



SNS College of Technology

Coimbatore - 35



23BAT605 – FINANCIAL STATEMENT ANALYSIS

Unit I – Introduction

Topic: Guess????



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Topic....





Example of Ledger and Posting





Journal

Mr. Ram started business with cash
Rs.5,00,000 on 1st June 2003

Write the journal of this
transaction





Journal

Mr. Ram started business with cash Rs.5,00,000 on 1st June 2003

Date	Particulars	LF	Debit Rs.	Credit Rs.
2003 June 1	Cash A/c. Dr To Ram's Capital A/c (Ram started business with Rs.5,00,000)		5,00,000	5,00,000



Try to find how many accounts involved in the journal

Date	Particulars	LF	Debit Rs.	Credit Rs.
2003 June 1	Cash A/c. Dr To Ram's Capital A/c (Ram started business with Rs.5,00,000)		5,00,000	5,00,000

Cash Account

**Ram,s Capital
Account**



Journalise the following transactions in the books of Amar and post them in the Ledger:-

2004

March 1 Bought goods for cash Rs. 25,000

2 Sold goods for cash Rs. 50,000

3 Bought goods for credit from Gopi Rs. 19,000

5 Sold goods on credit to Robert Rs. 8,000

7 Received from Robert Rs. 6,000

9 Paid to Gopi Rs. 5,000

20 Bought furniture for cash Rs. 7,000



Date	Particulars	LF	Debit		Credit	
			Rs.	P.	Rs.	P.
2004 Mar 1	Purchases A/c To Cash A/c (Cash purchases)	Dr	25,000	—	25,000	—
2	Cash A/c To Sales A/c (Cash Sales)	Dr	50,000	—	50,000	—
3	Purchases A/c To Gopi A/c (Credit purchases)	Dr	19,000	—	19,000	—



5	Robert A/c To Sales A/c (Credit Sales)	Dt.		8,000	—	8,000	—
7	Cash A/c To Robert A/c (Cash received)	Dt.		6,000	—	6,000	—
9	Gopi A/c To Cash A/c (Cash paid)	Dt.		5,000	—	5,000	—
20	Furniture A/c. To Cash A/c (furniture purchased)	Dt.		7,000	—	7,000	—



There are six accounts involved:

- Cash
- Purchases
- Sales
- Furniture
- Gopi &
- Robert

so six accounts are to be opened in the ledger.



Cash Account

Date	Particulars	J.F	Amount Rs.	Date	Particulars	J.F	Amount Rs.
2004				2004			
Mar 5	To Sales A/c		50,000	Mar 1	By Purchases		
7	To Robert A/c		6,000		A/c		25,000
				9	By Gopi A/c		5,000
				20	By Furniture A/c		7,000



Purchases Account

Date	Particulars	J.F	Amount Rs.	Date	Particulars	J.F	Amount Rs.
2004							
Mar 1	To Cash A/c		25,000				
3	To Gopi A/c		19,000				



Sales Account

Date	Particulars	J.F	Amount Rs.	Date	Particulars	J.F	Amount Rs.
				2004			
				Mar 2	By Cash A/c		50,000
				5	By Robert A/c		8,000



Furniture Account

Date	Particulars	JF	Amount Rs.	Date	Particulars	JF	Amount Rs.
2004							
Mar 20	To Cash A/c		7,000				



Gopi Account

Date	Particulars	J.F	Amount Rs.	Date	Particulars	J.F	Amount Rs.
2004 Mar 9	To Cash A/c		5,000	2004 mar 3	By Purchase A/c		19,000



Robert Account

Date	Particulars	I.F	Amount Rs.	Date	Particulars	I.F	Amount Rs.
2004 Mar 5	To Sales A/c		8,000	2004 Mar 7	By Cash A/c		6,000



Time for the assessment...



Tell the Golden Rules of Accounting





Summary

JOURNAL & LEDGER





References...

- <http://icmai.in/>
- www.accountingtools.com



Thank
you





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