

## LEDGER POSTING OF SUBSIDIARY DAY-BOOKS

### 15.1 INTRODUCTION

In continuation with the posting of Day-Book in to ledger, you are now going to learn the posting of Subsidiary-Day Books into Ledger. This will complete the second stage of accounting process. By posting the Subsidiary Day-Books, you will be able to ascertain the amount of Total credit Sales, Credit purchases, Return inwards and Return outwards.

### 15.2 OBJECTIVES

After studying this lesson, you will be able to ;

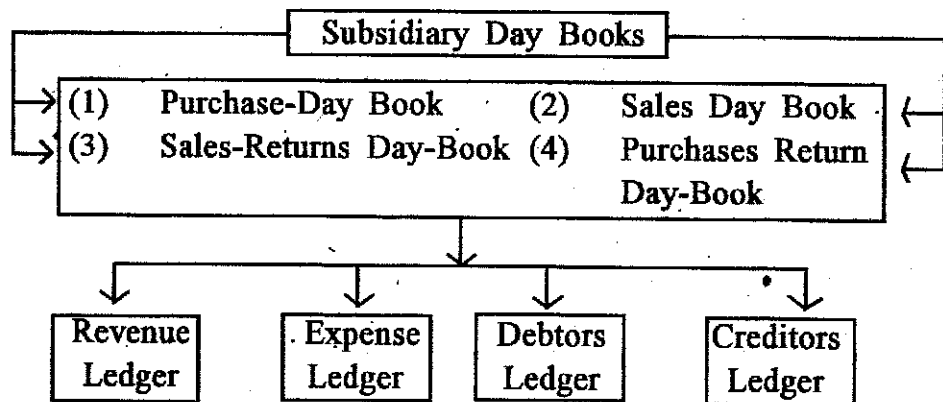
- recall the meaning and format of ledger;
- interpret the rules of posting the different Subsidiary - Day Books;
- write individual entries from the Purchases Day-Book and Sales Returns Day Book on the credit side of relevant individual ledger A/c;
- write individual entries from Sales Day Book and Purchases - Returns Day Book on the debit side of relevant ledger Accounts'
- post the periodic totals of Purchase - Day Book and Sales Return

Day Book on the debit side of Purchases A/c and Sales-Return A/c respectively in the ledger;

- post the periodic totals of Sales Day Book and Purchases Returns Day Book on the credit side of Sales A/c and Purchases Return A/c respectively;
- prepare the Index of ledger Accounts.

### 15.3 POSTING OF PURCHASES DAY-BOOK AND SALES DAY BOOK INTO LEDGER

Posting is the process of transferring the transactions to ledger according to the convenience and requirement of the business periodically. For example, in case of Purchases Day Book, Sales Day Book, Returns Inward Day Book and Returns Outward Day-Book, the posting of individual amounts is done daily, whereas posting of total amounts is completed periodically.



Let us now discuss the posting of Subsidiary Day Books into ledger separately:

