**ASSIGNMENT 7**

1.Prepare the journal entries for the following transactions.

1 July - Goods purchased on credit from Stefano for Rs.86

3 July - Goods purchased on credit from Yannick for Rs.63

5 July - Credit sales for Rs.314 to Natalia

7 July - Goods worth Rs.31 are returned to Stefano

10 July - Natalia returns goods worth Rs.31

15 July- Credit purchases from Proclus for Rs.92

19 July -Sales made on credit to Dian for Rs.167

20 July-Goods returned to Proclus valued at Rs.19

25 July-Goods sold to Dian for Rs.182

28 July-Dian returns goods worth Rs.41

2. Explain the use of suspense account as a temporary measure to balance trial balance.

3. Write a short note on bank reconciliation statement and reason for its preparation.