

1. **This is a Book of First Entry, Ledger and Trial Balance Question.**

Answer all parts of this question:

OXO Ltd, a machinery business, had both credit and cash transactions during the month of May 2013.

- (A) Record the following Credit Transactions in the Sales and Sales Returns Books of OXO Ltd for the month of May 2013.

Post relevant figures from the books to the ledger accounts.

1/5/2013	Sold goods on credit to KP Ltd	Invoice No. 11	€26,000 + VAT 23%
7/5/2013	Sold goods on credit to SLD Ltd	Invoice No. 12	€14,000 + VAT 23%
18/5/2013	KP Ltd returned goods to OXO Ltd	Credit Note No. 3	€11,600 + VAT 23%

(15)

- (B) Record the following Bank Transactions for the month of May 2013 in the Analysed Cash Book of OXO Ltd.

Post relevant figures to the Ledger Accounts.

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

Debit (Receipts) Side:	Bank	Sales	VAT	Share Capital	Debtors
Credit (Payments) Side:	Bank	Purchases	VAT	Wages	

4/5/2013	Shareholder invested €60,000 and this was lodged			Receipt No. 1
11/5/2013	Purchases for resale (Cheque No. 1)	€24,000 + VAT 23%		
17/5/2013	Paid wages (Cheque No. 2)	€7,200		
26/5/2013	Sales lodged	€34,440 (€28,000 + VAT €6,440)		
31/5/2013	SLD Ltd paid €10,000 and this was lodged			Receipt No. 2

(16)

- (C) Balance the accounts on the 31 May 2013 and extract a Trial Balance as at that date.

(9)
(40 marks)

Sales Book of OXO Ltd (4)

Date 2013	Details	Invoice No.	F	NET €	VAT €	Total €
1/5	KP Ltd	11	DL	26,000	5,980	31,980
7/5	SLD Ltd	12	DL	14,000	3,220	17,220
				40,000	9,200	49,200
				GL	GL	
		1		1 (½+½)	1 (½+½)	1 (½+½)

Sales Returns Book of OXO Ltd (2½)

Date 2013	Details	Credit Note No.	F	NET €	VAT €	Total €
18/5	KP Ltd	3	DL	11,600	2,668	14,268
		1		½	½	½

Analysed Cash Book of OXO Ltd Debit Side (4½)

Date 2013	Details	Receipt No (1m)	F	Bank €	Sales €	VAT €	Share Capital €	Debtor €	Mark
4/5	Share Capital	1	GL	60,000			60,000		1 (½+½)
26/5	Sales		GL	34,440	28,000	6,440			1½ (½+½+½)
31/5	SLD Ltd	2	DL	10,000				10,000	1 (½+½)
				104,440	28,000	6,440	60,000	10,000	
1/6	Balance B/D			67,720					

Analysed Cash Book of OXO Ltd Credit Side (4½)

Date 2013	Details	Cheque No (1m)	F	Bank €	Purchases €	VAT €	Wages €	Mark
11/5	Purchases	1	GL	29,520	24,000	5,520		1½ (½+½+½)
17/5	Wages	2	GL	7,200			7,200	1 (½+½)
31/5	Balance C/D			36,720 67,720	24,000	5,520	7,200	
								1
				104,440				

Date 2013	Detail	F	Total €	Date 2013	Detail	F	Total €	Mark
GENERAL LEDGER OF OXO Ltd								
Ordinary Share Capital A/C								
				4/5	Bank	ACB	60,000	1
Purchases A/C								
31/5	Bank	ACB	24,000					1
Sales A/C								
				31/5	Total Net Debtors	SB	40,000	1
				31/5	Bank	ACB	28,000	1
							68,000	
Sales Returns A/C								
31/5	Total Net Debtors	SRB	11,600					1
VAT A/C								
31/5	Cash Purchases	ACB	5,520	31/5	Credit Sales	SB	9,200	1+1
31/5	Sales Returns	SRB	2,668	31/5	Cash Sales	ACB	6,440	1+1
31/5	Balance C/D		7,452					1
			15,640				15,640	
				1/6	Balance B/D		7,452	
Wages A/C								
17/5	Bank	ACB	7,200					1
DEBTORS LEDGER OF OXO Ltd								
KP Ltd A/C								
1/5	Sales	SB	31,980	18/5	Sales returns	SRB	14,268	1+1
				31/5	Balance C/D		17,712	1
			31,980				31,980	
1/6	Balance B/D		17,712					
SLD Ltd A/C								
7/5	Sales	SB	17,220	31/5	Bank	ACB	10,000	1+1
				31/5	Balance C/D		7,220	1
			17,220				17,220	
1/6	Balance B/D		7,220					
Total Marks								17

Trial Balance of OXO Ltd as on 31/5/2013

	DR €	CR €	Mark (4½)
Bank	67,720		½
Purchases	24,000		½
Wages	7,200		½
KP Ltd	17,712		½
SLD Ltd	7,220		½
Sales Returns	11,600		½
Share Capital		60,000	½
Sales		68,000	½
VAT		7,452	½
	135,452	135,452	