**Closing Entries**

**Question 1 (35 Marks)**

The following information has been taken from the accounting records of Jet Traders for the year ended 30 June 2019.

|  |  |
| --- | --- |
| **Account** | **Amount** |
| Motor Vehicle | 22 000 |
| Rent Expense | 12 000 |
| Capital | 53 000 |
| Office Equipment | 9 000 |
| Cost of Sales | 60 000 |
| Inventory | 8 000 |
| Wages | 19 000 |
| Interest on Loan | 1 000 |
| Sales | 120 000 |
| Accounts Receivable | 15 000 |
| Cash at Bank | 22 000 |
| Advertising | 5 000 |
| Loan: ABC Bank | 12 000 |
| Discount Received | 1 000 |
| Telephone | 5 000 |
| Accounts Payable | 6 000 |
| Electricity | 2 000 |
| Discount Allowed | 1 000 |
| Drawings | 11 000 |
| TOTAL |  |

**Required:**

1. Do the Closing Entries in the General Journal

2. Transfer the General Journal entries to the Profit and Loss Summary, Drawings and Capital Accounts. Include the opening balances where necessary.

**GENERAL JOURNAL – JUNE 2019**

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| Date | Details | Debit | Credit |
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**GENERAL LEDGER OF JET TRADERS**

**Profit and Loss Summary**

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| Date | Contra Account | Dr | Date | Contra Account | Cr |
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**Capital**

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| --- | --- | --- | --- | --- | --- |
| Date | Contra Account | Dr | Date | Contra Account | Cr |
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**Drawings**

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| --- | --- | --- | --- | --- | --- |
| Date | Contra Account | Dr | Date | Contra Account | Cr |
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