

Double Column Cash Book

A **double column cash book** or **two column cash book** is one which consists of two separate columns on the debit side as well as credit side for recording cash and discount. In many concerns it is customary for the trader to allow or to receive small allowance off or against the dues. These allowances are made for prompt settlement of accounts. In certain business almost all receipts or payments are accompanied by such discounts and in order to avoid unnecessary postings separate columns in the cash book are introduced to record the discounts received or allowed. These discount columns are memorandum columns only. They do not form the discount account. The discount column on the debit side of the cash book will record discounts allowed and that on the credit side discounts received.

Posting:

The cash columns will be posted in the same way as single column cash book. But as regards discount column, each item of discount allowed (Dr. side of the cash book) will be posted to the credit of the respective personal accounts. Similarly each item of discount received will be posted to the debit of the respective personal account. Total of the discount column on the debit side of the cash book will be posted to the debit side of the discount account in the ledger and the total of discount column on the credit side of the cash book on the credit side of the discount account. The discount columns are not balanced like cash column of the tow column cash book.

Format of the Double Column Cash Book:

Debit Side					Credit Side						
Date	Particulars	V.N.	L.F.	Discount	Cash	Date	Particulars	V.N.	L.F.	Discount	Cash

Example of Two Column Cash Book:

From the following transactions write up a two column cash book and post into ledger:

1991

Jan. 1 Cash in hand \$2,000

" 7 Received from Riaz & Co. \$200; discount allowed \$10

" 12 Cash sales \$1,000

" 15 Paid Zahoor Sons \$500; discount received \$15

" 20 Purchased goods for cash \$300

- " 25 Received from Salman \$500; discount allowed \$15
- " 27 Paid Hussan & Sons \$300.
- " 28 Bought furniture for cash \$100
- " 31 Paid rent \$100

Solution:

Cash Book

Debit Side

Credit Side

Date	Particulars	V.N.	L.F.	Discount	Cash	Date	Particulars	V.N.	L.F.	Discount	Cash
1991 Jan.1	To Balance b/d				2,000	1991 Jan.5	By Zahoor & Sons			15	500
" 7	To Riaz & Co.			10	200	" 20	By purchase a/c				300
" 12	To Sales a/c				1,000	" 27	By Hussan&Sons				300
" 25	To Salman			15	500	" 28	By Furniture a/c				100
						" 31	By Rent a/c				100
							By Balance c/d				2,400
1991 Feb1	To Balance b/d			25	3,700					15	3,700
					2,400						