ASSIGNMENT 2

1. Prepare the double entry accounts from the following transactions and balance each account at the end of the month.

1 Sept Business bank account opened with Rs.6500 of owner’s money

4 Sept Equipment is bought for Rs.1900 payment made from the bank.

6 Sept Insurance of Rs.55 is paid by cheque

7 Sept Purchases are made on credit of Rs.65 from Santiago and Rs.21 from Janine

10 Sept A vehicle is bought for Rs.6000 on credit from Oliver.

2. A business year ends on 31 December 2018. The following totals exist in the books of a business:

Purchases Rs.48900 Commission received Rs.289

Prepare the ledger accounts for the transfer of these totals to the financial statements.

3. In which ledger would the following accounts be found?

a) Sales

b) Sales Returns

c) Venkat – a trade receivable

d) Motor repairs

e) Owner’s equity

f) James – a trade payable