

(v.v.v.v.v)

Debit and credit  
✓ De ✓ Cr ✓

Accounts Maintain : Dr - Cr

Dr (Left side)		Cr (Right side)	
Date	Particulars	Dr	Cr
	To —	4	
	— —	2	
	— —	3	

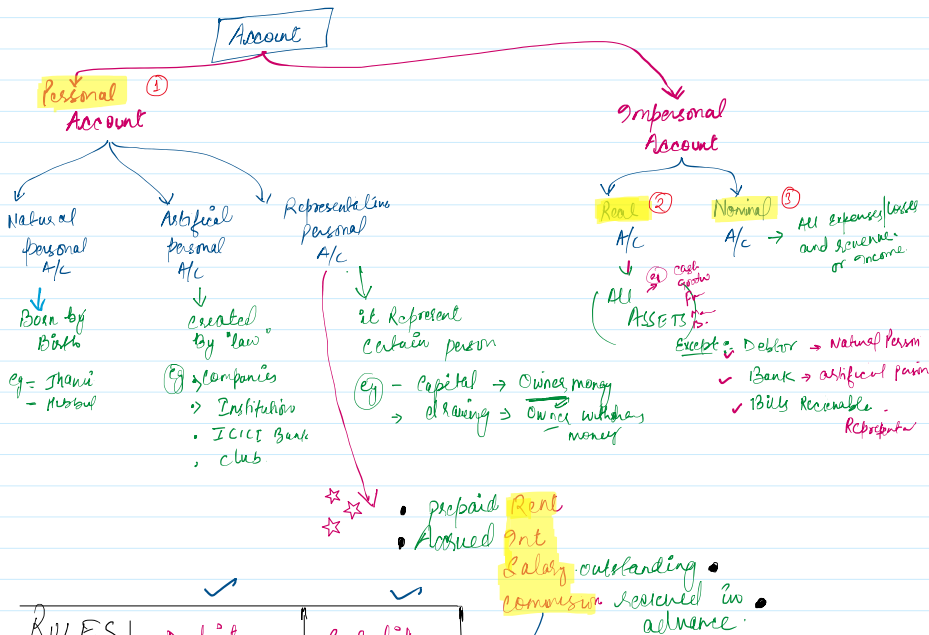
Structure

★ Rules of debit and credit

Traditional Approach (Rules)

Modern Approach (Rules)

## ① TRADITIONAL APPROACH

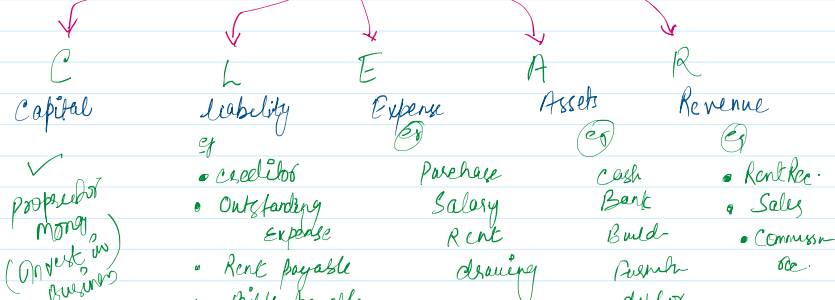


RULES	Debit	Credit
Personal A/c	The receiver	The giver
Real A/c	what comes in	what goes out
Nominal A/c	All Expense or losses	All incomes or gains

Nominal A/c

→ Asset

## ② MODERN APPROACH (RULES) (Clear)





Money  
(Invest in business)

- Unstarving Expense
- Rent payable
- Bills payable

Salary  
Rent  
drawing

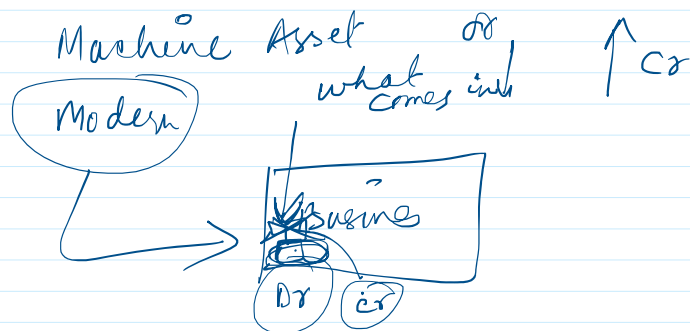
Build-  
Furnish  
debtor  
B/R

- Salary
- Commission

☆☆

		Debit	Credit
①	Capital ✓	Dec	Inc
②	Liability ✓	Dec	Inc
③	Exp ✓	Inc	Dec
④	Asset ✓	Inc	Dec
⑤	Revenue ✓	Dec	Inc

Tsadebi



## Casting / Balancing Accounting

Date	Particulars	JF Amt	Date	Particulars	JF Amt
-	To ---	10000	-	By ---	20000
-	To ---	5000	-	By ---	5000
-	To ---	15000	-	By ---	30000
-	To Bal c/d	5000	-	By ---	25000
		80000	-	By Bal c/d	xxx
					80000

Exp  
Debit

Cr side

Inc  
Earning

Casting (Case 1st)

Credit Side > Debit Side

Cr = 80000  
Dr = 30000

difference 50000

Balancing → c/d → carried down.

