

RUNNING BALANCE LEDGER

An alternative ruling of a ledger, which is generally adopted by commercial banks and some other business houses, is the entire ledger us divided into six columns.

Account #		Title of Account			Page #
Date	Description	Ref	Dr. Amount	Cr. Amount	Balance

Example # 10.1: Post following entries to cash Running Balance Ledger Account?

General Journal				Page # 177	
Date		Account Title and Explanations	Ref	Amount (Rs)	
				Debit	Credit
2015					
July	1	Cash Owner's equity		100,000	10,000
	5	Purchases Cash		15,000	15,000
	8	Cash Sales		25,000	25,000
	12	Account Receivable_ Raheel Store Sales		13,000	13,000
	16	Drawing Cash		4,000	4,000
	19	Cash Commission		2,000	2,000
	21	Machine Account Payable_ Ali sons		10,000	10,000
	23	Cash Account Receivable_ Raheel Store		10,000	10,000
	27	Salary Cash		1,000	1,000
	29	Account Payable_ Ali Sons Cash		8,000	8,000
Total				Rs. 188,000	Rs. 188,000

Account # 102		Cash Account			Page # 880
Date	Description	Ref	Dr. Amount	Cr. Amount	Balance

Example # 10.2: Rameesha Hafeez & Co. is a boat repair yard. During August 2015, its transactions included the following. You are required to prepare General Journal, General Ledger (Running Balance) and Trial Balance.

03. Loan taken from Habib Bank Ltd. of Rs. 25,000. Rs. 20,000 withdrawn for business and remaining in the bank account.
06. Paid rent for the month of August Rs. 4,400 and accrued rent expenses was Rs. 600.
12. At request of Kiwi Insurance, Inc, made repairs on boat of Jon Seaways. Sent bill for Rs. 5,620 for services rendered to Kiwi Insurance Inc. (credit Repair Service Revenue).
18. Made repairs to boat of Dennis Copper and collected in full the charge of Rs. 2,830.
20. Placed Advertisement in The Dawn at a cost of 165, payment to be made within 30 days.
- 25- Received a check for 5,620 from Kiwi Insurance Inc representing collection of the receivable of August 12.
30. Sent check to The Dawn in payment of the liability incurred on August 20.

General Journal

Date		Account Title and Explanations	Ref	Amount (Rs.)	
				Debit	Credit
2009					
Aug.	3	Cash Bank Bank Loan (Bank loan liability has been taken)		20,000 5,000	25,000
	6	Rent Expenses Cash Rent Payable (Rent Expenses paid and outstanding)		5,000	4,400 600
	12	Account Receivable_ Kiwi Insurance Inc. Repair Service Revenue (Bill sent to customer)		5,620	5,620
	18	Cash Repair Service Revenue (Repair services received by cash)		2,830	2,830
	20	Advertisement Expenses Advertisement Payable_ The Dawn (Advertisement Expenses incurred but not paid)		165	165
	25	Bank Account Receivable_ Kiwi Insurance Inc. (Receivable collected by bank)		5,620	5,620
	30	Advertisement Payable_ The Dawn Bank (Paid liability by bank)		165	165
		Total		Rs. 44,400	Rs. 44,400



Account No. 1

Cash Account

Page #

<i>Date</i>	<i>Description</i>	<i>Ref</i>	<i>Dr. Amount (Rs.)</i>	<i>Cr. Amount (Rs.)</i>	<i>Balance (Rs.)</i>

Account No. 2

Bank Account

Page #

<i>Date</i>	<i>Description</i>	<i>Ref</i>	<i>Dr. Amount (Rs.)</i>	<i>Cr. Amount (Rs.)</i>	<i>Balance (Rs.)</i>

Account No. 3

Bank Loan Account

Page #

<i>Date</i>	<i>Description</i>	<i>Ref</i>	<i>Dr. Amount (Rs.)</i>	<i>Cr. Amount (Rs.)</i>	<i>Balance (Rs.)</i>

Account No. 4

Rent Expenses Account

Page #

<i>Date</i>	<i>Description</i>	<i>Ref</i>	<i>Dr. Amount (Rs.)</i>	<i>Cr. Amount (Rs.)</i>	<i>Balance (Rs.)</i>

Account No. 5

Rent Payable Account

Page #

<i>Date</i>	<i>Description</i>	<i>Ref</i>	<i>Dr. Amount (Rs.)</i>	<i>Cr. Amount (Rs.)</i>	<i>Balance (Rs.)</i>

Account No. 6

Account Receivable Account

Page #

<i>Date</i>	<i>Description</i>	<i>Ref</i>	<i>Dr. Amount (Rs.)</i>	<i>Cr. Amount (Rs.)</i>	<i>Balance (Rs.)</i>



Account No. 7

Repair Services Revenue Account

Page #

<i>Date</i>	<i>Description</i>	<i>Ref</i>	<i>Dr. Amount (Rs.)</i>	<i>Cr. Amount (Rs.)</i>	<i>Balance (Rs.)</i>

Account No. 8

Advertising Expense Account

Page #

<i>Date</i>	<i>Description</i>	<i>Ref</i>	<i>Dr. Amount (Rs.)</i>	<i>Cr. Amount (Rs.)</i>	<i>Balance (Rs.)</i>

Account No. 9

Advertising Expense Payable Account

Page #

<i>Date</i>	<i>Description</i>	<i>Ref</i>	<i>Dr. Amount (Rs.)</i>	<i>Cr. Amount (Rs.)</i>	<i>Balance (Rs.)</i>

Rameesha Hafeez & Co.

Trial Balance

As on August 2015

<i>S. No.</i>	<i>Heads of Account</i>	<i>Ref</i>	<i>Amount (Rs.)</i>	
			<i>Debit</i>	<i>Credit</i>
1	Cash			
2	Bank			
3	Bank Loan			
4	Rent Expense			
5	Rent Payable			
6	Account Receivable			
7	Repair Services Revenue			
8	Advertising Expense			
9	Advertising Expense Payable			
Total			Rs. 34,050	Rs. 34,050

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