

Exercise 3

Interested party	Information required
Shareholders and investors	Use accounting information to make buy, sell or keep decisions related to shares, bonds, profitability and financial soundness of the business so that they can ensure safety of their investment.
Management	Use accounting information to run the business, planning, decision making and controlling.
Employees	Use accounting information to determine a company's profitability and profit sharing – security of job position, ability to pay higher wages and bonuses.
Creditors	(i.e. suppliers, banks) Utilise accounting information to make lending decisions; judge the profit earning capacity and financial soundness of the business.
Government	To determine a company's tax liabilities – income tax, GST, excise, duties, etc. Also compliance to legislation.
Competitors	Used for strategic purposes, e.g. information on the strengths and weaknesses of their competition; also use the information given in financial statements to compare their own performance with that of the other entity.
General public	Consumers who may need accounting information to decide which products to buy from which companies.

Exercise 9

Business name	Sole trader	Partnership	Private company	Public company
1. J & A Greig		✓		
2. Bethonga Apples Pty Ltd			✓	
3. B & E Brown, trading as Rosedale Properties		✓		
4. ABM Resources Limited				✓
5. D Harper, electrician	✓			
6. Binna Burra Lodge Ltd				✓
7. Koala Farms Pty Ltd			✓	
8. I & J Smith trading as Smith's Coffee		✓		
9. M Wood, trading as BWT Electrical	✓			
10. GSD Security Services Pty Ltd			✓	
11. Leaf Energy Ltd				✓
12. National Australia Bank Ltd				✓
13. Mel Burton trading as Mel Burton Taxidermy	✓			
14. New Horizon Coal Ltd				✓
15. L Joyce, contractor	✓			
16. Australian Super Pty Ltd			✓	
17. R & T Edwards		✓		
18. Tom Shepherd, builder	✓			
19. J & R Bell trading as Bell Brothers		✓		
20. Pine Rivers Mechanical Pty Ltd			✓	

Exercise 11

1. Financial year (1 July to 30 June)
2. Profit and loss statement
Balance sheet
Cash flow statement (as part of budgeting)
3. See answer to Exercise 2.

Exercise 13

	GST applicable	GST-free	Input taxed	Out of scope
Residential rent received			✓	
Purchase of motor vehicle	✓			
Interest received			✓	
Milk - plain		✓		
Transfer money between bank accounts				✓
Wages				✓
Bottle of water		✓		
Government stamp duty				✓
Consulting services	✓			
Bank fees		✓		
Interest paid		✓		
Purchase of office supplies	✓			
Superannuation				✓
Parcel to Melbourne	✓			
Sale of computer software	✓			
Sale of fresh fish		✓		
Religious wedding services		✓		
Repairs to a rental house			✓	

Exercise 14

1. Wu runs a business
2. Wen's wooden toys are a hobby

Exercise 15

4. The object of the act is to enhance the welfare of Australians through the promotion of competition and fair trading and provision for consumer protection.

Exercise 16

4. The act combats money laundering and the financing of terrorism and other purposes.
5. Commonwealth Bank of Australia breached the Anti-Money Laundering and Terrorism Funding Act by failing to report more than 50,000 deposits over a certain size in its network of more than 500 intelligent deposit machines (IDMs), which it rolled out in 2012. It also alleges it failed in its obligations to monitor 778,370 accounts known as 'affected accounts' between 2012 and 2016.

Exercise 17

1. Mary
2. Sue
3. Kate
4. Peter
5. Alan

Exercise 18

- All purchase order details are checked: correct item numbers, items in stock, delivery instructions.
- Check if the order has been authorised by a responsible person.
- Prices if quoted are checked. The customer is advised of any new or incorrect pricing on the order.
- The customer's account is checked for any overdue amounts.

