CSM 285 ACCOUNTING 1 – ASSIGNMENT 1 ADOM BAFFOUR COLLINS REFERENCE NUMBER – 20384099 INDEX NUMBER - 4700315

2.2A Complete the following table: Account tobe debited and account to be credited(a) Bought lorry for cash.  
(b) Paid creditor, T Lake, by cheque.  
(c) Repaid P Logan’s loan by cash.  
(d) Sold lorry for cash.  
(e) Bought office machinery on credit from Ultra Ltd.  
(f ) A debtor, A Hill, pays us by cash.  
(g) A debtor, J Cross, pays us by cheque.  
(h) Proprietor puts a further amount into the business by cheque.  
(i) A loan of £200 in cash is received from L Lowe.  
( j) Paid a creditor, D Lord, by cash

SOLUTION

|  |  |
| --- | --- |
| ACCOUNT TO BE DEBITED | ACCOUNT TO BE CREDITED |
| Lorry | Cash |
| T. Lake | Bank |
| Loan from P Logan | Cash |
| Cash | Lorry |
| Office Machinery | Ultra Limited |
| Cash | A Hill |
| Bank | J Cross |
| Bank | Capital |
| Cash | Loan from L Lowe |
| D Lord | Cash |

2.4 You are required to open the asset and liability and capital accounts and record the following transactions for June 20X8 in the records of P Bernard.  
20X8  
June 1 Started business with £12,000 in cash.  
== 2 Paid £11,700 of the opening cash into a bank account for the business.  
== 5 Bought office furniture on credit from Dream Ltd for £1,900.  
== 8 Bought a van paying by cheque £5,250.  
== 12 Bought equipment from Pearce & Sons on credit £2,300.  
== 18 Returned faulty office furniture costing £120 to Dream Ltd.  
== 25 Sold some of the equipment for £200 cash.  
== 26 Paid amount owing to Dream Ltd £1,780 by cheque.  
== 28 Took £130 out of the bank and added to cash.  
== 30 F Brown lent us £4,000 – giving us the money by cheque.

SOLUTION

Capital

[DEBIT] [CREDIT]

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
|  | | | 1/June/20X8 Cash £12000 | | |

Cash

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | | Details | Amount |
| 01/June/20X8 | Capital | £12000 |  | |  |  |
| 25/June/20X8 Equipment £200 | | | 2/June/20X8 Bank £11,700 | | | |
| 28/June/20X8 Bank £130 | | | |  | | |

Bank

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | | Details | Amount |
| 2/June/20X8 Cash £11,700 | | | 8/June/20X8 Van £5,250 | | | |
| 30/June/20X8 F Brown £4000 | | | | 26/08/20X8 Dream Ltd £1780 | | |
|  | | | | 28/08/20X8 Cash £130 | | |

Furniture

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
| 5/June/20X8 Dream Ltd £1900 | | | 18/June/20X8 Dream Ltd £120 | | |

Van

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
| 8/June/20X8 Bank £5,250 | | |  | | |

Equipment

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
| 12/June/20X8 Pearce & Sons £2300 | | | 25/June/20X8 Cash £200 | | |

F Brown

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
| 30/June/20X8 Bank £4000 | | |  | | |

Pearce & Sons

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
| 12/June/20X8 Equipment £2300 | | |  | | |

Dream Ltd

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
| 18/June/20X8 Furniture £120 | | | 5/June/20X8 Furniture £1900 | | |
| 26/June/20X8 Bank £1780 | | | | | |

2.5A Write up the asset, capital and liability accounts in the books of D Gough to record the  
following transactions:  
20X9  
June 1 Started business with £16,000 in the bank.  
June 2 Bought van paying by cheque £6,400.  
June 5 Bought office fixtures £900 on credit from Old Ltd.  
June 8 Bought van on credit from Carton Cars Ltd £7,100.  
June 12 Took £180 out of the bank and put it into the cash till.  
June 15 Bought office fixtures paying by cash £120.  
June 19 Paid Carton Cars Ltd a cheque for £7,100.  
June 21 A loan of £500 cash is received from B Berry.  
June 25 Paid £400 of the cash in hand into the bank account.  
June 30 Bought more office fixtures paying by cheque £480.

SOLUTIONS

Bank

[DEBIT] [CREDIT]

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
| 1/June/20X9 Capital £1600 | | | 2/June/20X9 Van £6400 | | |
| 25/June/20X9 Cash £400 | | | 12/June/20X9 Cash £180 | | |
|  | | | 19/June/20X9 Cartoon Cars £7100 | | |
|  | | | 30/June/20X9 Office fixtures £480 | | |

Capital

[DEBIT] [CREDIT]

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
|  | | | 1/June/20X9 Bank £1600 | | |

Cash

[DEBIT] [CREDIT]

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
| 12/June/20X9 Bank £180 | | | 15/June/20X9 Office fixtures £120 | | |
| 21/June/20X9 Loan: Berry £500 | | | 25/June/20X9 Bank £400 | | |

Office Fixtures

[DEBIT] [CREDIT]

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
| 5/June/20X9 old ltd £900 | | |  | | |
| 15/June/20X9 Cash £120 | | |  | | |
| 30/June/20X9 Bank £480 | | |  | | |

Vans

[DEBIT] [CREDIT]

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
| 2/June/20X9 Bank £6400 | | |  | | |
| 8/June/20X9 Cartoon Cars £7100 | | |  | | |

Old Ltd

[DEBIT] [CREDIT]

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  | Date | Details | Amount |
|  | | | 5/June/20X9 Office Fixtures £900 | | |

Cartoon Cars

[DEBIT] [CREDIT]

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
| 19/June/20X9 Bank £7100 | | | 8/June/20X9 Van £7100 | | |

Loan from Berry

[DEBIT] [CREDIT]

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details | Amount | Date | Details | Amount |
|  | | | 21/June/20X9 Cash £500 | | |