**Accounting Group Assignment**

**Group Members:**

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**Questions:**

**Purchasing Process**

* Sauda purchased on 10/1/2025 **20 books** of accounting 9th Ed at **15,000rwf** each on account from Ikirezi.
* On 12/1/2025 Sauda returned **2 books**.
* On 15/1/2025 Sauda negotiated an allowance of **5000 Rwf**
* Ikirezi has a strategy to prompt payment by providing a credit terms “**3/15, Net 30**”
* The total Payment happened on 22/1/2025.
* Sauda paid transport related to purchase books 12,950

Record and Post all transactions from 10/1/ up to 22/1/2025.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Journal of the purchasing process** | | | | |
| **Date** | **NO** | **Accounts and explanations** | **Debit(rwf)** | **Credit(rwf)** |
| 10/01/2025 | a | Inventory (20x15,000) | 300,000 |  |
| A/C Payable |  | 300,000 |
| Purchase Inventory on account |  |  |
| 12/01/2025 | b | A/C Payable (2x15,000) | 30,000 |  |
| Inventory |  | 30,000 |
| Returned Books |  |  |
| 15/01/2025 | c | A/C Payable | 5000 |  |
| Inventory |  | 5000 |
| Purchase allowance granted |  |  |
| 22/01/2025 | d | A/C Payable | 265000 |  |
| Inventory 3% |  | 7950 |
| Cash 97% |  | 257050 |
| Payment with discount period |  |  |
|  | e | Inventory | 12950 |  |
|  | Cash |  | 12950 |
|  | Transport |  |  |
|  |  | **Total** | **612,950** | **612,950** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | Inventory | |  |
|  | Debit | Credit |  |
| a | 300000 | 30000 | b |
| e | 12950 | 5000 | c |
|  |  | 7950 | d |
| **Total** | **312950** | **42950** |  |
| **Bal** | **270000** |  |  |

|  |  |  |
| --- | --- | --- |
| Cash | |  |
| Debit | Credit |  |
|  | 257050 | d |
|  | 12950 | e |
|  | **270000** | **Total** |
|  | **270000** | **Bal** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | A/C Receivable | |  |
|  | Debit | Credit |  |
| a | 240000 | 40000 | c |
|  |  | 10000 | e |
|  |  | 190000 | f |
| **Total** | **240000** | **240000** |  |
| **Bal** | **0** |  |  |

**Selling Process**

* On 13/1/ Sauda sold **12 books** at **20,000rwf** each to AUCA librarian on Account.
* On 14/1 **2 books** were returned.
* Sauda promised a sales discount according to the credit terms “**2/10, Net 20days”**
* Sauda granted to the customer a sale allowance of **1000rwf** **per book** on 16/1/2025
* She collected the total amount on 21/1/2025

Journalize all transactions related to sales in the books of Sauda

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Journal of the selling process** | | | | |
| **Date** | **NO** | **Accounts and explanations** | **Debit(rwf)** | **Credit(rwf)** |
| 13/01/2025 | a | A/C Receivable (12x20000) | 240,000 |  |
| Sales revenue |  | 240,000 |
| Sales on account |  |  |
| b | Cost of goods sold (12x15,000) | 180,000 |  |
| Inventory |  | 180,000 |
| Adjustment of inventory |  |  |
| 14/01/2025 | c | Sales return and allowance (2x20,000) | 40,000 |  |
| A/C receivable |  | 40,000 |
| Books returned |  |  |
| d | Inventory (2x15000) | 30,000 |  |
| Cost of goods sold |  | 30,000 |
| Inventory returned place into stock |  |  |
| 16/01/2025 | e | Sales allowance (10x1000) | 10,000 |  |
| A/C Receivable |  | 10,000 |
| Allowance granted to the customer |  |  |
| 21/01/2025 | f | Sales discount 2% | 3800 |  |
| Cash | 186,200 |  |
| A/C Receivable |  | 190,000 |
|  |  | **Total** | **690,000** | **690,000** |