Exercise 19

1. Yes
2. Yes
3. Yes

Exercise 20

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 (03) 9555 4567 To: Island Way Motel 89 Island Way TERRIGAL NSW 2118			Tax invoice 12		
			Delivery address: Island Way Motel 22 Campbell Way HORNSBY NSW 2034		
Date: 4/month 20yy		Purchase order number: 477		Terms: Full amount due 30 days after EOM	
Quantity	Item number	Description	Unit price inc GST	Total inc GST	Tax code
2	710	Steel stand	\$76.00	\$152.00	GST
2	100	Cooler large	\$520.00	\$1,040.00	GST
2	600	20 litres North spring	\$25.00	\$50.00	FRE
				\$1,242.00	
Amount of GST in this invoice: \$108.36					
Delivery method: Courier Delivery date: 4/month 20yy Comments: 12 litre bottles are also available.					

Exercise 22

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 To: Island Way Motel 89 Island Way TERRIGAL NSW 2118			Tax invoice 13		
			Delivery address: Island Way Motel 22 Campbell Way HORNSBY NSW 2034		
Date: 10/month		Purchase order number: 478	Terms: Full amount due 30 days after EOM		
Quantity	Item number	Description	Unit price inc GST (if applicable)	Total including GST	Tax code
1	120	Cooler filter large	67.95	67.95	GST
1	650	12 litres North Spring	18.50	18.50	FRE
				\$86.45	
Amount of GST in this invoice: \$6.18					
Delivery method: Courier Delivery date: 11/month					

Exercise 23

- Purchase order not signed by authorised person.
Glass crock is Item number 410
Glass crock is \$220, not \$250
- Contact the purchasing officer of Island Way Motel to clarify the above issues.

Exercise 24


Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 (03) 9555 4567 To: Island Way Motel 89 Island Way TERRIGAL NSW 2118			Tax invoice 14		
			Delivery address: Island Way Motel 22 Campbell Way HORNSBY NSW 2034		
Date: 15/month		Purchase order number: 479	Terms: Full amount due 30 days after EOM		
Quantity	Item number	Description	Unit price inc GST	Total inc GST	Tax code
1	410	Glass crock	\$220.00	\$220.00	GST
		Freight		22.00	GST
				\$242.00	
Amount of GST in this invoice: \$22.00					
Delivery method: Freight company Delivery date: 16/month					

Exercise 25

1.

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 (03) 9555 4567 TO: Island Way Motel 89 Island Way Terrigal NSW 2118			Tax invoice 15		
Date: 20/month 20yy		Purchase order number: 480	Terms: Full amount due 30 days after EOM		
Quantity	Item number	Description	Unit price inc GST	Total inc GST	Tax code
2	600	20 litres North Spring	\$25.00	\$50.00	FRE
		Freight charge		\$0.00	GST
				\$50.00	
Amount of GST in this invoice: \$0.00 Delivery method: Brightspring truck Delivery date: 20/month					

2.

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 (03) 9555 4567 TO: Island Way Motel 89 Island Way Terrigal NSW 2118			Tax invoice 15		
					
Date: 20/month 20yy		Purchase order number: 480	Terms: Full amount due 30 days after EOM		
Quantity	Item number	Description	Unit price inc GST	Total inc GST	Tax code
2	600	20 litres North Spring	\$25.00	\$50.00	FRE
		Freight charge		\$0.00	GST
				\$50.00	
Amount of GST in this invoice: \$0.00 Delivery method: Brightspring truck Delivery date: 20/month					

Exercise 26

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 (03) 9555 4567 TO: Island Way Motel 89 Island Way Terrigal NSW 2118		Tax invoice 16
Terms: 7 days		
Description	Total excluding GST	Tax code
Cost of repairs to damaged cooler stand and cooler	\$40.00	GST
Travel to your business – 45 km @ \$0.56 km	\$25.20	GST
Subtotal	\$65.20	
Plus 10% GST	\$6.52	
Total including GST	\$71.72	

Exercise 27

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 (03) 9555 4567 TO: Island Way Motel 89 Island Way Terrigal NSW 2118		Tax invoice 17
Date: 28/month	Job card number: 49	Terms: 7 days
Description	Total excluding GST	Tax code
Repairs to cooler	60.00	GST
Travel to your business – 45 km @ \$0.56 km	25.20	GST
SUBTOTAL	85.20	
Plus 10% GST	8.52	
TOTAL including GST	\$93.72	

Exercise 28

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 (03) 9555 4567 TO: Island Way Motel 89 Island Way TERRIGAL NSW 2118			Tax invoice 18		
Delivery address: Island Way Motel 22 Campbell Way HORNSBY NSW 2034					
Date: 28/month	Purchase order number 4479 Tax invoice number: 14	Terms: Full amount due 30 days after EOM			
Quantity	Item number	Description	Unit price inc GST	Total inc GST	Tax code
-1	410	Glass crock	-220.00	-220.00	GST
				-\$220.00	
Amount of GST in this invoice: \$20.00					
Reason for adjustment note: Not happy with the product.					

