

Journal, Ledger & Trial balance

1. Sarpar Miniature Golf and driving range was opened on June 1 by Joney jashed. The following selected events transactions occurred during June:

June	1	Invested Tk. 10,000 cash in the business.
„	1	Hired manager for golf club at salary Tk.5,000 per month.
„	20	Paid Tk. 1,480 for a one year insurance policy
„	25	Sold 100 coupon books for Tk. 15 each. Each book contains 10 coupons That enable the holder to play one round of miniature or to bit one bucket of golf balls.
„	30	Paid manager salary Tk. 5,000.

Instructions: Prepare the journal entries from above information.

(Fin- 2016)

2. The following transactions are obtained from the books of Sagar - Saikat for the month of December 2015:

December	1	He invested cash Tk. 2,50,000, Furniture Tk.30,000 and equipment Tk. 50,000 into the business.
„	2	Received cash Tk. 1,50,000 providing service.
„	10	Purchased office supplies for cash Tk. 20,000 and on account Tk. 15,000.
„	15	Service provided on account Tk.40,000.
„	20	Paid to accounts payable Tk.10,000.
„	25	Paid salaries to employees Tk.30,000.
„	31	Received cash from accounts receivable Tk.35,000.

Instructions: Record the entries into general journal, explanation is not required. (Actg- 2018)

3. During the first month of operation Rafiq's business the following transactions are occurred:

May	1	Rafiq invested Tk.15,000 cash.
„	2	Hired a secretary at salary of Tk. 500 per month.
„	3	Purchased Tk. 750 of supplies on account from read supply company.
„	11	Completed an assignment and billed client Tk.550 for service rendered.
„	12	Received Tk.1750 advanced on a management consulting engagement.
„	31	Paid 40% of balance due of read supply company.

Instructions: Journalize the transactions.

(Fin- 2019)

4. Dipa started the business on April 1. The following selected events and transactions occurred during Aril 2020.

April	1	Dipa invested Tk.40,000 cash in the business.
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- „ 4 Purchased land costing Tk. 30,000 for cash.
- „ 8 Incurred advertising expenses of Tk,1,800 on account.
- „ 11 Paid salaries to employees Tk.1,500.
- „ 12 Hired park manager at a salary of Tk.4,000 per month effective May 1.
- „ 13 Paid Tk. 1,500 cash for a one year insurance policy.
- „ 17 Withdrew Tk.600 cash for personal use.
- „ 20 Received Tk.5,700 in cash for admission fees.
- „ 25 Sold 100 coupon books for Tk.25 each. Each book contains 10 coupons that entitle the holder to one admission to the park.
- „ 30 Received Tk. 5,900 in cash admission fees.
- „ 30 Paid Tk.900 on account for advertising incurred on April 8.

Dipa uses the following accounts: Cash; prepaid insurance; Land; Accounts payable; Unearned Admission Revenue; Dipa- Capital; Dipa- Drawings; Admission Revenue; Advertising expense and salaries expense.

Instructions: Journalize the April transactions.

5. Reon Ahmed started a repair shop named Reon Repair Shop. The transaction occurred are given now:

2020

- Jan 1 Reon invested Tk.50,000 to started the business.
- „ 2 Purchase loose tools for Tk.1,500 on account.
- „ 3 Paid cash for January rent Tk.2,000.
- „ 4 Paid cash for supplies Tk. 500
- „ 10 Incurred Tk.700 of advertisement costs in the time news on account.
- „ 11 Received Tk.9,000 in cash for providing repair service.
- „ 12 Paid the amount owed for Jan 10 transaction.
- „ 18 Paid utility bill Tk.900.
- „ 21 Provided repair services on account to customers Tk.3,000.
- „ 26 Paid insurance premium Tk.2,000 for two month January and February 2020.
- „ 28 Paid salary of staff for the month January 2020 Tk.2500.
- „ 30 Collected cash of Tk.2,600 for service provided in transaction of 21 January.
- „ 31 Supplies on hand Tk.200.

Required: Prepare journal entries.

6. Navid completed the following transactions:

2020

- Jan 1 Sold a personal investment in IBM stock for Tk.50,000 and deposited Tk.40,000 of the proceeds in a bank account opened in the name of his new business Navid TV Service.

