

AAT Level 2 Revision: Unit 2 Double Entry Book-keeping

Post the following transactions into the Day Books and then post the Totals into the T-accounts

1. You receive an invoice (no. 259) from a Supplier called “Serenity Sanctuary” (PL66) for £197 plus VAT
2. You receive an invoice (no. 723) from a Supplier called “ChicNest” (PL60) for £187 plus VAT
3. You sent an invoice (no. 581) to a Customer called “PrimeNest Realty” (SL26) for £969 **inclusive of VAT**
4. You sent an invoice (no. 111) to a Customer called “RetailHaven” (SL81) for £464 plus VAT

Post the following directly into the T-accounts (no Cashbook is used)

5. We pay Serenity Sanctuary £236.4 by Cheque
6. We receive CASH from RetailHaven **to settle their account in full.**
7. We pay ChicNest in full for invoice no. 723 by BACS direct credit.
8. We receive a Cheque from PrimeNest Realty for £969
9. We receive £4136 (inclusive of VAT) from cash-sales to the public, all with card transactions.
10. Post the wages for the month using the following Payroll Analysis:
Gross Wages of £6582; Employer NIC was £658.2; Net Wages Paid via BACS £5485; PAYE deductions of £877.6 and Employee NIC £219.4

Purchases Day Book						
Date	Supplier	Invoice No.	Folio	Gross Total	VAT	Net Amount
----	TOTALS	----	----			
DR / CR:	----	----	----			

Sales Day Book						
Date	Customer	Invoice No.	Folio	Gross Total	VAT	Net Amount
----	TOTALS	----	----			
DR / CR:	----	----	----			

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Debits		Credits	
Total:		Total:	

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Solutions:

Purchases Day Book						
Date	Supplier	Invoice No.	Folio	Gross Total	VAT	Net Amount
1.	Serenity Sanctuary	259	PL66	236.4	39.4	197
2.	ChicNest	723	PL60	224.4	37.4	187
----	TOTALS	----	----	460.8	76.8	384
DR / CR:	----	----	----	CR PLCA	DR VAT	DR Purchases

Sales Day Book						
Date	Customer	Invoice No.	Folio	Gross Total	VAT	Net Amount
3.	PrimeNest Realty	581	SL26	969	161.5	807.5
4.	RetailHaven	111	SL81	556.8	92.8	464
-----	TOTALS	-----	-----	1525.8	254.3	1271.5
DR / CR:	-----	-----	-----	DR RLCA	CR VAT	CR Sales

Receivables (RCLA)			
SDB	1525.8	556.8	Cash
		969	Bank

Payables (PLCA)			
Bank	236.4	460.8	PDB
Bank	224.4		

Sales			
		1271.5	SDB
		3446.67	Bank

Purchases			
PDB	384		

VAT			
PDB	76.8	254.3	SDB
		689.33	Bank

		Bank	
RLCA	969	236.4	PLCA
Sales + VAT	4136	224.4	PLCA
		5485	Wages Cont.

Debits		Credits	
Purchases	384	Sales	4718.17
Bank	-840.8	VAT	866.83
Cash	556.8	HMRC	1755.2
Wages (Exp)	7240.2		
Total:	7,340.2	Total:	7,340.2

Cash			
RLCA	556.8		

Wages Expense			
W.C. (Gross)	6582		
W.C. (ER NIC)	658.2		

HMRC Liability			
		877.6	W.C. (PAYE)
		219.4	W.C. (EE NIC)
		658.2	W.C. (ER NIC)

Wages Control			
Bank	5485	6582	W.E. (Gross)
HMRC (L)	1755.2	658.2	W.E (ER NIC)