
12-5	Purchase a/c		55,000	
	To cash a/c			22000
	To Creditors a/c			33000
	(Being purchased goods on cash and made partial Payment)			
12-20	Purchase a/c		6,000	
	To cash a/c			1,000
	To Utsav a/c.			5,000
	(Being goods purchased and made down payment)			
12-25	Insurance claim a/c		4,000	
	To purchase a/c			4,000
	(Being goods destroyed by fire and full insurance claimed)			
1-30	Utsav a/c		5,000	
	To Bank a/c			4,800
	To Discount a/c			200
	(Being settled the account			
	Total		250,000	250,000

18. The following financial transactions are given:

2077-04-11 Paid rent due Rs 20,000

2077-04-17 Goods worth Rs 9,000 were destroyed by fire. 1/3rd of the claim was admitted by the Insurance Company.

2077-04-19 Paid life insurance premium of the owner Rs 6000 by cheque

2077-04-25 Received rent Rs 5,000 in advance.

2077-04-29 Rs 3,000 previously recorded as bad debts now recovered.

Required: Journal entries

Journal entries in the books of ----.

Date	Particulars	LF	Dr. Amount	Cr. Amount
2077-04-11	Rent a/c		20,000	
	To cash a/c			20,000
	(Being paid rent due)			
2077-04-17	Insurance claim a/c		3,000	
	Loss by fire a/c		6,000	
	To Purchase a/c			9,000
	(Being goods destroyed by fire and claimed by insurance company)			
2077-04-19	Drawing a/c		6,000	
	To Bank a/c			6,000
	(Being paid life insurance premium of the owner)			

2077-04-25	Cash a/c To advance rent a/c (Being rent received in advance)		5,000	5,000
2077-04-29	Cash a/c To Bad debt recovered a/c (Being bad debt recovered)		3,000	3,000
	Total		43,000	43,000