Exercise 29

1. Item number 700 is a pine stand not a steel stand (pine stand required)
No authorisation is given.
2. Contact buyer or errors and clarify before processing order.
If necessary return to Island Way Motel for authorisation or customer sends an amended purchase order.
3. You need to check for credit limits and any overdue accounts before processing the sale.
- 4.

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 (03) 9555 4567 TO: Island Way Motel 89 Island Way TERRIGAL NSW 2118			Tax invoice 19		
Delivery address: Island Way Motel 22 Campbell Way HORNSBY NSW 2034					
Date: 28/MONTH	Purchase order number: 485	Terms: Full amount due 30 days after EOM			
Quantity	Item number	Description	Unit price inc GST	Total inc GST	Tax code
1	700	Pine stand	\$55.00	\$55.00	GST
2	600	20 litres North Spring	\$25.00	\$50.00	FRE
				\$105.00	
Amount of GST in this invoice: \$5.00					
Delivery method: Brightspring truck Delivery date: 28/month					

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 (03) 9555 4567 TO: Island Way Motel 89 Island Way TERRIGAL NSW 2118			<div style="border: 2px solid red; padding: 5px; transform: rotate(-2deg); display: inline-block; color: red; font-weight: bold; font-size: 1.2em;">COPY</div>			Tax invoice 19 Delivery address: Island Way Motel 22 Campbell Way HORNSBY NSW 2034		
Date: 28/MONTH		Purchase order number: 485		Terms: Full amount due 30 days after EOM				
Quantity	Item number	Description	Unit price inc GST	Total inc GST	Tax code			
1	700	Pine stand	\$55.00	\$55.00	GST			
2	600	20 litres North Spring	\$25.00	\$50.00	FRE			
				\$105.00				
Amount of GST in this invoice: \$5.00								
Delivery method: Brightspring truck Delivery date: 28/month								

5.

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 (03) 9555 4567 TO: Island Way Motel 89 Island Way TERRIGAL NSW 2118			Adjustment note 20 Delivery Address: Island Way Motel 22 Campbell Way HORNSBY NSW 2034			
Date: 28/month		Purchase order number: 485 Tax invoice number: 19		Terms: Full amount due 30 days after EOM		
Quantity	Item number	Description	Unit price inc GST	Total inc GST	Tax code	
-1	600	20 litres North Spring	25.00	-25.00	FRE	
				-\$25.00		
Amount of GST in this invoice: \$0.00						
Reason for adjustment note: Broken seal						

6.

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 (03) 9555 4567 TO: Island Way Motel 89 Island Way Terrigal NSW 2118		Tax invoice 21	
Date: 28/month	Job card number: 66	Terms: 7 days	
Description	Total ex GST	Tax code	
Repairs to cooler	50.00	GST	
Travel – 35 km @ \$0.56 per km	19.60	GST	
SUBTOTAL	\$69.60		
Plus 10% GST	6.96		
TOTAL including GST	\$76.56		

7. Original purchase order from Island Way Motel

Copy of tax invoice 19

Could have original delivery docket signed by Island Way Motel if returned

Original goods returned slip

Copy of adjustment note 20

Copy of tax invoice 21

8. Check if business selling goods and services is registered for GST.

Check with ATO if GST is applicable to item sold, e.g. stands YES, water NO.