#### I. Posting of Purchases - Day Book

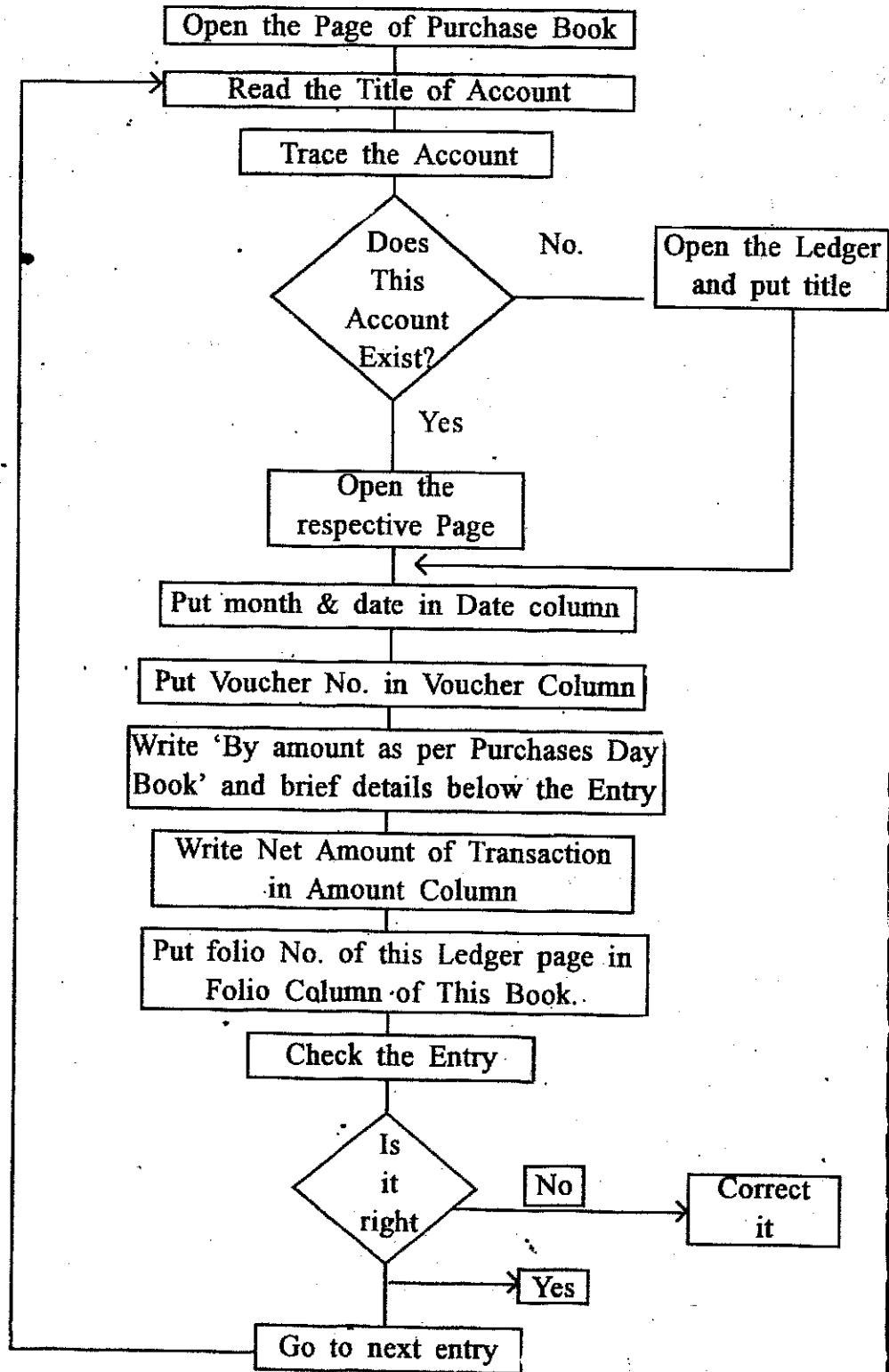
Posting of Purchases Day Book into Ledger involves transferring the entries appearing in the Purchases Day Book into relevant Accounts in the ledger. Individual amounts are posted daily to the credit side of individual Suppliers A/c. The periodic totals are posted to the deb

side of Purchases A/c in the ledger by Writing, "To amount as per Purchases Day-Book being purchases for the month of .....19....., in the Particulars column of the account.

The following are the steps in the procedure of posting this book into the ledger.

- (1) Read the title of Account in Purchases Day Book and trace this title in the ledger.
- (2) Write month & date in the "Month & Date" column.
- (3) Enter voucher No. in the Voucher Column.
- (4) Write on the credit side of 'Particulars Column of Account in the ledger, the words "By amount as per Purchases Day-Book being purchases Vide bill No. ....dt.....".
- (5) write the amount in the 'Amount' column of Account on the credit side. This amount should be the same as given in the Purchase Day Book's 'Amount Column.'
- (6) Write the Page No. of Purchases Day Book in 'folio' column of Ledger Account.
- (7) Check the posting again.

These steps can also be explained with the help of a flow chart given below:



Example 1. Post the following Purchases Day Book into the ledger.

**Purchase-Day Book**

Month & Date	Vr. No.	Particulars	Folio	Details Rs.	Amount Rs.
1996 March 5	12	M/s Krishna & Co. : Delhi 24 Ball pens @ 10/- each less Trade Discount (Vide bill No. 217)	23	240 40	200
March 12	15	M/s Bittoo Stationery Mart 25 Geometry Box @ Rs. 20/- 200 Carbon Papers @ Rs.1 each (vide bill No. 352)	6	500 200	700
March 31		Purchases A/c Total Purchases for the month of March 1997	9		900

**Solution**

**Ledger**

Dr. **M/s Krishna & Co.'s A/c** Cr. 23

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
					1997 March 5	12	By Amount as per Purchases Day-Book (Vide bill No. 217)	15	200

Dr. **M/s Bittoo Stationery Mart A/c** Cr. 16

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
					1997 March 12	15	By Amount as per Purchases Day Book (Vide bill No. 352)	15	700

Dr					Purchases A/c					Cr.	
Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.		
1997 March 31	12	To Amount as per Purchases Day Book (Purchases for the month of March 1997)		900							

**Example 2**

The following is Purchases - Day Book. You are required to post the items of this book into ledger.

**Purchases Day Book**

Month & Date	Vr. No.	Particulars	Folio	Details Rs.	Amount Rs.
1997 Jan. 6	25	<u>M/s Khubsurat Furnitures</u> 20 chairs @ 50/- each 22 Tables @ 100/- each Less 15% Trade Discount (Vide bill No. KSF/203)	16	1,000 2,200 3,200 480	2,720
Jan. 17		<u>M/s National Timber Works</u> 50 Superior Bats @ 55/- each 2 Dozen Hockey Sticks @ Rs. 360/- Per Dzn Housing Furniture Co.'s A/c vide Bill No. WTW/105	25	2,750 720	3,470
Jan. 27	35	<u>M/s Housing Furniture Co. Delhi</u> 2 Sets of Double beds @ 2,000/- per set One Sofa set @ 4,000/- each  Less Trade Discount 20% (Vide Bill No. HFC/267)	28	4,000 4,000 8,000 1,600	6,400
Jan. 31		Purchases A/c (Purchases for the month of January 1997)			12,590

