



परमाणु ऊर्जा शिक्षण संस्था
(परमाणु ऊर्जा विभाग का स्वायत्त निकाय, भारत सरकार)
ATOMIC ENERGY EDUCATION SOCIETY
(An autonomous body under Department of Atomic Energy, Govt. of India)

XI - Accountancy Journal (Module 1 of 2)

JOURNAL

- **Meaning**
- Journal is that book of accounts in which
- transactions are originally recorded in a chronological order, i.e., as they occur.
- It is the first book of account in which the transactions are recorded.
- An entry made in the Journal is known as a '**Journal Entry**'.

Features of Journal Entries

Chronological

Double Entry System

Daybook

Compound Entry Possible

Assistant to Ledger

Transaction Identity

Original Entry

Includes Brief Explanation

How to Prepare a Journal Entry?

Recognize the accounts involved

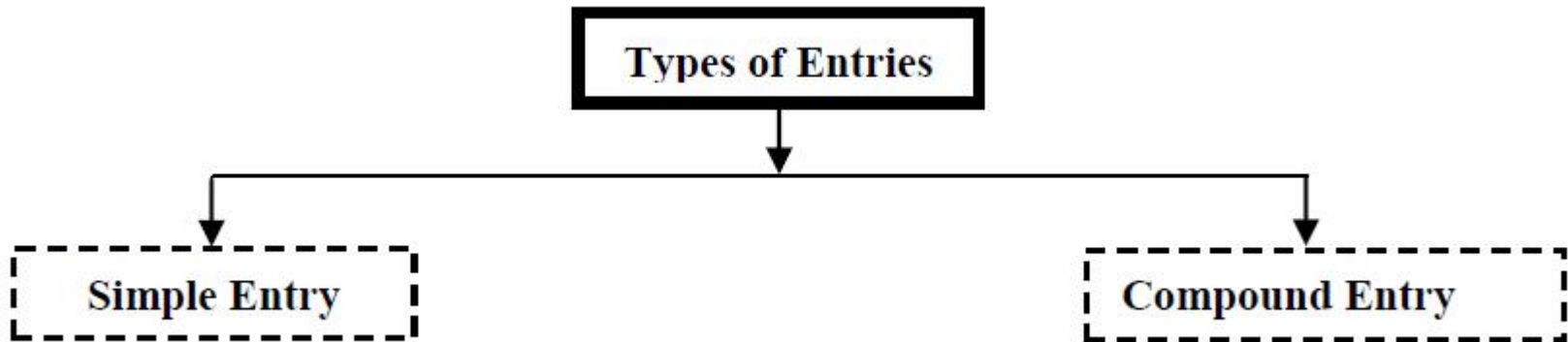
Determine the type of accounts

Implement the relevant accounting rule

Format of Journal Entries

Journal entries in the books of XYZ Ltd.

			(Dr.)	(Cr.)
Date	Particulars	Ledger Folio	Amount Rs.	Amount Rs.
	Debit A/cDr.			
	To Credit A/c			
	(Being.....)			



Types of Journal Entries

Broadly speaking there are two types of journal entries, but some authorities have divided the journal entries into three.

- (1) **Simple journal entry:** When there is only one debit and one credit in an entry, it is called a simple journal entry. For example, goods sold to Mohan Rs.1000, in this case Mohan's a/c will be debited with Rs.1000, sales a/c being credited with the same amount.
- (2) **Compound journal entry:** When there is more than one debit or credit in an entry, it is called a compound journal entry. In the above example, if Mohan pays Rs.975 in full settlement, it means we have allowed him a discount of Rs.25 which is a loss/expense for us. In this case, cash a/c will be debited with Rs.975, discount will be debited with Rs25 and Mohan's a/c will be credited with Rs.1000.

Journal Entry

- **Compound Journal Entry:** When two or more accounts are involved in a transaction and the transaction is recorded by means of a single journal entry instead of passing several journal entries, such single journal entry is termed as '**Compound Journal Entry**'
- **Opening Entry:** A journal entry by means of which the balances of various assets, liabilities and capital appearing in the balance sheet of the previous accounting period are brought forward in the books of current accounting period, is known as '**Opening Entry**'

Specimen-Simple Journal Entry

<i>Date</i>	<i>Particulars</i>	<i>L.F.</i>	<i>Debit Amount</i>	<i>Credit Amount</i>
25-12-2018	Purchases A/c To Govind Trader's A/c (Purchase of goods from Govind Trader)		30000	30000

Ex-1 Simple Journal Entries

Journalise the following transactions-

2017

Apr 1	Paid into Bank to open Current A/c	₹200,000
Apr 3	Goods purchased through cheque	₹40,000
Apr 5	Securities purchased for cash	₹40,000
Apr 6	Goods sold and received cheque	₹20,000
Apr 7	Cash withdrawn for office use	₹15,000
Apr 10	Goods purchased through cheque	₹10,000
Apr 12	Sales made and amount received through Debit Card	₹10,000
Apr 15	Interest received on securities into bank	₹1,000
Apr 20	Insurance premium paid through bank	₹2,000
Apr 25	Goods sold, cheque received, deposited same day	₹6,000

Date	Particulars	L.F.	Debit ₹	Credit ₹
2017 April 1	Bank A/c To Cash A/c (Paid into Bank for opening a current account)	Dr.	2,00,000	2,00,000
3	Purchase A/c To Bank A/c (Goods purchased by cheque)	Dr.	40,000	40,000
5	Investment in Securities A/c To Cash A/c (Investment made in securities)	Dr.	40,000	40,000
6	Bank A/c To Sales A/c (Goods sold to Radha and cheque received and deposited into bank)	Dr.	20,000	20,000
7	Cash A/c To Bank A/c (Cash withdrawn from bank for office use)	Dr.	15,000	15,000
10	Purchases A/c To Bank A/c (Purchased goods from Kamala and cash deposited in CDM)	Dr.	10,000	10,000
12	Bank A/c To Sales A/c (Sold goods to Vanitha who paid through debit card)	Dr.	10,000	10,000
15	Bank A/c To Interest on Investment A/c (Interest on securities directly received by bank)	Dr.	1,000	1,000
20	Insurance premium A/c To Bank A/c (Insurance paid by bank as per standing instructions)	Dr.	2,000	2,000
25	Bank A/c To Sales A/c (Sales made to Kunal who made payment through CDM)	Dr.	6,000	6,000