

Exception to the use of A/c

Personal Accounts

The accounts which relate to an individual, firm, company, or institution are called personal accounts.

Such accounts are accepted as an exception to the use of A/c as a suffix when making entries in journal.

Categories of Personal Accounts

1. Natural Personal Accounts



Accounts of living human beings. E.g., Ram, Mohan, etc.

2. Artificial Personal Accounts



Accounts of firm, institution, etc.
E.g., Arun Textile Co., Hitesh Traders, etc.

Allowed as Exception.

3. Representative Personal Accounts



Accounts representing a particular group of people. E.g., Outstanding Salary A/c represents all those employees whose salaries are unpaid.

Not an Exception. Mentioned for informational purpose only.

Journal Example

Sold goods worth ₹ 5,000 to Mohan on credit.

Mohan
To Sales A/c
(Credit Sales.)

Dr. 5,000

5,000

Sold goods worth ₹ 5,000 to Trupti Traders on credit.

Trupti Traders
To Sales A/c
(Credit Sales.)

Dr. 5,000

5,000