**Ledger**

Dr **M/s Khubsurat Furnitures A/c** Cr. **16**

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
					Jan 6	25	By Amount as per Purchases Day Book (Being Purchases vide Bill No. KSF/203)	9	2,720

Dr **National Timber Works A/c** Cr. **25**

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
					Jan 17	28/07	By Amount as per Purchases Day Book (Being Purchases vide Bill No. WTW/105)	9	3,470

Dr **Housing Furniture Co's A/c** Cr. **28**

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
					1997 Jan 27	35/	By Amount as per Purchases Day Book (Being Purchases vide Bill No. HFC/267)	9	6,400

Dr **Purchases A/c** Cr. **52**

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
Jan 27		To Amount as per Purchases Day Book (Being Purchases for the month of of Jan. 1997)	9	12,590					

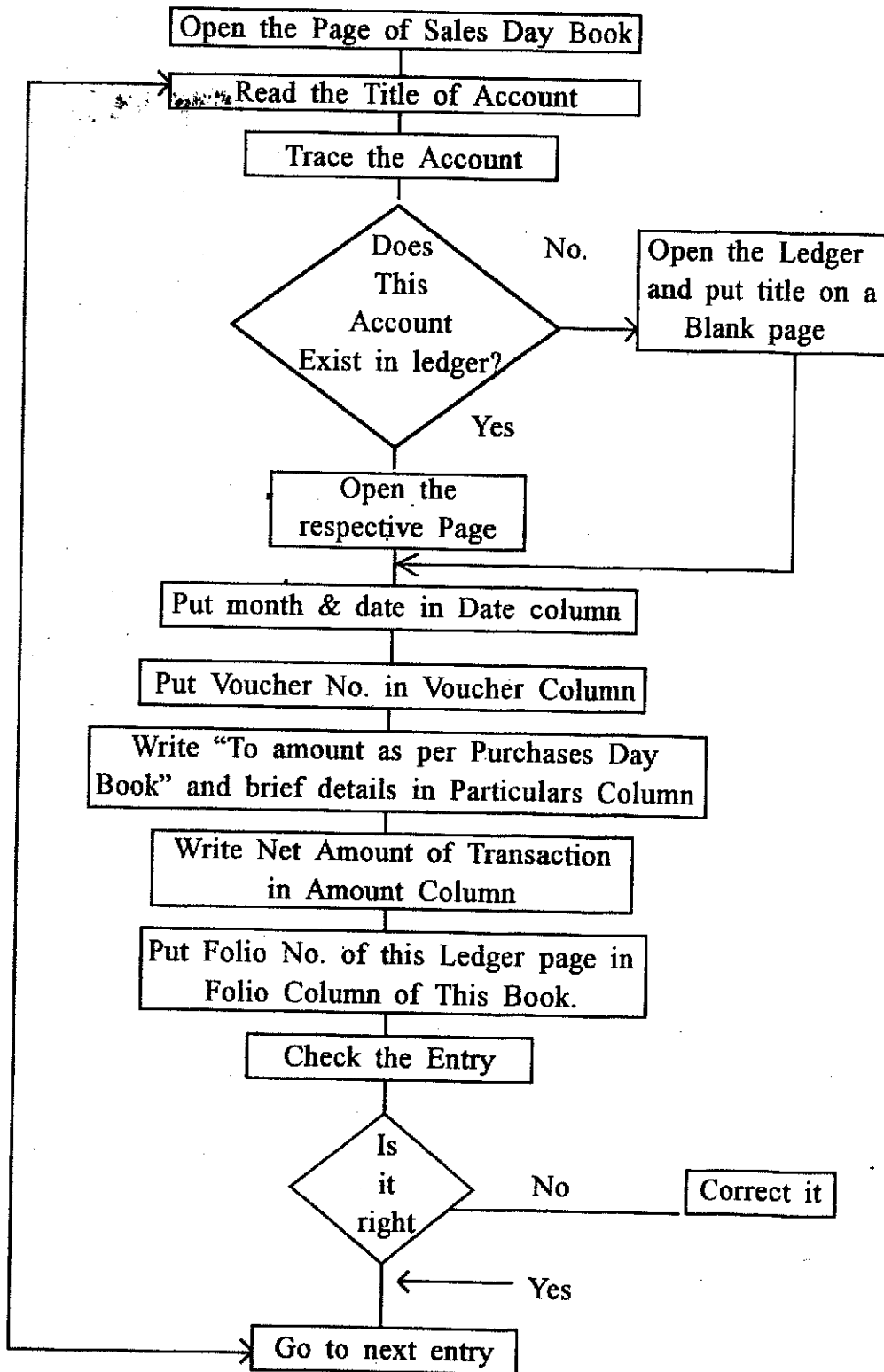
## II) Posting of Sales Day Book

Entries in the Sales Day Book are made from the Sales Invoices with the net amounts. Individual amounts from the Sales Day Book are posted daily to the debit side of individual customer's Account and periodic totals are posted to the credit of Sales account in the ledger by writing "To amount as per Sales Day Book" being sales for the month of 19.... The following are the Steps in the procedure of posting this book into the ledger:

