**Unit 1 Section 4 Question 45**

* + - 1. Identify the double entry for each of these transactions:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Transaction** | | **Ledger accounts** | | **Double entry** | |
|  |  | **Debit** | **Credit** |
| 1 | Owner puts £2,000 into the organisation’s bank account | Bank | | x |  |
| Capital | |  | x |
| 2 | An organisation pays £800 for a machine | Bank | |  | x |
| Machine | | x |  |
| 3 | An organisation pays £200 for rent of premises | Bank | |  | x |
| Rent | | x |  |
| 4 | An organisation makes credit purchases of £500 | Purchases | | x |  |
| Trade payables | |  | x |
| 5 | An organisation makes credit sales of £700 | Sales | |  | x |
| Trade receivables | | x |  |