Exercise 30

1. Sue

2. Kate

3. Division of responsibility makes it more difficult to commit fraud or theft – security over cash

4. Sue

Exercise 31

Brightspring Traders 25 Spring Street Blackburn VIC 3130		Receipt 6001 5/next month.. 20yy	
Received from Island Way Motel The amount of Fifty----- dollars ----- cents \$50-00 Reason for paymentPayment of invoice 15..... <div style="text-align: center;">SignedSue Smith...</div>			

Exercise 32

Brightspring Traders 25 Spring Street Blackburn VIC 3130	Receipt 6002 6/next month 20yy
Received from: Island Way Motel	
The amount of Eighty-six -----dollars forty-five -----cents \$86-45	
Reason for payment: Payment of invoice 13	
SignedSue Smith would sign here.....	

Exercise 34

1. Island Way Motel
2. Eastpac Bank, Blackburn VIC 3130
3. Brightspring Traders
4. 002201 is the cheque number
014 994 is the BSB Number of the Eastpac Bank, Blackburn.
009476622 is the Bank Account Number for Island Way Motel
5. and 6. No, Brightspring Traders cannot cash this cheque because it is a crossed cheque which means it must be banked.

Exercise 35

1. No
2. No
3. Yes
4. Yes
5. Brightspring Traders
6. Yes

Exercise 37

- a. The Code is an initiative of the Australian Banking Association, however, any retail bank can subscribe to the Code irrespective of whether it is an ABA Member.
- b. The Code of Banking Practice gives customers rights that the bank must observe. These rights cover matters such as:
 - disclosure of fees and charges and other terms and conditions;
 - changes to terms and conditions and fees and charges;
 - disclosure of general information about banking services;
 - privacy and confidentiality;
 - statements of account;
 - copies of documents;
 - direct debits;
 - chargebacks on credit cards;
 - debt collection;
 - complaints handlingThe Code also provides for high standards of disclosure for prospective guarantors before they agree to guarantee someone else's debt to the bank.
- c. If you have a complaint that your bank has breached the Code you should first discuss the matter with your bank. They will have an internal complaint handling service. If your complaint is not immediately resolved by the internal complaint handling service, the Financial Ombudsman Service (FOS) may be able to help. You can contact FOS on 1300 780 808

Exercise 38

Customer	Payment method	Amount
Island Way Motel	Cash	50.00
Island Way Motel	Cash	86.45
Island Way Motel	Cheque	1,242.00
Island Way Motel	Cheque	71.72
Island Way Motel	Visa	93.72
TOTAL RECEIVED		1,543.89

Exercise 39

1. Kate Brown
2. Any of the cash handling techniques cover in the workbook.
3. Check the amount of cash received is the same as the invoice paid or amount customer says is being paid. You could also look for legal tender issues, e.g. no suspicious bank notes, coins are Australian, not from New Zealand, etc.

Exercise 40

1.

Denomination	No.	Total
\$100		
\$50	1	50.00
\$20	4	80.00
\$10		
\$5	1	5.00
TOTAL		\$135.00

2.

Denomination	No.	Total
\$2		
\$1	1	1.00
50c		
20c	2	0.40
10c		
5c	1	0.05
TOTAL		\$1.45

3. Reconciliation of banking:

Total notes	\$135.00
Total coins	\$1.45
TOTAL	\$136.45 = cash received

Exercise 41

Eastpac Bank Blackburn VIC 3130		BANK DEPOSIT	
ACCOUNT NAME: Brightspring Traders		Coins	\$1 45
ACCOUNT NUMBER: 062-001 123456789		Notes	\$135 00
Details:		*Cheques etc.	\$1313 72
		Total	\$1450 17
Drawer	Bank	Place	Amount
Island Way Motel	Eastpac	Blackburn	1242 00
Island Way Motel	Eastpac	Blackburn	71 72
TOTAL Cheques/money orders (transfer to * above)			\$1313 72
Paid in by Kate Brown would sign here..... Date: 8/next month			

Remember, the credit card payment is deposited directly into Brightspring Traders' bank account and should not be included on this deposit slip.

Exercise 42

Brightspring Traders		Purchase requisition	
25 Spring Street		1001	
BLACKBURN VIC 3130			
Please order the following items:			
Quantity	Brightspring item number	Description	
1	100	Cooler large	
10	600	20 litres North Spring	
2	120	Cooler filter large	
Authorised by Peter Parker			Date: 3/current month

Exercise 43

1.