Steps:

- (1) Read the Title of Account in Sales Day Book and Trace the title in the ledger.
- (2) Write month & date in "Month & Date Column.
- (3) Enter Voucher NO. in the 'Voucher' Column.
- (4) Write on the Debit side of Particulars Column of Account in the ledger. "To amount as per Sales Day Book, being Sales vide Bill No...."
- (5) Write the amount on Debit side in "Amount" Column. This amount should be the same as given in Sales Day Book's Amount Column.
- (6) Write Page No. of Sales Day Book in the Folio Column of Ledger Account.
- (7) Check the posting again.

These steps can also be explained with the help of a flow-chart:



Example 3 : Post the following Sales Day Book into the ledger.

**Sales Day Book**

16

Month & Date	Vr. No.	Particulars	Folio	Details Rs.	Amount Rs.
1997 Feb 12	20	<u>M/s Bombay Textiles Ltd</u> 200 Mt. Polyester White @ Rs.16/- Per Meter Less Trade Dis. 20% (Vide their bill No. 263)	3	3,200  640	2,560
" 26	28	<u>M/s Kohinoor Cloth Store</u> 100 mt. Tweed @ 110/- per meter 50 Suit length pieces (Gwalior) @ 250/- Per Suit Less Trade discount @ 10% (Vide Bill No. 152)	19	11,000  12,500 23,500 2,350	
" 28		Sales Account (Sales for the month of Feb. 1997)	28		23,710

**Solution**

**M/s Bombay Textile Co.'s A/c**

Dr					Cr				
Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
1997 Feb 12	20	To Amount as per Sales Day Book (Vide Bill No. 263)	3	2,560					

**M/s. Kohinoor Cloth Store A/c**

Dr					Cr				
Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
1997 Feb 26	28	To Amount as per Sales Day Book (Vide Bill No. 152)	19	21,150					

Dr					Sales Account					Cr.				
Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.					
					1997 Feb 12	20	By Amount as per Sales Day Book (Being Sales for the month of Feb.97)		23,710					

**Example 4**

Post the entries from the Sales Day Book of M/s. Leather Arts into the Ledger Accounts.

**Sales-Day Book**

Month & Date	Vr. No.	Particulars	Folio	Details Rs.	Amount
1997 Nov.5	15	<u>M/s Ideal Emporium : Delhi</u> 50 Ladies Hand Bags @ 20/- each 10 Ladies Hand Bags (Small) @ 30/- each Less 16% Trade Discount (Supplied vide our bill No. 73)	51	1,000 300 1,300 195	1,105
Nov. 17	37	<u>M/s Attractive Gifts Mart</u> 10 Pecs Wall Hangings-XL @ Rs. 30/- each 20 Pcs Folder No.10 @ Rs.40 each Less 25% Trade Discount (Supplied vide our bill No. 95)	55	300 800 1,100 275	825
Nov.25	40	<u>M/s Selection Purse Trading</u> 50 Big Purses (Leather) 24" @ 25/- each 10 Small Purses (Pocket Type) @ 20/- each Less 10% Trade Discount (Supplied Vide our Bill No. 97)	47	1,250 200 1,450 145	1,305
Nov. 30		Sales Account (Sales for the month of November)	95		3,235

**Solution**

**M/s. Ideal Emporium A/c**

Dr

Cr. 51

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
1997 Nov. 5	20	To Amount as per Sales Day Book (Being sales vide Bill No. 73)	76	1,105					

**M/s. Attractive Gift Mart A/c**

Dr

Cr. 55

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
1997 Nov.17	15	To Amount as per Sales Day Book (Being sales vide Bill No. 95)	76	825					

**M/s. Selection Purse Trading Co. A/c**

Dr

Cr. 55

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
1997 Nov. 25	40	To Amount as per Sales Day Book (Being sales vide Bill No. 97)		1,305					

**Sales A/c**

Dr

Cr. 55

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
					1997 Nov. 30	20	By Amount as per Sales Day Book (Sales for the month of Nov. 97)	76	3,235

## POINTS TO REMEMBER

- Posting of individual entries from Purchases-Day-Book is done on the credit side of concerned individual account in ledger.
- Posting of individual entries from the Sales Day Book is done on the debit side of relevant A/c. in the ledger.
- The Periodic totals of Purchase-Day Book are posted on the Debit side of Purchases A/c in the ledger.
- The periodic totals of Sales-Day Book are posted on the credit side of Sales A/c in the ledger.
- The amounts posted in various ledger Accounts are the amounts which are given in the 'Amount Column of these books.
- Posting of Individual A/cs is done daily or frequently, but the posting of totals of these books in the concerned accounts in the ledger is done periodically.

