**5. Practise questions solutions**

1. **Mary Ward T account**

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Motor vehicle a/c | | | |  |  |  | Capital introduced a/c | | | |  |
| Dec 1 | Cap. Int | 8,000 |  |  |  |  |  |  |  | Dec 1 | MV a/c | 8,000 |
| Dec 2 | Loan a/c | 15,000 | ***Dec 31*** | ***Bal c/d*** | ***23,000*** |  |  |  |  | Dec 1 | Comp equ | 500 |
|  |  | 23,000 |  |  | 23,000 |  |  |  |  | Dec 1 | Cash | 200 |
| ***Jan 1*** | ***Bal b/d*** | ***23,000*** |  |  |  |  | ***Dec 31*** | ***Capital a/c*** | ***18,700*** | Dec 1 | Bank | 10,000 |
|  |  |  |  |  |  |  |  |  | 18,700 |  |  | 18,700 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Computer equipment a/c | | | |  |  |  | Bank loan a/c | | | |  |
| Dec 1 | Cap. Int. | 500 | ***Dec 31*** | ***Bal c/d*** | ***500*** |  | Dec 15 | Bank a/c | 1,000 | Dec 2 | MV a/c | 15,000 |
|  |  | 500 |  | | 500 |  | Dec 24 | Bank a/c | 1,000 | Dec 2 | Off equip | 5,000 |
| ***Jan 1*** | ***Bal b/d*** | ***500*** |  | |  |  | ***Dec 31*** | ***Bal c/d*** | ***18,000*** |  |  |  |
|  |  |  |  | |  |  |  |  | 20,000 |  |  | 20,000 |
|  |  |  |  | |  |  |  |  |  | ***Jan 1*** | ***Bal b/d*** | ***18,000*** |
|  |  |  |  | |  |  |  |  |  |  |  |  |
|  | Cash a/c | | | |  |  |  |  | Bank a/c | |  |  |
| Dec 1 | Cap. Int. | 200 | Dec 5 | Stat. a/c | 25 |  | Dec 1 | Cap. Int. | 10,000 | Dec 1 | Purchases | 4,000 |
| Dec 10 | Sales a/c | 1,000 | Dec 10 | Bank a/c | 800 |  | Dec 3 | Sales a/c | 5,000 | Dec 4 | Stationery | 450 |
|  |  |  | Dec 14 | Stat. a/c | 20 |  | Dec 10 | Sales a/c | 3,000 | Dec 6 | Wages | 400 |
|  |  |  | Dec 22 | Mot. Exps. | 40 |  | Dec 10 | Cash a/c | 800 | Dec 9 | Purchases | 2,000 |
|  |  |  | ***Dec 31*** | ***Bal c/d*** | ***315*** |  |  |  |  | Dec 15 | Loan a/c | 1,000 |
|  |  | 1,200 |  |  | 1,200 |  |  |  |  | Dec 18 | Drawings | 2,000 |
| ***Jan 1*** | ***Bal b/d*** | ***315*** |  |  |  |  |  |  |  | Dec 21 | Motor exps | 280 |
|  |  |  |  |  |  |  |  |  |  | Dec 23 | Wages | 400 |
|  |  |  |  |  |  |  |  |  |  | Dec 24 | Loan a/c | 1,000 |
|  |  |  |  |  |  |  |  |  |  | ***Dec 31*** | ***Bal c/d*** | ***7,270*** |
|  |  |  |  |  |  |  |  |  | 18,800 |  |  | 18,800 |
|  |  |  |  |  |  |  | ***Jan 1*** | ***Bal b/d*** | ***7,270*** |  |  |  |
|  | Purchases a/c | | | |  |  |  | Office equipment a/c | | | |  |
| Dec 1 | Bank a/c | 4,000 |  |  |  |  | Dec 2 | Loan a/c | 5,000 | ***Dec 31*** | ***Bal c/d*** | ***5,000*** |
| Dec 9 | Bank a/c | 2,000 | ***Dec 31*** | ***P/L a/c*** | ***6,000*** |  |  |  | 5,000 |  |  | 5,000 |
|  |  | 6,000 |  |  | 6,000 |  | ***Jan 1*** | ***Bal b/d*** | ***5,000*** |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  | |  |
|  | Sales revenue a/c | | | |  |  |  | Stationery a/c | | | |  |
|  |  |  | Dec 3 | Bank a/c | 5,000 |  | Dec 4 | Bank a/c | 450 |  |  |  |
|  |  |  | Dec 10 | Bank a/c | 3,000 |  | Dec 5 | Cash a/c | 25 |  |  |  |
| ***Dec 31*** | ***I/S a/c*** | ***9,000*** | Dec 10 | Cash a/c | 1,000 |  | Dec 14 | Cash a/c | 20 | ***Dec 31*** | ***P/L a/c*** | **495** |
|  |  | 9,000 |  |  | 9,000 |  |  |  | 495 |  |  | 495 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Wages a/c | | | |  |  |  | Drawings a/c | | | |  |
| Dec 6 | Bank a/c | 400 |  |  |  |  | Dec 18 | Bank a/c | 2,000 | ***Dec 31*** | ***Capital a/c*** | ***2,000*** |
| Dec 23 | Bank a/c | 400 | ***Dec 31*** | ***P/L a/c*** | ***800*** |  |  |  | 2,000 |  |  | 2,000 |
|  |  | 800 |  |  | 800 |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Motor expenses a/c | | | |  |  |  |  | | | |  |
| Dec 21 | Bank a/c | 280 |  |  |  |  |  |  |  |  |  |  |
| Dec 22 | Cash a/c | 40 | ***Dec 31*** | ***P/L a/c*** | ***320*** |  |  |  |  |  |  |  |
|  |  | 320 |  |  | 320 |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |  |
| --- | --- | --- |
| ***Mary Ward*** |  |  |
| ***Trial balance as at 31 Dec xx*** |  |  |
|  | *Debit* | *Credit* |
|  | £ | £ |
| Bank | 7,270 |  |
| Cash | 315 |  |
| Capital introduced |  | *18,700* |
| Sales revenue |  | 9,000 |
| Purchases | 6,000 |  |
| Drawings | 2,000 |  |
| Motor vehicles | 23,000 |  |
| Computer equipment | 500 |  |
| Office equipment | 5,000 |  |
| Bank loan |  | 18,000 |
| Motor expenses | 320 |  |
| Wages | 800 |  |
| Stationery | 495 |  |
|  |  |  |
|  | 45,700 | 45,700 |

|  |  |  |
| --- | --- | --- |
| 1. **C. Rick – Trail Balance** | **C. Rick** |  |
| **Trial balance as at 31 May 20X0** | | |
|  | *Debit* | *Credit* |
|  | *£* | *£* |
| Bank | 2,368 |  |
| Purchases | 12,389 |  |
| Sales revenue |  | 18,922 |
| Wages and salaries | 3,862 |  |
| Rent and rates | 504 |  |
| Insurance | 78 |  |
| Motor expenses | 664 |  |
| Printing and stationery | 216 |  |
| Light and heat | 166 |  |
| General expenses | 314 |  |
| Premises | 10,000 |  |
| Motor vehicles | 3,800 |  |
| Fixtures and fittings | 1,350 |  |
| Trade receivables | 3,896 |  |
| Trade payables |  | 1,731 |
| Cash | 482 |  |
| Drawings | 1,200 |  |
| Capital |  | 12,636 |
| Bank loan |  | 8,000 |
|  | 41,289 | 41,289 |