

## **AAT Level 2 Revision: Day Books and Double Entry Book-keeping**

Post the following transactions into one of the given Day Books and then finally post the Totals into the T-accounts at the end:

1. You receive an invoice (no 919) from a Supplier called “Horizon Homes” (PL42) for £115 plus VAT
2. You receive an invoice (no 657) from a Supplier called “Epicurean Delight” (PL09) for £314 plus VAT (5% Prompt Payment Discount is offered)
3. You sent an invoice (no 821) to a Customer called “WanderLuxe” (SL56) for £672 **inclusive of VAT**
4. You sent an invoice (no 814) to a Customer called “Serenity Sanctuary” (SL48) for £869 plus VAT (we allow them 5% Prompt Payment Discount)
5. We pay Horizon Homes £138 by Cheque (04)
6. We pay Epicurean Delight in full by Cheque (73) minus the prompt payment discount offered
7. We receive a Cheque (38) from WanderLuxe for £672
8. We receive a Cheque (33) from Serenity Sanctuary **to settle their invoice** at the lower rate as their prompt payment discount was taken in time
9. We receive £593 (**inclusive of VAT**) from cash-sales to the public, all received in CASH.
10. We receive £604 by cheque (07) for rent (**no VAT**)
11. We pay £288 plus VAT for vehicle repairs with CASH (Receipt no 13045)
12. We make last minute Purchases of goods for resale, for £123 plus VAT paid by debit card. (Receipt no 35488).
13. We send out the Prompt Payment Credit Note to Serenity Sanctuary (C.Note 34)
14. We receive the Prompt Payment Credit Note from Epicurean Delight (C. Note 88)

Important note before you begin

*Please use the number of the question instead of a date when completing Day Books*

*When posting from Daybooks into T-Accounts use abbreviated details in the Accounts such as PDB (for Purchase Day Book)*

*You may find it easier to pull pages apart for these types of tasks (especially the back two)*

| 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:       |          | -----       | ----- |             |     |            |

| Discounts Received Day Book |          |        |       |             |     |            |
|-----------------------------|----------|--------|-------|-------------|-----|------------|
| Date                        | Supplier | CN No. | Folio | Gross Total | VAT | Net Amount |
|                             |          |        |       |             |     |            |
|                             |          |        |       |             |     |            |
|                             | TOTALS   | -----  | ----- |             |     |            |
| DR / CR:                    |          | -----  | ----- |             |     |            |

| Discounts Allowed Day Book |          |        |       |             |     |            |
|----------------------------|----------|--------|-------|-------------|-----|------------|
| Date                       | Customer | CN No. | Folio | Gross Total | VAT | Net Amount |
|                            |          |        |       |             |     |            |
|                            |          |        |       |             |     |            |
|                            | TOTALS   | -----  | ----- |             |     |            |
| DR / CR:                   |          | -----  | ----- |             |     |            |

| Cash Book - Receipts |         |       |                     |               |               |                       |     |       |                   |
|----------------------|---------|-------|---------------------|---------------|---------------|-----------------------|-----|-------|-------------------|
| Date                 | Details | Ref   | Transaction<br>ref. | Total<br>Cash | Total<br>Bank | Receivables<br>(RLCA) | VAT | Sales | Rent<br>Receieved |
|                      |         |       |                     |               |               |                       |     |       |                   |
|                      |         |       |                     |               |               |                       |     |       |                   |
|                      |         |       |                     |               |               |                       |     |       |                   |
|                      |         |       |                     |               |               |                       |     |       |                   |
|                      | TOTALS  |       |                     |               |               |                       |     |       |                   |
| DR / CR:             | -----   | ----- | -----               |               |               |                       |     |       |                   |

| Cash Book - Payments |         |       |                     |      |      |                    |     |                   |           |
|----------------------|---------|-------|---------------------|------|------|--------------------|-----|-------------------|-----------|
| Date                 | Details | Ref   | Transaction<br>ref. | Cash | Bank | Payables<br>(PLCA) | VAT | Motor<br>Expenses | Purchases |
|                      |         |       |                     |      |      |                    |     |                   |           |
|                      |         |       |                     |      |      |                    |     |                   |           |
|                      |         |       |                     |      |      |                    |     |                   |           |
|                      |         |       |                     |      |      |                    |     |                   |           |
|                      | TOTALS  |       |                     |      |      |                    |     |                   |           |
| DR / CR:             | -----   | ----- | -----               |      |      |                    |     |                   |           |

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[illegible]

