

Assignment -8: Journal

1. The Ledger folio Column of Journal is used to:
 - (a) Record the date on which amount posted
 - (b) Record the number of ledger Account to which information is posted
 - (c) Record the number of amounts posted to the ledger Account
 - (d) Record the page number of the ledger account
2. The Journal Entry to record the 'sale of services on credit' should include:
 - (a) Debit to debtors & Credit to Capital
 - (b) Debit to cash & Credit to capital
 - (c) Debit to service income & Credit to debtors
 - (d) Debit to debtors & Credit to Service fee income
3. The Journal Entry to record 'Purchase of Equipment for Rs. 2,00,000 Cash and Rs. 8,00,000 on credit include:
 - (a) Debit equipment Rs. 2,00,000 & Credit Cash Rs. 2,00,000
 - (b) Debit Equipment Rs. 10,00,000 & Credit Cash Rs. 2,00,000 & Creditors Rs. 8,00,000
 - (c) Debit Equipment Rs. 2,00,000 & Credit debtors Rs. 8,00,000
 - (d) Debit Equipment Rs. 10,00,000 & Credit Cash Rs. 10,00,000
4. If a transaction is properly analysed & recorded:
 - (a) Only two accounts will be used to record the transaction
 - (b) One Account will be used to record transaction
 - (c) One Account balance will increase & another will decrease
 - (d) Total amount debited will equals total amount credited
5. The Journal Entry to record payment of monthly bill will include:
 - (a) Debit monthly bill & Credit capital
 - (b) Debit Capital & Credit Cash
 - (c) Debit Monthly bill & Credit Cash
 - (d) Debit Monthly bill & Credit Creditors
6. Journal Entry to record salaries with include:
 - (a) Debit Salaries Credit Cash
 - (b) Debit Capital Credit Cash
 - (c) Debit Cash Credit Salary
 - (d) Debit Salary Credit Creditors
7. A Purchase of machine for Cash should be debited to:
 - (a) Cash Account
 - (b) Machine account
 - (c) Purchase account
 - (d) None of these
8. Recording of transaction in the Journal is called?
 - (a) Casting
 - (b) Posting
 - (c) Journalising
 - (d) Recording
9. Find the correct statement:
 - (a) Credit a decrease in assets
 - (b) Credit the increase in Expenses

- (c) Debit the increase in Revenue
(d) Credit the increase in capital
10. Goods drawn by the proprietor from business for Personal use-
- (a) Increases capital & decreases assets
 - (b) Increases assets & decreases expenses
 - (c) Decreases capital & decreases assets
 - (d) Increases & decreases assets
11. The rule of debit & Credit as regards should be debit the debtor & Credit the Creditor'
- (a) Personal Account
 - (b) Impersonal Account
 - (c) Real Account
 - (d) Nominal Account
12. Wages outstanding is-
- (a) Personal Account
 - (b) Real Account
 - (c) Nominal Account
 - (d) Impersonal Account
13. Recording of transaction in the Journal is called -
- (a) Positing
 - (b) Journalising
 - (c) Tallying
 - (d) Casting
14. The Journal is a book of -
- (a) Only Cash transactions
 - (b) Original Entry
 - (c) Credit & Sales Purchases
 - (d) Secondary Entry
15. Which one is not a Personal Account?
- (a) Loan
 - (b) Drawings
 - (c) Cash Account
 - (d) Current Account of a Partner



Solutions: Journal

1. (d): Record the page number of the ledger account
2. (d): Debit to debtors & Credit to Service fee income
3. (b): Debit Equipment Rs. 10, 00, 000 & Credit cash Rs. 2, 00, 000 & Creditors Rs. 8, 00, 000
4. (d): Total amount debited will equals total amount credited
5. (c): Debit Monthly bill & Credit cash
6. (a): Debit Salaries Credit Cash
7. (b): Machine Account
8. (c): Journalising
9. (d): Credit the increase in capital
10. (c): Decreases capital & decreases assets
11. (a): Personal account
12. (a): Personal Account
13. (b): Journalising
14. (b): Original Entry
15. (c): Cash Account