Cr & Dr

credit < debit

income < Exp

Loss → Debit balance.

Traditional "Asset"

Modern

3. Open a T shape account for machinery and put the following transactions on the proper side:	
(i) Machinery purchased	40,000
(ii) Machinery sold	10,000
(iii) Machinery purchased	8,000
(iv) Machinery discarded	14,000
(v) Depreciation on machinery	1,000

sol (Dr) ← Inc Machine Account Dec → Cr

Date	Particulars	JF Amt	Date	Particulars	JF Amt
(i)	To Machine (1) Purchase	40,000	(ii)	By Machine sold	10,000
(iii)	To Machine (2) Purchase	8,000	(iv)	By Machine discarded	14,000
			(v)	By depreciated	1,000
				By B/lnc c/d	23,000
		48,000			48,000

25000

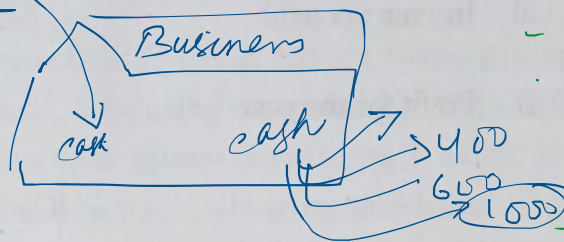
1. net n. balance



Open a "T" shape Cash Account with the following transactions:

	₹
(i) Mohan started business with cash	40,000
(ii) Purchased goods	20,000
(iii) Sold goods	24,000
(iv) Paid rent	400
(v) Paid salaries	600
(vi) Drew for personal use	1,000

✓ debit Balance



Mohan Business

cash → Asset → Rule ↑ Dr ↓ Cr

Dr				Cr			
Date	Particular	JF	Amt	Date	Particular	JF	Amt
(i)	Business started		40000	(ii)	purchased goods		20000
(iii)	Sold goods		24000	(iv)	paid rent		400
				(v)	paid salary		600
				(vi)	withdrawn		1000
					By Bal c/d		42000
			64000				64000

72000

(debit Balance)

Q -

Open a "T" shape account of creditor, 'Rakesh', and write the following transactions on the proper side:

	₹
(i) Goods purchased from Rakesh on credit	50,000
(ii) Goods returned to Rakesh for	5,000
(iii) Paid to Rakesh	20,000
(iv) Purchased goods from Rakesh on credit	10,000

Liability

A E Sam

Q -

Dr				Cr			
Date	Particular	JF	Amt	Date	Particular	JF	Amt
(i)	Goods returned to Rakesh		5000	(ii)	goods purchased		50000
(iii)	paid to Rakesh		20000	(iv)	Goods purchase		10,000
	By Bal c/d		35000				
			60000				60,000

Modern

credit Liability



ne  
rule

u

or

or

✓

	60000		60,000
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Credit Balance

CLR

11. Open a "T" shape account of debtor 'Brij' and write the following transactions on the proper side:

- (i) Sold goods to Brij on credit ₹ 25,000
- (ii) Cash received from Brij ₹ 10,000
- Discount allowed to him ₹ 500
- (iii) Goods returned by Brij ₹ 5,000

H/w

12. Put the following on the proper side of a Cash Account, a Debtor's Account and a Creditor's Account:

- (i) Sold goods to Sanjay on credit
- (ii) Sold goods to Mohan for cash
- (iii) Purchased goods from Ram on credit
- (iv) Cash received from Sanjay
- (v) Goods returned by Sanjay
- (vi) Paid rent
- (vii) Cash paid to Ram

Dr	Inc	Cash A/c		Dec	Cr
(ii)	Sold good	20000	(vi)	Paid rent	500
(iv)	Cash rec. Sanja	19000	vii	paid to Ram	15000
				Bal fig c/d	23500
		39000			39000

Debit B/n

Dr	Inc	Debtor A/c		Dec	Cr
(i)	Sold goods	50,000	(iv) r	Cash rec. goods returned	19000 2000
				Bal fig c/d	29000
		50000			50000

Debit B/n

✓

✓

-



Dr	dec	Creditor A/c	inc	Cr
(vii)	cash paid	15000	(iii) Purchased goods	25000
	Bal for c/d	10000		
		25000		25000

→ Credit side