## INTEXT QUESTIONS 15.1

- A. Fill in the blank with appropriate word or words :
- (i) The four Subsidiary-Day Books are \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.
  - (ii) While posting totals of Purchases-Day Book in Purchases A/c, " \_\_\_\_\_ " words are used.
  - (iii) While posting totals of Sales Day Book in Sales A/c, " \_\_\_\_\_ " words are used.
  - (iv) Posting is the process of \_\_\_\_\_ the transactions from Day Books to ledger.
  - (v) While individual amounts from the Purchases and Sales Day Book are posted daily, their totals are posted \_\_\_\_\_.
  - (vi) The totals from Purchases Day Book and Sales Day Book are recorded on \_\_\_\_\_ and \_\_\_\_\_ sides of Purchases A/c and Sales A/c respectively.
  - (viii) The individual amounts from Purchases Day Book and Sales Day Book are written on the \_\_\_\_\_ side, and \_\_\_\_\_ side of concerned individual account respectively.

B. From the following Purchases Day Book and Sales Day Book, identify the accounts to be debited or credited.

**Purchases Day Book**

Month & Date	Vr. No.	Particulars	L.F.	Details Rs.	Amount Rs.
1997 April 5	1	<u>M/s Oswal Emporium : Delhi</u> 200 bags (Small size) @ 20/- each (Purchases from them vide bill No. 26)			4,000
April 24	2	<u>M/s Kaku Chawla &amp; Co.</u> 50 Blackboards @ Rs.50/- per item. (Purchased vide Bill No.25)			2,500

**Sales Day Book**

Month & Date	Vr. No.	Particulars	L.F.	Details Rs.	Amount Rs.
1997 April 5	1	<u>M/s Golubhai Sports Wala</u> 4 Dozens Cricket balls @ 60/- per ball (Being sold vide Bill No.207)			2,880
May 15	4	<u>M/s Bittoo Stationery Wala</u> 50 packets of office allpins @ Rs.25/- per packet (Sold Vide Bill No. 45)			1,250

Please write Name of A/c to be debited and to be credited in the space left below, carefully.

Serial No.	Name of A/c (To be debited)	Name of A/c (To be credited)
1.		
2.		
3.		
4.		

## 15.4 POSTING OF PURCHASES AND SALES RETURNS DAY BOOKS INTO LEDGER

### I. Posting of Purchases>Returns Day Book

The process involved in the posting of Purchases Returns Day Book into ledger is the same as discussed in case of Sales Day Book. While posting the entries from this book, the words "To amount as per Purchases Returns Day Book Vide Debit Note No. \_\_\_\_\_ will be written on the debit side of individual account. While posting the periodical totals of this book into Purchases Return A/c, the words, "By amounts as per Purchases - Returns Day Book" will be written on the credit side.

**Example 5 :** Post the following Purchases Return Day Book into ledger.

**Purchases Returns Day Book**

Month & Date	Vr. No.	Particulars	L.F.	Details Rs.	Amount
1996 Sept. 15	53	<u>M/s National Thread Co.,</u> 10 Reels (Super) @ Rs. 5/- per reel 40 Reels (Polyster) @ Rs. 15/- per reel (Being Goods returned vide Debit Note No. 35)	45	50	650
		600			
Sept. 20	59	<u>M/s Tailoring Material Suppliers</u> 2 gross Coller bones @ 40/- Per Gross* 1 2 Dozens Shoulder Pads @ 20/- per Dozen*2 Less 20% Trade Discount	36	80 40 120 24	
Sept 30		Purchase Returns A/c (Goods returned for the month of Sept 1996)	76		96
					<b>746</b>

Gross = 144 items (units)  
1 dozen = 12 items (units)

## Solution

## Ledger

## M/s National Thread Co.

Dr

Cr. 45

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
1996 Sept. 15	53	To Amount as per purchases Returns Day-Book (Being goods returned vide our debit note Bill No. 73)		650					

## M/s Tailoring and Material Suppliers A/c

Dr

Cr. 36

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
1996 Sept. 15	59	To Amount as per purchases Return Day Book (Being Goods Returned)		96					

## Purchases Returns A/c

Dr

Cr. 51

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
					1996 Sep 15	20	By Amount as per purchases Return Day Book (Being Goods Returned for the month of Sept. 96)	76	746

## II. Posting of Sales-Return Day Book

The Process involved in the posting of Sales>Returns Day Book into ledger is the same as discussed in case of Purchases Day Book. While posting the entries from this book the words, "By amounts as per Sales

Returns Day Book, "Vide credit note No....." will be written. While posting the periodic totals of the book into Sales Returns A/c the words, "To Amount as per Sales Returns Day Book" will be written on the debit side.

