

2008 Double Entry Question

KELLY Ltd is a retail store.

- (A) Record the following Credit Transactions in the Purchases and Purchases Returns Books of KELLY Ltd for the month of April 2008. Post relevant figures from the books to the Ledger Accounts.

3/4/2008	Purchased goods on credit from NEE Ltd	Invoice No. 12	€16,000 + VAT 13.5%
9/4/2008	Purchased goods on credit from HAY Ltd	Invoice No. 67	€22,600 + VAT 13.5%
15/4/2008	Returned goods to NEE Ltd	Credit Note No. 5	€ 7,000 + VAT 13.5%

(16)

- (B) Record the following Bank Transactions for the month of April in the Analysed Cash Book of KELLY Ltd. Post relevant figures to the Ledger Accounts.

Note: Analyse the Bank Transactions using the following money headings:

Debit (Receipts) Side: Bank Sales VAT Share Capital
 Credit (Payments) Side: Bank Purchases VAT Light and Heat Creditors

1/4/2008	Shareholder invested €150,000 and this was lodged	Receipt No. 24	
2/4/2008	Purchases for resale	(Cheque No. 45)	€70,000 + VAT 13.5%
13/4/2008	Paid electricity bill	(Cheque No. 46)	€1,700
19/4/2008	Cash Sales lodged		€90,800 (€80,000 + VAT €10,800)
28/4/2008	Paid HAY Ltd	(Cheque No. 47)	€17,500

(15)

- (C) Balance the accounts on 30 April 2008 and extract a Trial Balance as at that date.
- (9)

(40 marks)

General Ledger							
Purchases A/c no.1							
30/04/2008	Total Creditors	PD B	38600				
02/04/2008	Bank	AC B	70000				
			10860 0				
Vat A/c no.2							
30/04/2008	Credit Purchases	PD B	5211	30/04/2008	Credit Purchases Ret.	PRD B	945
02/04/2008	Cash Purchases	AC B	9450	19/04/2008	Cash Sales	ACB	10800
				30/04/2008	Balance	c/d	2916
			14661				14661
01/05/2008	Balance	b/d	2916				
Purchases Returns A/c no.3							
				30/04/2008	Total Purchases Ret	PRD B	7000
Ordinary Share Capital A/c no.4							
				01/04/2008	Bank	ACB	15000 0
Light & Heat A/c no.5							
13/04/2008	Bank	AC B	1700				
Sales A/c no.6							
				19/04/2008	Bank	ACB	80000

Analysed Cash Book

Dr							
Date	Details	F	Rec. No.	Bank	Sales	Vat	Share Cap.
01/04/2008	Share Capital	GL4	24	150000			150000
19/04/2008	Cash Sales	GL6&2		90800	80000	10800	
				240800	80000	10800	150000
01/05/2008	Balance	b/d		142150			

Cr								
Date	Details	F	Ch. No.	Bank	Purchases	VAT	L&H	Creditors
02/04/2008	Purchases	GL1&2	45	79450	70000	9450		
13/04/2008	Electricity	GL5	46	1700			1700	
28/04/2008	Hay Ltd	CL2	47	17500				17500
30/04/2008	Balance	c/d		142150				
				240800	70000	9450	1700	17500

Trial Balance

Trial Balance of Kelly Ltd on 30/4/2008

	Dr	Cr
Bank	142150	
Nee Ltd		10215
Hay Ltd		8151
Purchases	108600	
Vat	2916	
Purchases Returns		7000
Ordinary Share Cap		150000
Light & Heat	1700	
Sales		80000
	255366	255366