Brightspring Traders ABN 80 000 000 001 25 Spring Street BLACKBURN VIC 3130 (03) 9555 4567			Purchase order 0009 Date: 3/current month		
TO: North Springwater Pty Ltd 54 Valley Street BLACKBURN VIC 3130					
Please supply the following goods and charge to our account:					
Quantity	Item number	Description	Unit price	Total inc GST	Tax code
1	100	Cooler large	\$385.75	\$385.75	GST
10	600	20 litres North Spring	\$13.25	\$132.50	FRE
2	120	cooler filter large	\$50.22	\$100.44	GST
		TOTAL including GST		\$618.69	
Authorised by purchasing officer: Peter Parker Delivery address: As above Date required: 5/current month					

Exercise 44

2. North Springwater Pty Ltd wish to contact this credit reference to check if Brightspring pay their account on time. They could also ask what their monthly sales figures to Brightspring are and anything else which may affect Brightspring paying their account within the agreed credit terms.

Exercise 45

1.

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 (03) 9555 4567 TO: North Springwater Pty Ltd 54 Valley Street BLACKBURN VIC 3130 Please supply the following goods and charge to our account:				Purchase order 000010 Date: 4/month	
Quantity	North Springwater item number	Description	Unit price	Total inc GST	Tax code
5	700	Pine stands	33.00	165.00	GST
5	600	20 litres North Spring	13.25	66.25	FRE
		Total including GST		\$231.25	
Authorised by purchasing officer: Peter Parker Delivery Address: As above Date required: 5/current month					

2. Items details will be checked – correct item numbers and names, correct price.

North Springwater would check if the items are in stock.

Delivery Instructions may be required.

Exercise 46

3. Mary, the salesperson and storeperson, would check that the items are in good order and condition, i.e. not damaged in any way.

Mary would also check this docket with the duplicate copy of the purchase order and if the correct items have been delivered, sign in the Received by: field for Mary.

The delivery docket is given to Sue in accounts.

Exercise 47

1. Yes

2. Yes

3. Yes

4. Yes

Exercise 48

1. Yes

2. No

3. Buying price of the pine stand is \$33.00 not \$38.00

4. Ring the accounts department of North Springwater and point out the error. You may have to fax the invoice. An amended tax invoice or adjustment will be received.

Exercise 49

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 Goods returned to: North Springwater Pty Ltd 54 Valley Street BLACKBURN VIC 3130			Goods returned
			Purchased on invoice No. 009
Quantity	Brightspring item number	Description	Reason
1	700	Pine stand	Faulty
Returned by...Mary Date: 11/month Method: Picked up by North Springwater from store			

4. One copy is to be given to the bookkeeper.
One copy is sent with the item(s) being returned.
5. No

Exercise 50

- Check that the electricity bill for this period has not already been paid.
- Check the account is for the correct location.
- Check with the last electricity account for any variation.

Exercise 51

Document	Reference number	Date	Total amount
Original purchase requisition	1001	3/month	NA
Duplicate purchase order	9	3/month	\$618.69
Original purchase requisition	1003	4/month	NA
Duplicate purchase order	10	4/month	\$231.25
Original delivery docket	1478	5/month	NA
Original tax invoice	1478	5/month	\$618.69
Original tax invoice	1480	10/month	\$231.25*
Duplicate goods returned		11/month	NA
Original adjustment note	1486	11/month	-\$33.00

*Assume an amended invoice has been sent.

Exercise 52

1. On 10/month invoice 1480 was prepared for sales to the value of \$231.25.
On 11/month an adjustment note was prepared for the return of goods to the value of \$33.00
4. Yes

Revision

Exercise 53

1.

