



Sadiq Public School

Do the right, fear no man

Subject: Accounting

Class: C1

Day: Saturday (16-11-2024)

The Journal

A) Inquiry:

The Journal is the collection place for items that do not pass fully through the other five books of original entry. Do you know how it is different from other books of prime entry?

B) Information:

- We have seen in earlier chapters that most transactions are entered in one of the following books of original entry:
 - ❖ Cash Book
 - ❖ Sales Day Book
 - ❖ Purchases Day Book
 - ❖ Returns Inwards Day Book
 - ❖ Returns Outwards Day Book.
- These books are each devoted to a particular form of transaction. For example, all credit sales are in the Sales Day Book. To trace any of the transactions entered in these five books would be relatively easy, as we know exactly which book of original entry would contain the information we are looking for.
- The other items which do not pass through these five books are much less common, and sometimes much more complicated. It would be easy for a bookkeeper to forget the details of these transactions if they were made directly into the ledger accounts from the source documents and, if the bookkeeper left the business, it could be impossible to understand such bookkeeping entries.
- What is needed is a form of diary to record such transactions, before the entries are made in the double entry accounts. This book is called the **Journal**.
- Some of the main uses of the Journal are listed below. It must not be thought that this is a complete list.
 1. The purchase and sale of fixed assets on credit.
 2. Writing off bad debts.
 3. The correction of errors in the ledger accounts.
 4. Opening entries. These are the entries needed to open a new set of books.
 5. Adjustments to any of the entries in the ledgers.

The Journal				
Date	Details	Folio	Dr	Cr
	The name of the account to be debited. The name of the account to be credited. The narrative.			

- On the first line in the entry is the account to be debited. The second line gives the account to be credited.
- You should remember that the Journal is not a double entry account. It is a form of diary, just as are the Day Books you learnt about in previous 5-6 homework lessons at Sadiq Public School's Website.

C) Synthesising/Absorbing:

Students write your own summary- notes in your note book based on information given above and watched video.

D) Practising/Rehearsal:

Show the journal entries necessary to record the following items:

2017 May

- 1 Bought a van on credit from Deedon Garage for £5,395.
- 4 Bought machinery for £1,260 on credit from Electrotime Ltd
- 7 Office equipment bought on credit from Furniture Today Ltd for £1,710.
- 10 Paid for motor expenses in cash £47

E) Feedback:

Students; please if you have any questions at all about this topic, any words you did not understand, please send an email to your concerned teacher.

Class	Teachers' Name	Teachers' Abbreviation	Teachers' Email Address	Instructions
C1B C1GA	M. Qaisar Latif	MQL	qaisar57_mql_sadiq@ protonmail.com	C1B, C1GA students will send their home assignments to (MQL) for checking and getting feedback.