### EXTENSION TASKS:

- 1. Is the Cash Book part of the General Ledger for this business?**
- 2. Populate the Subsidiary ledgers on this page and then add them up & reconcile with Control Accounts (SLCA and PLCA).**

### Sales Ledger:

```
classDiagram
    class WanderLuxe
    class Traveler
    class Hotel
    class RentalCar
    class Cruise
    class VacationPackage
    class Traveler --> WanderLuxe
    class Hotel --> WanderLuxe
    class RentalCar --> WanderLuxe
    class Cruise --> WanderLuxe
    class VacationPackage --> WanderLuxe
```

The diagram shows a class hierarchy where WanderLuxe is the base class. Traveler, Hotel, RentalCar, Cruise, and VacationPackage are all subclasses of WanderLuxe, indicated by solid lines with hollow triangle heads pointing towards WanderLuxe.

| Serenity Sanctuary |  |
|--------------------|--|
|                    |  |

### Purchase Ledger:

| Horizon Homes |  |
|---------------|--|
|               |  |

| Epicurean Delight |  |
|-------------------|--|
|                   |  |

**Solutions:**

| Purchases Day Book |                   |             |       |             |        |              |
|--------------------|-------------------|-------------|-------|-------------|--------|--------------|
| Date               | Supplier          | Invoice No. | Folio | Gross Total | VAT    | Net Amount   |
| 1.                 | Horizon Homes     | 919         | PL42  | 138         | 23     | 115          |
| 2.                 | Epicurean Delight | 657         | PL09  | 376.8       | 62.8   | 314          |
|                    | TOTALS            | -----       | ----- | 514.8       | 85.8   | 429          |
| DR / CR:           |                   | -----       | ----- | CR PLCA     | DR VAT | DR Purchases |

| Sales Day Book |                    |             |       |             |        |            |
|----------------|--------------------|-------------|-------|-------------|--------|------------|
| Date           | Customer           | Invoice No. | Folio | Gross Total | VAT    | Net Amount |
| 3.             | WanderLuxe         | 821         | SL56  | 672         | 112    | 560        |
| 4.             | Serenity Sanctuary | 814         | SL48  | 1042.8      | 173.8  | 869        |
|                | TOTALS             | -----       | ----- | 1714.8      | 285.8  | 1429       |
| DR / CR:       |                    | -----       | ----- | DR RLCA     | CR VAT | CR Sales   |

| Discounts Received Day Book |                   |        |       |             |        |                   |
|-----------------------------|-------------------|--------|-------|-------------|--------|-------------------|
| Date                        | Supplier          | CN No. | Folio | Gross Total | VAT    | Net Amount        |
| 14.                         | Epicurean Delight | 88     | PL09  | 18.84       | 3.14   | 15.7              |
|                             |                   |        |       |             |        |                   |
|                             | TOTALS            | -----  | ----- | 18.84       | 3.14   | 15.7              |
| DR / CR:                    |                   | -----  | ----- | DR PLCA     | CR VAT | DR Discounts Rec. |

| Discounts Allowed Day Book |                    |        |       |             |        |                   |
|----------------------------|--------------------|--------|-------|-------------|--------|-------------------|
| Date                       | Customer           | CN No. | Folio | Gross Total | VAT    | Net Amount        |
| 13.                        | Serenity Sanctuary | 34     | SL48  | 52.14       | 8.69   | 43.45             |
|                            |                    |        |       |             |        |                   |
|                            | TOTALS             | -----  | ----- | 52.14       | 8.69   | 43.45             |
| DR / CR:                   |                    | -----  | ----- | CR RLCA     | DR VAT | DR Discounts All. |

| Cash Book - Receipts |                    |       |                  |            |            |                    |       |        |                |
|----------------------|--------------------|-------|------------------|------------|------------|--------------------|-------|--------|----------------|
| Date                 | Details            | Ref   | Transaction ref. | Total Cash | Total Bank | Receivables (RLCA) | VAT   | Sales  | Rent Receieved |
| 7.                   | WanderLuxe         | SL56  | 38               |            | 672        | 672                |       |        |                |
| 8.                   | Serenity Sanctuary | SL48  | 33               |            | 990.66     | 990.66             |       |        |                |
| 9.                   | Cash Sales         | CASH  | CASH             | 593        |            |                    | 98.83 | 494.17 |                |
| 10.                  | Rent Recieved      | CARD  | 07               |            | 604        |                    |       |        | 604            |
|                      | TOTALS             |       |                  | 593        | 2266.66    | 1662.66            | 98.83 | 494.17 | 604            |
| DR / CR:             | -----              | ----- | -----            | DR         | DR         | CR                 | CR    | CR     | CR             |