**Example 6 :** Post the following Sales>Returns-Day Book into Ledger.

**Sales Return Day Book**

Month & Date	Vr. No.	Particulars	L.F.	Details Rs.	Amount
1997 Oct 16	45	<u>M/s Cottage Emporium</u> 10 Fancy Hand Bags No.7 @ 45/- each 12 pocket purses (small) @ Rs. 25/- each Less 20% Trade Discount (Goods received back vide Note No. 22)	18	450 300 <hr/> 750 150	<hr/> 600
Oct. 27	46	M/s Sonu Bag Mart 25 large Size Bags 24" @50/- each Less 15% Trade Discount (Goods Received back vide Note No. 11 issued to them)	48	1,250 <hr/> 187	<hr/> 1,063
Oct. 31		Sales Returns A/c (Being Sales Returns for the month of Oct.97)	75		<hr/> <hr/> 1,663

**Journal :**

**M/s. Cottage Emporium A/c**

Cr. 18

Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.
					1997 Oct. 16	45	By Amount as per Sales Returns Day Book (Vide Note No. 22)		600

Dr					M/s. Sonu Bag Mart A/c					Cr. 48
Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.	
					1997 Oct. 27	46	By Amount as per Sales Returns Day Book (Vide Note No. 11)		1,063	

Dr					Sales Returns A/c					Cr. 75
Month & Date	Vr. No.	Particulars	F	Amount Rs.	Month & Date	Vr. No.	Particulars	F	Amount Rs.	
1997 Oct.31		To Amount as per Sales Returns Day Book (Being sales Returns for Oct.1997)		1,663						

### POINTS TO REMEMBER

- Posting of the individual entries from the Purchases Return Day Book is done on the debit side of concerned individual A/c in the ledger.
- The periodic Totals of Purchases Returns Day Book is posted on the credit side of Purchases Returns A/c in the ledger.
- The amounts posted in various ledger Accounts are the amounts which are given in the 'Amount' Column of these books.
- Posting of Individual entries from Sales-Returns Day Book is done on the credit side of concerned individual A/c.
- The Periodical totals of Sales Return Day Book is posted on the debit side of Sales Returns A/c in the ledger.

### INTEXT QUESTIONS 15.2

- A. Fill in the blanks and complete the following sentences:
- "....." are the words used while posting the totals of Sales Returns-Day Book into Sales Returns A/c.
  - "....." are the words used while posting the totals of Purchases - Returns Day Book into Purchases-Returns A/c.

(iii) While individual accounts from the Purchases Returns and Sales Returns Books are posted daily, their totals are posted ..... in the ledger.

Tick ( √ ) the correct answers :

- |      |  |   |
|------|--|---|
| i)   | Total of these transactions is posted in Purchase A/c.             | (i) Cash Purchases of Stationery<br>(ii) Purchase Returns<br>(iii) Credit Purchases<br>(iv) Purchase of Machine   |
| ii)  | The individual entries from the Sales Day Book are:                | (i) Not posted in any Account<br>(ii) Posted on the Credit Side of individual Account are<br>(iii) Posted on the Debit side of individual Account<br>(iv) Posted in the credit of Sales A/c |
| iii) | The periodic totals of Sales Return Day Book is posted to          | (i) Sales A/c<br>(ii) Sales Returns A/c<br>(iii) Purchases Returns A/c<br>(iv) Goods A/c  |
| iv)  | The totals of the Sales Day Books are posted to the credit side of | (i) Sales A/c<br>(ii) Sales Returns A/c<br>(iii) Purchases Returns A/c<br>(iv) Goods A/c  |
| v)   | The totals of Purchases. Day Book are posted to the Debit Side of  | (i) Sales A/c<br>(ii) Purchases A/c<br>(iii) Goods A/c<br>(iv) Purchases Returns A/c  |

## 5.5 PREPARING INDEX OF LEDGER ACCOUNTS

An Index is an alphabetical and numerical arrangement of titles of Accounts alongwith the page number of the ledger where they are located.

In a ledger, the Index gives the location of any particular Account. In the absence of an index, it will be very difficult and time consuming to trace a particular account. Thus, an Index facilitates the tracing of

an account. This makes the process of posting convenient and less time consuming. For this purpose, a few pages are reserved in every ledger in the beginning to make an index. These pages are marked alphabetically in such a way that the alphabets are visible.

#### How to Prepare An Index?

1. Before preparing the index, open various accounts on different pages in ledger.
2. Take the first account and note -
  - (i) the first letter of the 'name of this account'
  - (ii) the page number of this account from the ledger
3. Find the page bearing the corresponding letter in the index and write the name of this account on this page alongwith the page number.
4. Repeat the same procedure, every time a new account is opened in the ledger.

**Example 6 :** The following accounts are to be opened in the ledger on the page No. given against them. Prepare appropriate index for these accounts also.

Name of Account	Page No.
Capital Account	(5)
Purchases A/c	(45)
Gopal Sons & Co.	(16)
Evergreen Gift House A/c	(12)
Plant & Machinery A/c	(47)
Wages Account	(52)
Drawings Account	(8)
Damodar Dayal's A/c	(9)

olution

INDEX PAGE	<b>C</b>
Capital Account	5

INDEX PAGE	<b>G</b>
Gopal Sons & Co.	16

INDEX PAGE	<b>E</b>
Evergreen Gift House	12

INDEX PAGE	<b>D</b>
Drawings Account	8
Damodar Dayal's A/c	9

INDEX PAGE	<b>P</b>
Purchases Account	45
Plant & Machinery	47

INDEX PAGE	<b>W</b>
Wages Account	52

## POINTS TO REMEMBER

Index is necessary to trace the Accounts in the Ledger.