- „ 3 Purchased for cash three repair supplies Tk.2,000; Tools Tk.1,200, and the used truck Tk.4,500 of TV repair shop that was going out of business.
- „ 4 Paid rent on the shop space for three months in advance Tk.1000.
- „ 6 Purchased additional tools for cash Tk.1,200.
- „ 9 Purchased additional repair supplies on credit Tk.1,200.
- „ 11 Gave the old company Truck and Tk.6,000 in cash for a new company truck.
- „ 14 Complete repair work for waquer co. and collected Tk.12,000 cash therefore.
- „ 19 Paid for repair supplies in transaction (9)
- „ 26 Complete repair work for R.A Tony on credit Tk. 1,100.
- „ 27 Paid for gas and oil used in the truck Tk.550.
- „ 28 R.A Tony paid in full for the work of transaction January 26.
- „ 30 Navid withdrew Tk.2,500 cash from the business for his personal use.

Required: Prepare journal entries.

7. Hasan began business as a real estate agent. During a short period the following transactions are completed by him:
1. Investment Tk 1,00,000 in cash and office equipment having Tk.35,000 a fair value in the agency.
 2. Purchased land valued at Tk.40,000 and a small office building valued at Tk.50,000 paying Tk.30,000 cash and signing a note to pay the balance over a period of 2 years.
 3. Paid the office secretary's salary Tk.5,000.
 4. Purchased office supplies on credit Tk.8,000.
 5. Repairing services performed for cash Tk.50,000, on account Tk.23,000.
 6. Withdrew Tk.3,500 from the business to pay personal living expenses.
 7. Collected a Tk.9,000 commission from the sale of property for a client.
 8. Made a payment of Tk.8,000 against notes payable and Tk.7,000 on accounts payable.
 9. Discount allowed Tk.1,600.
 10. Bad debts written off Tk.7,000.
 11. Make depreciation of Tk. 1,000 on office equipment.
 12. Received discount of Tk.500 in transactions (4)
 13. Paid Tk.1,200 for supplies on account.

Instructions: Prepare the general journal entries to record the transactions.

8. Mrs Asma opened the "Asma Dry Cleaners" on September 1,2016. During the first month of operation the following transactions occurred:

- September 1 Asma invested Tk.20,000 cash in business.
- „ 2 The company paid Tk.1,000 cash for store rent for September.
- „ 3 Purchase washer and dryers for Tk.25,000, paying Tk.10,000 in cash and signing a Tk.15,000,6 month 12% notes payable
- „ 4 Paid Tk.2,400 for a one-year accident insurance policy.

- „ 10 Received a bill from the daily News for advertising the opening of the shop Tk.500.
- „ 20 Asma withdraw Tk.700 cash for personal use.
- „ 50 The company determined that cash received from laundry services for the month were Tk.5,000 and on account Tk.7000.

9. Bob sample opened the campus Laundromat on September 1 2020.During the first month of operations the following transactions occurred.

- Sep 1 Bob invested Tk.20,000 cash in the business.
- 2 The company paid Tk.1000 cash for store rent for September.
- 3 Purchased washers and dryers for Tk.25,000, paying Tk.10,000 in cash and signing a 15,000, 6-month, 12% note payable.
- 4 Paid Tk.1200 for a one -year accident insurance policy.
- 10 Received a bill from the Daily News for advertising the opening of the laundromat Tk.200.
- 20 Bob withdrew Tk.700 cash for personal use.
- 30 The company determined that cash receipts for laundry services for the month were Tk,6,200.

Instructions:

- (a) Journalize the September transactions
- (b) Open ledger accounts and post the September transactions.
- (c) Prepare a trial balance at September 30,2020.

10. Mr. Mehidi received his ACA certificate and during July 2019 completed these transactions:

- July 1 Began a public accounting practice by transferring Tk.30,000 from his personal savings account to a checking account opened in the name of the practice.
- „ 2 Paid three month's office rent in advance @ Tk.2,000 per month.
- „ 3 Purchased office supplies Tk. 1,500 and office equipment Tk.8,000 from Ahmed &Co. on account.
- „ 4 Paid the premiums for two month's insurance policies Tk.2,800.
- „ 8 Completed accounting work for a client and immediately collected Tk.5,000.
- „ 12 Paid Ahmed &Co. of the amount owed for the items purchased on July 3, Tk. 7,500.
- „ 13 Completed accounting work for a client and immediately collected Tk.5,000.
- „ 14 Purchased additional office supplies on credit Tk.2,000.
- „ 23 Received Tk.5,000 from Murad Ltd. For the work completed on July 13.
- „ 26 Mehdi wrote a cheque on the bank account of the accounting practice where he lives Tk.1,500.
- „ 31 Paid the July utility bills of the accounting office Tk.600.