| Cash Book - Payments |                   |       |                  |       |        |                 |      |                |           |
|----------------------|-------------------|-------|------------------|-------|--------|-----------------|------|----------------|-----------|
| Date                 | Details           | Ref   | Transaction ref. | Cash  | Bank   | Payables (PLCA) | VAT  | Motor Expenses | Purchases |
| 5.                   | Horizon Homes     | PL42  | 04               |       | 138    | 138             |      |                |           |
| 6.                   | Epicurean Delight | SL48  | 73               |       | 357.96 | 357.96          |      |                |           |
| 11.                  | Motor Exp.        | CASH  | 13045            | 345.6 |        |                 | 57.6 | 288            |           |
| 12.                  | C. Purchase       | CARD  | 35488            |       | 147.6  |                 | 24.6 |                | 123       |
|                      | TOTALS            |       |                  | 345.6 | 643.56 | 495.96          | 82.2 | 288            | 123       |
| DR / CR:             | -----             | ----- | -----            | CR    | CR     | DR              | DR   | DR             | DR        |

| Receivables (RCLA) |        |      |         |
|--------------------|--------|------|---------|
| SDB                | 1714.8 | DADB | 52.14   |
|                    |        | CBR  | 1662.66 |

| Payables (PLCA) |        |     |       |
|-----------------|--------|-----|-------|
| DRDB            | 18.84  | PDB | 514.8 |
| CBP             | 495.96 |     |       |

| Sales |  |     |        |
|-------|--|-----|--------|
|       |  | SDB | 1429   |
|       |  | CBR | 494.17 |

| Purchases |     |  |  |
|-----------|-----|--|--|
| PDB       | 429 |  |  |
| CBP       | 123 |  |  |

| VAT  |       |      |        |
|------|-------|------|--------|
| PDB  | 85.80 | SDB  | 285.80 |
| DADB | 8.69  | DRDB | 3.14   |
| CBP  | 82.20 | CBR  | 98.83  |

| Bank |         |     |        |
|------|---------|-----|--------|
| CBR  | 2266.66 | CBP | 643.56 |

| Cash |     |     |       |
|------|-----|-----|-------|
| CBR  | 593 | CBP | 345.6 |

| Rent Received |  |     |     |
|---------------|--|-----|-----|
|               |  | CBR | 604 |

| Discounts Allowed |       |  |  |
|-------------------|-------|--|--|
| DADB              | 43.45 |  |  |

| Discounts Received |  |      |      |
|--------------------|--|------|------|
|                    |  | DRDB | 15.7 |

| Motor Expenses |     |  |  |
|----------------|-----|--|--|
| CBP            | 288 |  |  |

| Debits            |          | Credits             |          |
|-------------------|----------|---------------------|----------|
| Purchases         | 552      | Sales               | 1923.17  |
| Bank              | 1623.1   | VAT                 | 211.08   |
| Cash              | 247.4    | Rent Receieved      | 604      |
| Discounts Allowed | 43.45    | Discounts Receieved | 15.7     |
| Motor Expenses    | 288      |                     |          |
| Totals            | 2,753.95 |                     | 2,753.95 |



Extension Solutions:

- 1. Is the Cash Book part of the General Ledger for this business? - **NO as has Bank & Cash T's**
- 2.

Sales Ledger:

| WanderLuxe |     |     |         |
|------------|-----|-----|---------|
| SDB        | 672 | 672 | CBR     |
|            |     | 0   | Bal c/d |
|            | 672 | 672 |         |
| Bal b/d    | 0   |     |         |

| Serenity Sanctuary |        |        |         |
|--------------------|--------|--------|---------|
| SDB                | 1042.8 | 990.66 | CDR     |
|                    |        | 52.14  | DADB    |
|                    |        | 0      | Bal c/d |
|                    | 1042.8 | 1042.8 |         |
| Bal b/d            | 0      |        |         |

Purchase Ledger:

| Horizon Homes |     |     |         |
|---------------|-----|-----|---------|
| SDB           | 138 | 138 | CBR     |
| Bal c/d       | 0   |     |         |
|               | 138 | 138 |         |
|               | 0   |     | Bal b/d |

| Epicurean Delight |        |       |         |
|-------------------|--------|-------|---------|
| CBP               | 357.96 | 376.8 | PDB     |
| DRDB              | 18.84  |       |         |
| Bal c/d           | 0      |       |         |
|                   | 376.8  | 376.8 |         |
|                   | 0      |       | Bal b/d |