All Accounts' title starting with one alphabet are entered on the Index page with the same alphabet.

The title of an account on Index page is the same as on the ledger Page:

Page No. of Ledger on which an account is opened is put against the title of this account on the Index page.

### FORMAT OF INDEX

INDEX			
Account	Folio	Account	Folio
Drawing	12		
Domodar Dayal	16		
Dress Material	19		
Discount	36		
Debtors	42		


### INTEXT QUESTIONS 15.3

- A. Fill in the blanks with the suitable words given in the bracket.  
(Facilitates, Page, Convenient, Same, Page Number, Time, Alphabetical)
- (i) Index gives the \_\_\_\_\_ where particular account is located in the ledger.
  - (ii) Index makes the process of posting \_\_\_\_\_ and less \_\_\_\_\_ consuming.
  - (iii) An Index is an \_\_\_\_\_ arrangement of titles of accounts along with the \_\_\_\_\_ number of the ledger where they are located.
  - (iv) An Index \_\_\_\_\_ the finding out of the page where an account is recorded.
  - (v) The title of the account, written on the Index page is exactly the \_\_\_\_\_ as on the ledger page.
- B. Write 'True' or 'false' against each of the following statements:
- (i) Some pages are reserved in the ledger in the beginning for index.
  - (ii) Index makes the process of posting easy and convenient.

- (iii) An Index is a Name-wise arrangement of titles of accounts in the ledger.
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## **15.6 WHAT YOU HAVE LEARNT**

- (1) Posting of individual entries from Purchase - Day Book is done on the credit side of concerned individual Accounts in the ledger.
- (2) Posting of individual entries from Sales Day Book is done on the debit side of concerned individual Accounts in the ledger.
- (3) Periodic total of Purchases Day Book and Sales Day Book are posted in the ledger in Purchases A/c and Sales A/c on Debit and credit sides respectively.
- (4) The Amount posted in various ledger Accounts from these Day books are those given in the 'amount' Columns of these books.
- (5) Posting of individual entries from Purchases - Returns Day Book is done on the Debit side of concerned individual Account in ledger.
- (6) Posting of individual entries from Sale Returns - Day Book is done on the credit side of concerned individual Account in the ledger.
- (7) Periodical Totals of Purchases Returns Day Book and Sales Returns Day Book are posted in the ledger in Purchases Returns A/c and Sales Returns A/c on credit and Debit Sides respectively.
- (8) Posting of individual entries from the Day Books is done daily or frequently whereas posting of totals is done periodically.
- (9) An index is an alphabetical and numerical arrangement of titles of Accounts along with the page number of ledger where they are located.
- (10) Title of Account on Index page is the same as the one on the ledger page.
- (11) For preparing Index, a few pages in the beginning are reserved in the ledger. These pages are marked alphabetically, viz. A,B,C,D,E,F,G ..... Z.

## 15.7 TERMINAL QUESTIONS

1. (a) Name the side of Purchases A/c on which you post the total of Purchases Day Book.
  - (b) Name the side of the Sales A/c on which you post the total of Sales Day Book.
  - (c) Name the Account in which you post the totals of Purchases Returns Day Book.
  - (d) Name the Account in which you post the totals of Sales>Returns Day Book.
  - (e) Mention three advantages of preparing Index in the ledger.
2. State the steps of posting Purchases Returns Day Book into ledger.
  3. Post the following Purchases Day Book of M/s Fancy Cloth Store Delhi into ledger.

### PURCHASE-DAY BOOK

Month & Date	Vr. No.	Particulars	L.F.	Details Rs.	Amount Rs.
1995	501	<u>Krishna Cloth House</u> 48 Cotton Sarees Fall @ 5/- 60 polystar falls @ 9/-		240 540	624
		Less 2%- Trade Discount		780 156	
Jan. 16	615	<u>Manohar Cut Piece Store</u> 48 Terry Rubia Piece @ Rs.10/- 50 Polyster falls @ 18/-		480 900	1,173
		Less 15% Trade Discount		1,380 207	
Jan 24	715	<u>Shery Cloth House</u> 50 Terrycot piece @ 10/- each 20 Rough cloth piece @ Rs.5 each		500 100	600
Jan 31		Purchases A/c (Purchases for the month of Jan 1995	Total		2,397

4. Post the following Sales Returns Day Book in the ledger.

**SALES RETURN DAY BOOK**

Month & Date	Vr. No.	Particulars	L.F.	Details Rs.	Amount Rs.
1996 Sept. 4	16	<u>M/s Avon Decorate Pvt. Ltd.</u> 2 Chairs (Easy) @ Rs. 550/- Less 10% Trade Discount (Sold Vide Invoice No.242 received back vide Note No. 6356)		1,100 <u>110</u>	990
Sept. 25	21	<u>M/s Royal Furniture Mart</u> 5 Fancy Sunmica Tables (3' x 2') @1,500/- each (Table Sold Vide Sales Invoice No. 213, received back vide their Note No. 433)			7,500
Sept. 30		Sales Return A/c (Return Inwards for the month Sept. 1996)			<u>8,490</u>

