

Important Questions for Class 11

Accountancy

Chapter 3 – Recording of Transactions - I

Very Short Answer Questions

1 Mark

1. What do you mean by journal?

Ans: After the transaction has been identified, it is recorded and a document known as a journal is created.

2. Define ledger account in accounting terms.

Ans: The ledger is the book of accounts in which specific transactions are documented. Journal Entries are posted into ledger accounts.

3. Choose the correct option from the following:

A. $\text{Capital} = \text{Liabilities} + \text{Asset}$

B. $\text{Capital} = \text{Asset} - \text{Liabilities}$

C. $\text{Asset} = \text{Capital} - \text{Liabilities}$

D. $\text{Liabilities} = \text{Capital} + \text{Assets}$

Ans: Option B $\text{Capital} = \text{Asset} - \text{Liabilities}$ is correct, as capital means asset minus liabilities.

4. _____ is prepared form of documentary evidence.

- A. Ledger**
- B. Journal**
- C. Capital**
- D. Cash book**

Ans: Journal is the prepared form of documentary evidence. So, the correct option is B. Journal.

5. Choose the correct option:

- A. One debit; two credit**
- B. Two debit; Two credit**
- C. One credit; one debit**
- D. One credit; two debit**

Ans: Option D One credit; one debit is the correct option. Account has one credit and one debit side.

Short Answer Questions

2 Marks

1. Which transaction should be first recorded journal and ledger? State the reason.

Ans: The transaction is first recorded in the journal, and then transmitted to the ledger account. After the transaction has been identified, it is recorded and a document known as a journal is created. The information is then posted to individual accounts, which are referred to as ledgers.

2. Give Format of ledger with details.

Ans: Ledger Account

Date	Particular	J • F •	Amount (Dr.)	Date	Particular	J.F.	Amount (Cr.)
	To Bal c/d		-				-
			-		By Bal b/d		-
			-				-

3. Give Format of journal with details.

Ans: Journal entries

Date	Particulars	L.F	Debit Amount (in Rs.)	Credit Amount (in Rs.)
			-	-
			-	-

4. Give debit and credit rules of Liabilities/Revenue (Gains)?

Ans: Liabilities and capital/revenue (gains) changes are recorded in the following ways:

- As the amount of liabilities "increases," it is credited, and as the number of liabilities "decreases," it is debited.

- Amounts are credited as capital "increases" and debited as capital "decreases."
- Amounts are credited as revenue "increases" and debited as revenue "decreases."

5. Give debit and credit rules of Assets/Expenses (Losses)?

Ans: Recording changes in Assets/Expenses (Losses):

- As the asset "increases" amount is debited, as the assets" decreases" amount is credited.
- As the expenses (losses) "increases" amount is debited, as the expenses (losses) "decreases" amount is credited.

Short Answer Questions

3 Marks

1. Give the types of journal into books of original entry.

Ans: The subdivision of journal into numbers of books of original entry are as follows:

- Journal proper
- Cash book

Other day books:

- i. Sales book (Journal)
- ii. Purchase book (Journal)
- iii. Sales return book (Journal)
- iv. Purchase return book (Journal)
- v. Bills payable book (Journal)
- vi. Bills receivable book (Journal)

2. Why accounting vouchers are prepared?

Ans: Accounting vouchers are ready for the accounting purpose that are useful throughout the time of creating monetary statements by the auditor and through the assessment of tax. Currently everything is computerized thus all the relevant vouchers are ready in computerized format. The dealings that show one debit and one credit is a simple way to prepare accounting vouchers. If there are multiple vouchers of debit and credit these transactions are referred to as complicated transactions. complicated vouchers are referred to as journal vouchers. The format of the accounting voucher depends upon its nature and demand of knowledge required to be mentioned.

3. Give specimen of Credit Voucher

Ans:

Credit Voucher				
Firm Name				
Date	Voucher			
No:				
Debit account:				
Amount:				
Sr. No.	Code	Account name	Amount (in Rs.)	Particular

Authorised By:	Prepared By:
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4. Give specimen of Debit Voucher?

Ans:

Credit Voucher				
Firm Name				
Date				Voucher
No:				
Credit account:				
Amount:				
Sr. No.	Code	Account name	Amount (in Rs.)	Particular
Authorised By:				
Prepared By:				

5. Give essentials of accounting vouchers?

Ans: The essentials of accounting vouchers are:

- It must be written in good quality paper.
- Firm's name ought to be written on top of the vouchers.

- each date of dealing and date of recording of transactions should be mentioned.
- Serial range of the voucher should be stuffed.
- Name of the account that is to be debited or attributable ought to be mentioned.

Long Answer Questions

5 Marks

1. Explain rules of debit and credit?

Ans: All accounts are distributed mainly into five categories for recording of transaction:

- Asset:** Asset is the resources of the business through which it earns income.
- Liabilities:** Liabilities are the obligations over the corporate which require to be paid off.
- Capital:** Capital of the corporate suggests that the amount of cash that is used to start out the corporate.
- Expenses/Losses:** Expenses incur within the method of earning revenue.
- Revenue/Gains:** Revenue is the financial gain earned by the corporation in the course of one financial year.

Basic two fundamental rules are followed for these accounts:

a. Recording changes in Assets/Expenses (Losses):

- As the asset "increases" amount is debited, as the assets" decreases" amount is credited.
- As the expenses(losses) "increases" amount is debited, as the expenses(losses) "decreases" amount is credited

b. Recording changes in Liabilities and capital/revenue (gains):

- As the liabilities "increases" amount is credited, as the liabilities "decreases" amount is debited.
- As the capital "increases" amount is credited, as the capital "decreases" amount is debited.
- As the revenue "increases" amount is credited, as the revenue "decreases" amount is debited.

