ASSIGNMENT 5

1 .The following is a summary of the petty cash transactions for May 2018

1May Received from petty cashier Rs.100 as petty cash float

2May Rail Fares Rs.17

4 May petrol Rs.8

8 May Stationery Purchases Rs.4

10 May Cleaning Rs.11

18 May Petrol Rs.16

a) Prepare a petty cash book with columns for expenditure on cleaning, travel expenses and stationery

b) Enter the month’s transactions

c) Enter the receipt of the amount necessary to restore the imprest and carry down the balance for the commencement of the following month.

2. Prepare the journal entries necessary to record the following transactions for july 2018. Narratives are not required.

1July Equipment bought on Credit from Tau for Rs.900

8July The business owes Rs.280 to Manuel but the debit is transferred to sahar

13July Equipment worth rs490 taken out of the business for personal use

19July Car bought on credit from quality cars Ltd for R.2900

25 July Computer accepted in return for outstanding debt Rs.325 owed to the business by Wei.

3. For each transaction state in which book of prime entry the transaction would be recorded.

a) Sales made on credit

b) Goods previously sold by the business sent back to the business.

c) A computer used in business taken out of the business for personal use

d) Cheque paid to settle an account relating to a previous purchase of goods

e) Machinery sold with payment received by cheque.