5. Post the following Purchases Returns Day Book into Ledger.

**PURCHASE-RETURN DAY BOOK**

Month & Date	Vr. No.	Particulars	L.F.	Details Rs.	Amount Rs.
1997 Feb. 12	62	<u>M/s Goyal Sarees, Surat</u> 5 Polyster Sarees @ Rs. 80 each 3 Kota Sarees @ Rs.200/- each  Less 22 1/2% Trade Discount (Returned Vide our Debit Note No. 43 dt. 26/2/96)		400 600 <u>1,000</u> 225	775
Feb. 20	66	<u>Arvind Mills, Bangalore</u> 6 Sarees (Parag) cotton @ Rs. 180/- each 2 Sarees (garden) @ Rs. 205/- each (Returned vide our Debit Note No. 59 dt....)		1,080 410	1,490
Feb. 28		Purchases Returns A/c.		Total	<u>2,265</u>

6. Post the following Sales Day Book into the ledger.

**Sales Day Book**

Month & Date	Vr. No.	Particulars	L.F.	Details Rs.	Amount Rs.
1997 Sept. 6		<u>M/s Ideal College, Delhi</u> 10 Tables @ Rs.250/- each 10 chairs @ Rs.150/- each		2,500 1,500 <hr/> 4,000	3,600
		Less 10% Discount (Sold vide Bill No. 233)		400	
Sept. 8		<u>M/s Madhav Brothers, Ghaziabad</u> 5 stools @ Rs.100/- each 10 chairs @ Rs.150/- each (Sold vide invoice No. 63)		500 1,500	2,000
Sept. 10		<u>M/s Ram Lal &amp; Sons, Furnishers</u> 3 Tables @ 750/- each 5 Sofaset easy chairs @ 300/- each Less 10% Discount (Sold Vide Bill No. 134)		2,250 1,500 <hr/> 3,750 375	3,375
				Total	8,975

7. The following are the purchases - Day Book and Sales Day Book. You are required to post them into ledger.

**PURCHASES DAY-BOOK**

Month & Date	Vr. No.	Particulars	L.F.	Details Rs.	Amount Rs.
1997 May 20	25	<u>M/s. Gujarat Sons Booksellers</u> 80 Accountancy - Registers (big) @ Rs. 20/- each. Less Trade Discount @ 15% (Being purchases vide Bill No. GS/29)		1,600 <hr/> 240	1,360
May 25	34	<u>M/s Rotomac Pen Co. Agra</u> 10 Dozens fancy pens @ Rs. 10/- each Less Trade Discount 10% (Being purchases vide Bill No. 253)		1200 <hr/> 120	1,080
		Total Purchases			<hr/> 2,440

**Sales Day Book**

Month & Date	Vr. No.	Particulars	L.F.	Details Rs.	Amount Rs.
1997 June 6	1	M/s Gopalsons Stationers 24 Thermocol Sheets @ Rs. 80/- each. Less Trade Discount @ 10% (Being purchases vide Bill No. 663)		1,920  192	1,728
June 21		Evershine Public School, Noida 144 pieces of Drawing Sheets @ Rs. 5/- Per Sheet 90 packets of Drawing pings @ Rs. 12/- each Less Trade discount @ 10%		720 1,080 1,800 180	1,620
		Total Sales			3,348

**15.8 ANSWERS TO INTEXT QUESTIONS**

- 15.1 A. (i) Sales Day Book, Sales Returns Day Book, Purchase Day Book and Purchase Returns Day Book.  
 (ii) To amount as per Purchases Day Book.  
 (iii) By amount as per Sales Day Book.  
 (iv) Transferring  
 (v) Periodically  
 (vi) Debit and credit  
 (vii) Credit and Debit

B. With ref to purchases Day Book

S.No.	Name of A/c	
	To be debited	To be Credited
i	Purchases	Oswal Emporium, Delhi
ii	Purchases	Kaku Chawala and Co.

## With ref. to Sales Day Book

S.No.	Name of A/c	
	To be debited	To be Credited
iii)	Golubhai	Sales A/c
iv)	Bitto Stationery	Sales A/c

- 15.2. A. (i) To amount as per Sales Returns Day Book.  
(ii) By Amount as per Purchases - Returns Day Book.  
(iii) Periodically
- B. (i) Credit Purchases  
(ii) Posted in Debit side of individual A/c  
(iii) Sales Returns A/c  
(iv) Sales A/c  
(v) Purchases A/c
- 15.3 (A) (i) Page No.  
(ii) Convenient, Time  
(iii) Alphabetical, Page  
(iv) Facilitates  
(v) same.
- (B) (i) True (ii) True (iii) False