„ 31 Adjust one month's prepaid insurance premium treating expired.

Instructions: Prepare the general journal entries to record the transactions.

11. The Lake Theater is owned by Moni. All facilities were completed on March 31. At this time, ledger showed; No. 101 cash Tk.6,000, No. 112 Accounts receivable Tk.800; No 140 Land Tk.10,000; No.145 Building (concession stand, projection room, ticket booth and Screen) Tk.8,000 and No. 301 Moni, Capital Tk.20,000. During April 2020 the following events and transactions occurred.

- April 2 Paid film rental of Tk.800 on first movies.
„ 3 Ordered two additional films at Tk.500 each.
„ 9 Received Tk.1,800 cash from admissions.
„ 10 Made Tk. 2,000 payment on mortgage and Tk. 1,000 on accounts payable.
„ 11 Lake theater contracted with R. Thomas company to operate the concession stand. Thomas is to pay 17% of gross concession receipts (payable monthly) for the right to operate the concession stand.
„ 12 Paid advertising expense Tk.300.
„ 20 Received one of the films ordered on April 3 and was billed Tk.500. The film will be shown in April.
„ 25 Received Tk. 4,200 cash from admissions.
„ 29 Paid salaries Tk.1,600.
„ 30 Received statement from R. Thomas showing gross concession receipts of 1,000 and the balance due to the lake theater of Tk. 170($1,000 \times 17\%$) for April. Thomas paid one half of the balance due and will remit the remainder on May 5.
„ 30 Prepaid Tk.900 rental on special film to be run in May.

In addition to the accounts identified above, the chart of accounts shows No. 136 Prepaid Rentals, No. 405 Admission Revenue, No. 406 Concession Revenue, No. 610 Advertising expense, No. 632 Film rental expense and No. 726 salaries expense.

Instructions: Journalize the April transactions.

12. Kara shin is a licensed CPA. During the first month of operation of her business, the following events and transactions occurred:

- May 1 Shin invested Tk.20,000 cash.
„ 2 Hired a secretary at salary of Tk. 1,000 per month.
„ 3 Purchased Tk. 1500 of supplies on account from Read supply company.
„ 11 Completed an assignment and billed client Tk.2100 for service rendered.
„ 12 Received Tk.3500 advanced on a management consulting engagement.
„ 17 Received cash of 1,200 for service completed for H.Arnold Co.
„ 31 Paid secretary Tk. 1,000 salary for month.
„ 31 Paid 40% of balance due of Read Supply Company.

Instructions:

- (a) Journalize the transactions
- (b) Post the ledger accounts
- (c) Prepare a trial balance.

(Fin- 2018)

13. Mr. Jane opened the campus Laundromat on September 1,2016. During the first month of operation the following transactions are occurred:

- Sep 1 Invested Tk. 30,000 cash in business.
- „ 2 Paid Tk.1,000 cash for store rent for September.
- „ 3 Purchase washer and dryer for Tk. 25,000 paying Tk. 10,000 in cash and signing a Tk. 15,000, 6 month 12% notes payable.
- „ 4 Paid Tk.1,200 for a one-year accident insurance policy.
- „ 10 Received a bill from The Daily News for advertising the opening of the Laundromat Tk.200
- „ 20 Asma withdraw Tk.700 cash for personal use.
- „ 30 Determined that cash received from Laundry Services for the month were Tk.6,200.

Instructions:

- (a) Journalize the September transactions.
- (b) Post the September transactions.

(c) Prepare a trial balance at September 30,2016. **(NU, F & B- 2017)**

14. Bob sample opened the campus Laundromat on September 1 2020.During the first month of operations the following transactions occurred.

- Sep 1 Bob invested Tk.20,000 cash in the business.
- 2 The company paid Tk.1000 cash for store rent for September.
- 3 Purchased washers and dryers for Tk.25,000, paying Tk.10,000 in cash and signing a 15,000, 6-month, 12% note payable.
- 4 Paid Tk.1200 for a one -year accident insurance policy.
- 10 Received a bill from the Daily News for advertising the opening of the laundromat Tk.200.
- 20 Bob withdrew Tk.700 cash for personal use.
- 30 The company determined that cash receipts for laundry services for the month were Tk,6,200.

