

Review questionsGroup C & D → 230

- 6.1** You are to enter up the necessary accounts for the month of May from the following information relating to a small printing firm. Then balance off the accounts and extract a trial balance as at 31 May 20X6.

20X6

- May 1 Started in business with capital in cash of £800 and £2,200 in the bank.
 " 2 Bought goods on credit from the following persons: J Ward £610; P Green £214; M Taylor £174; S Gemmill £345; P Tone £542.
 " 4 Sold goods on credit to: J Sharpe £340; G Boycott £720; F Titmus £1,152.
 " 6 Paid rent by cash £180.
 " 9 J Sharpe paid us his account by cheque £340.
 " 10 F Titmus paid us £1,000 by cheque.
 " 12 We paid the following by cheque: M Taylor £174; J Ward £610.
 " 15 Paid carriage by cash £38.
 " 18 Bought goods on credit from P Green £291; S Gemmill £940.
 " 21 Sold goods on credit to G Boycott £810.
 " 31 Paid rent by cheque £230.

- 6.2** Enter the following transactions of an antiques shop in the accounts and extract a trial balance as at 31 March 20X6.

20X6

- March 1 Started in business with £8,000 in the bank.
 " 2 Bought goods on credit from the following persons: L Frank £550; G Byers £290; P Lee £610.
 " 5 Cash sales £510.
 " 6 Paid wages in cash £110.
 " 7 Sold goods on credit to: J Snow £295; K Park £360; B Tyler £640.
 " 9 Bought goods for cash £120.
 " 10 Bought goods on credit from: G Byers £410; P Lee £1,240.
 " 12 Paid wages in cash £110.
 " 13 Sold goods on credit to: K Park £610; B Tyler £205.
 " 15 Bought shop fixtures on credit from Stop Ltd £740.
 " 17 Paid G Byers by cheque £700.
 " 18 We returned goods to P Lee £83.
 " 21 Paid Stop Ltd a cheque for £740.
 " 24 B Tyler paid us his account by cheque £845.
 " 27 We returned goods to L Frank £18.
 " 30 G Prince lent us £1,000 by cash.
 " 31 Bought a van paying by cheque £6,250.

- 6.3A** Record the following details relating to a carpet retailer for the month of November 20X7 and extract a trial balance as at 30 November 20X7:

20X7

- Nov 1 Started in business with £15,000 in the bank.
 " 3 Bought goods on credit from: J Small £290; F Brown £1,200; T Rae £610; R Charles £530.
 " 5 Cash sales £610.
 " 6 Paid rent by cheque £175.
 " 7 Paid business rates by cheque £130.
 " 11 Sold goods on credit to: T Potts £85; J Field £48; T Gray £1,640.
 " 17 Paid wages by cash £290.
 " 18 We returned goods to: J Small £18; R Charles £27.

- " 19 Bought goods on credit from: R Charles £110; T Rae £320; F Jack £165.
 " 20 Goods were returned to us by: J Field £6; T Potts £14.
 " 21 Bought van on credit from Turnkey Motors £4,950.
 " 23 We paid the following by cheque: J Small £272; F Brown £1,200; T Rae £500.
 " 25 Bought another van, paying by cheque immediately £6,200.
 " 26 Received a loan of £750 cash from B. Bennet.
 " 28 Received cheques from: T Potts £71; J Field £42.
 " 30 Proprietor brings a further £900 into the business, by a payment into the business bank account.

- 6.4A** Record the following transactions for the month of January of a small finishing retailer, balance off all the accounts, and then extract a trial balance as at 31 January 20X8:

20X8

- Jan 1 Started in business with £10,500 cash.
 " 2 Put £9,000 of the cash into a bank account.
 " 3 Bought goods for cash £550.
 " 4 Bought goods on credit from: T Dry £800; F Hood £930; M Smith £160; G Low £510.
 " 5 Bought stationery on credit from Buttons Ltd £89.
 " 6 Sold goods on credit to: R Tong £170; L Fish £240; M Singh £326; A Tom £204.
 " 8 Paid rent by cheque £220.
 " 10 Bought fixtures on credit from Chiefs Ltd £610.
 " 11 Paid salaries in cash £790.
 " 14 Returned goods to: F Hood £30; M Smith £42.
 " 15 Bought van by cheque £6,500.
 " 16 Received loan from B Barclay by cheque £2,000.
 " 18 Goods returned to us by: R Tong £5; M Singh £20.
 " 21 Cash sales £145.
 " 24 Sold goods on credit to: L Fish £130; A Tom £410; R Pleat £158.
 " 26 We paid the following by cheque: F Hood £900; M Smith £118.
 " 29 Received cheques from: R Pleat £158; L Fish £370.
 " 30 Received a further loan from B Barclay by cash £500.
 " 30 Received £614 cash from A Tom.

- 6.5** Note, this question should not be attempted until cash discounts and trade discounts have been covered (see Chapters 13 and 14).

On 1 October 20X9, the owner of the USS Enterprise, Mr Kirk, decided that he will boldly go and keep his records on a double entry system. His assets and liabilities at that date were:

£
Fixtures and equipment 20,000
Stock including weapons 15,000
Balance at Universe Bank 17,500
Cash 375
Creditors – Spock 3,175
– Scott 200
– McCoy 500

Kirk's transactions during October were as follows:

- Sold faulty phasers, original cost £500, to Klingon Corp, for cash £5,000
- Bought Photon Torpedoes (weapons), on credit from Central Council £2,500
- Sold Stocks to Aardvarks, original cost £250, on credit, £1,500
- Bought Cloaking Device (Fixture and Fittings) from Klingon Corp £3,500
- Paid the balance owed to Spock at 1 October less a 5% cash discount
- Paid Central Council full amount due by cheque
- Received full amount due from Aardvarks by cheque