2. Pass the following Journal entries:

May 02, 2019:- Goods purchased from Rajesh for Rs. 59,000

May 06, 2019:- Goods Sold to Narmada for Rs. 24,000

May 12, 2019:- Insurance premium paid by cheque of Rs. 35,000

May 18, 2019:- Cheques received from Manu of Rs. 16,000

May 24, 2019:- Sam paid Rs. 14,000 in cash

May 25, 2019:- Payment of salary made in cash for Rs. 24,000

May 30,2019:- Goods purchased from John on credit for Rs. 32,000

Ans: Journal entries

Date 2019	Particulars	L.F	Debit Amount (in Rs.)	Credit Amount (in Rs.)
May. 01	Purchase A/c Dr. To Rajesh A/c (Being goods purchased from Rajesh)		59,000	59,000

May. 06	Narmada A/c To sales A/c (Being goods sold to Narmada)	Dr.		24,000	24,000
May. 12	Insurance A/c To bank A/c (Goods insurance premium paid)	Dr.		35,000	35,000
May. 18	Bank A/c To Manu (Being cheque received from Manu)	Dr.		16,000	16,000
May. 24	Cash A/c To Sam A/c (Being Sam paid amount in cash)	Dr.		15,009	15,009
May. 25	Salary A/c To Cash A/c (Being Sam paid amount in cash)	Dr.		24,000	24,000
May. 30	Purchases A/c To John A/c	Dr.		32,000	32,00

	(Being goods purchased on credit)			
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3. Define ledger accounts and draw cash ledger format.

Ans: The ledger is a book of accounts in which specific transactions are documented. The ledger holds all credit, debit, account, and journal information that will come in handy later. Each account in a ledger account is kept on its own page or combined.

Ledgers are important documents for accounting purposes, as it helps to find out how many types of transactions are made in single. For the purpose of easy posting and location accounts are generally opened in ledger. For big organizations the ledger account register contains indexes which make it much easier to find out the details quickly. Following is the format for ledger account of Cash:

Cash Account

Date	Particular	J.F.	Amount (Dr.)	Date	Particular	J.F.	Amount (Cr.)
	To Capital		-		By Bank		-
					By Purchase		-
					By Cartage		-

4. Pass following journal entries and post ledger account.

Dec 01, 2019:- Capital introduced to start business with Rs. 1,50,000,

Dec 03, 2019:- Bank account opened with SBI in the name of company for Rs. 30,000.

Dec 09, 2019:- Goods purchased from Nike for Rs. 26,400 in cash.

Dec 11, 2019:- Credit sales made to M/S David Enterprises India for Rs. 12,657.

Dec 12, 2019:- Payment made for cartage of Rs 15,109.

Ans: Journal entries

Date 2019	Particular	L.F	Debit Amount (in Rs.)	Credit Amount (in Rs.)
Dec. 01	Cash A/c To Capital A/c (Being capital introduced in business)	Dr.	1,00,000	1,00,000
Dec. 03	Bank A/c To Cash A/c (Being current account open with SBI bank)	Dr.	30,000	30,000
Dec. 09	Purchase A/c To Cash A/c (Goods purchased for cash)	Dr.	26,400	26,400
Dec. 11	M/s David To Credit sales (Being credit sales made to M/s David Enterprise)	Dr.	12,657	12,657
Dec.	Cartage A/c	Dr.	15,009	

12	To Cash A/c (Being Cash paid for cartage)			15,009
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Ledger Accounts

Cash Account

Date	Particular	J • F •	Amount (Dr.)	Date	Particular	J. F.	Amount (Cr.)
	To Capital		1,00,000	Dec 3	By Bank		30,000
				Dec 9	By Purchase		26,400
				Dec 12	By Cartage		15,009

Capital Account

Date	Particular	J.F.	Amount (Dr.)	Date	Particular	J.F. •	Amount (Cr.)
				Dec 1	By Capital		1,00,000

Bank Account

Date	Particular	J. F.	Amount (Dr.)	Date	Particular	J. F.	Amount (Cr.)
Dec 3	To Cash		30,000				

Purchase Account

Date	Particular	J. F.	Amount (Dr.)	Date	Particular	J. F.	Amount (Cr.)
Dec 9	To Cash		26,400				

Cartage Account

Date	Particular	J. F.	Amount (Dr.)	Date	Particular	J. F.	Amount (Cr.)
Dec 12	To Sales		15,009				

David Enterprises Account

Date	Particular	J. F.	Amount (Dr.)	Date	Particular	J. F.	Amount (Cr.)
Dec 11	To Sales		12,657				

Sales Account

Date	Particular	J. F.	Amount (Dr.)	Date	Particular	J. F.	Amount (Cr.)
				Dec 11	By David enterprises		12,657

5. Discuss complete procedure of posting journal to ledger account.

Ans: Posting the entries could be a method of transferring the entries from journal to ledger. Posting is completed to gather the information at one place for the conclusion and any accounting method. The entire method of posting journal to ledger account is as follows:

- i. Ledger is located; the account which is to be debited is entered in the journal.
- ii. Date column is used to enter the date of the transaction.
- iii. In particular columns the account name is written through which account is debited in the journal.
- iv. A Folio column is used to enter the page number and in the journal page number is written for the particular account.
- v. Enter the relevant amount within the accounting of the column. Same procedure is employed to form an entry on the accounting system.