Instructions:

- a) Journalize the September transactions
- b) Open ledger accounts and post the September transactions.
- c) Prepare a trial balance at September 30,2020.

15. The accounts in the ledger of Riks Delivery Service contain the following balance on July 21, 2024.

	Tk.		Tk.
Accounts receivable	8,700	Prepaid insurance	2,000
Accounts payable	7,396	Repair expenses	961
Cash	?	Service revenue	10,000
Delivery equipment	49,360	Drawings	700
Gas & Oil expense	758	Capital	42,000
Insurance expense	523	Salaries expense	4,428
Notes Payable	18,450	Salaries payable	815

Required: Prepare a trial balance and fill in the missing amount for cash. (NU,MGT-2014)

16. The account in the ledger of Isha company contains the following balances on December 31, 2016.

	Taka		Taka
Accounts receivable	35,000	Prepaid insurance	8,000
Accounts payable	33,000	Utilities expenses	4,000
Cash	?	Service revenue	43,000
Equipment	1,98,000	Drawings	3,000
Rent expense	7,000	Capital	1,83,000
Insurance expense	2,000	Salaries expense	17,000
Notes payable	86,000	Salaries payable	3,000

Required: Prepare a trial balance and fill in the missing amount for cash. (NU, Fin-2017)

17. The trial balance of the sterling Company shown below does not balance.

STERLING COMPANY

Trial Balance

May 31,2024

Account Titles	Debit(Tk.)	Credit(Tk.)
Cash	5,850	
Accounts Receivable		2,750
Prepaid Insurance	700	
Equipment	8,000	
Accounts Payable		4,500
Property Taxes Payable	560	
M.Sterling, Capital		11,700
Service Revenue	6,690	

Salaries Expense	4,200	
Advertising Expense		1,100
Property Tax Expense	800	
	<u>Tk.26,800</u>	<u>Tk.20,050</u>

Your review of the ledger reveals that each account has a normal balance. You also discover the following errors...

- a. The totals of the debit sides of Prepaid Insurance, Accounts Payable, and Property Tax Expense were each understated Tk.100.
- b. Transportation errors were made in Accounts Receivable and Service Revenue. Based on postings made, the correct balances were Tk.2,570 and Tk.6,960 respectively.
- c. A debit posting to salaries expense of Tk.200 was omitted.
- d. A Tk.1000 cash drawings by the owner was debited to M.Sterling, Capital for Tk.1000 and credited to cash for Tk.1,000.
- e. A Tk.520 purchase of supplies on account was debited to Equipment for Tk.520 and credited to cash for Tk.520.
- f. A cash payment of Tk.450 for advertising was debited to Advertising Expense for Tk.45 and credited to Cash for Tk.45.
- g. A collection from a customer for Tk.210 was debited to Cash for Tk.210 and credited to Accounts payable for Tk.210.

Instructions: Prepare a correct trial balance.

18. The trial balance of Syed Moiz Co. shown below does not balance.

SYED MOIZ CO.
Trial Balance
June 30,2024

Account Titles	Debit(Tk.)	Credit(Tk.)
Cash		3,340
Accounts Receivable	2,731	
Supplies	1,200	
Equipment	2,600	
Accounts Payable		3,666
Unearned Revenue	1,100	
S.Moiz, Capital		8,000
S.Moiz, Drawings	800	
Service Revenue		2,480
Salaries Expense	3,200	
Office Expense	810	
	<u>Tk.12,441</u>	<u>Tk.17,486</u>

Each of the listed accounts has a normal balance per the general ledger. An examination of the Ledger and journal reveal the following errors.

- a. Cash received from a customer in payment of its account was debited for Tk.480, and Accounts Receivable was credited for the same amount. The actual collection was for Tk.840.
- b. The purchase of a computer on account for Tk.620 was recorded as a debit to supplies for Tk.620 and a credit to Accounts Payable for Tk.620.
- c. Services were performed on account for a client for Tk.890. Accounts Receivable was debited for Tk.890 and Service Revenue was credited for Tk.89.
- d. A debit posting to salaries expense of Tk.700 was omitted.
- e. A payment o a balance due for Tk. 306 was credited to cash for Tk 306 and credited to Accounts payable for Tk.360.
- f. The withdrawal of Tk.600 cash for Moiz's personal use was debited to salaries expense for Tk.600 and credited to cash Tk.600.

Instructions: Prepare a correct trial balance.