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 (03) 9555 4567 TO: North Springwater Pty Ltd 54 Valley Street BLACKBURN VIC 3130 Please supply the following goods and charge to our account:				Purchase order 00013 Date: 20/month	
Quantity	North Springwater Item number	Description	Unit price	Total inc GST	Tax code
2	710	Steel stands	55.00	110.00	GST
5	600	20 litres North Spring	13.25	66.25	FRE
2	120	Cooler filter large	50.22	100.44	GST
		Total including GST		\$276.69	
Authorised by purchasing officer: Your trainer will authorise. Delivery address: As above Date required: 20/current month					

2. Copy 1: Faxed to North Springwater (also filed)
Copy 2: Sent to store to check goods received.
Copy 3: Kept in purchase order book
3. Yes
4. Duplicate purchase order
5. Send to Sue, the bookkeeper, to match with the tax invoice.
6. No
7. Correct item price charged however number and extension incorrect
8. No
9. Contact North Springwater – only received 2 cooler filters, not 3 (as per invoice)
ABN has not been quoted.
Ask North Springwater for an amended tax invoice, charged for 2 cooler filters and ABN.

Amended tax invoice

North Springwater Pty Ltd ABN 35 903 251 421 54 Valley Street Blackburn VIC 3130 (03) 9555 6779 TO: Brightspring Traders 25 Spring Street BLACKBURN VIC 3130			Tax invoice 1550 Delivery address: Brightspring Traders 25 Spring Street BLACKBURN VIC 3130		
Date: 20/month 20yy		Purchase order number: 013	Terms: 30 DAYS		
Quantity	Item number	Description	Unit price inc GST	Total inc GST	Tax code
2	710	Steel stands	\$55.00	\$110.00	GST
5	600	20 Litres North Spring	\$13.25	\$66.25	FRE
2	120	Cooler filter large	\$50.22	\$100.44	GST
				\$276.69	
Amount of GST in this invoice: \$19.13					
Delivery method: North Springwater driver Delivery date: 20/month 20yy					

10.

Brightspring Traders ABN 80 000 000 001 25 Spring Street Blackburn VIC 3130 Goods returned to: North Springwater Pty Ltd 54 Valley Street BLACKBURN VIC 3130			Goods returned Purchased on invoice No. 1550		
Quantity	Brightspring Item number	Description	Reason		
1	710	Steel stand	Faulty		
Returned by...Mary Date: 20/month Method: Picked up by North Springwater from store.					

11. No

13. No GST charged, however business is quoting an ABN and has issued a tax invoice.

14. Use ABN Lookup to check if ABN 78 114 781 114 is registered for GST.

Contact Mojo – ask for amended tax invoice including GST.

15. 30 days after end of month

16. 30/month after the month you are using.

17. Inform Mojo that inv 4988 is only due for payment on 30/next month. The invoice is not overdue.

19. No

20. Contact North Springwater and inform them that invoice 1550 has been amended and the correct amount is not printed on the statement.

(3 cooler filters were charged instead of 2.)

Correct amount of invoice 1550 is \$276.69.

You may need to fax the source documents.

Request a corrected statement.

Exercise 54

1. Sue Smith
2. Peter Parker
3. Sue Smith
4. Peter Parker

Exercise 55

Date 2/next month Pay North Springwater Pty Ltd Details Payment of invoice 1478	<table style="width: 100%;"> <tr> <td style="width: 60%;"> Eastpac Bank Blackburn VIC 3130 Pay North Springwater Pty Ltd.... OR BEARER The sum of Six hundred and eighteen dollars and sixty- nine cents DRAWER Brightspring Traders ABN: 80 000 000 001 123456789 "002500 "062"001: 123456789" </td> <td style="width: 40%; text-align: right; vertical-align: top;"> 002500 Date: 2/next month \$618-69 Peter Parker </td> </tr> </table>	Eastpac Bank Blackburn VIC 3130 Pay North Springwater Pty Ltd.... OR BEARER The sum of Six hundred and eighteen dollars and sixty- nine cents DRAWER Brightspring Traders ABN: 80 000 000 001 123456789 "002500 "062"001: 123456789"	002500 Date: 2/next month \$618-69 Peter Parker
Eastpac Bank Blackburn VIC 3130 Pay North Springwater Pty Ltd.... OR BEARER The sum of Six hundred and eighteen dollars and sixty- nine cents DRAWER Brightspring Traders ABN: 80 000 000 001 123456789 "002500 "062"001: 123456789"	002500 Date: 2/next month \$618-69 Peter Parker		

FWD					
This cheque	\$618.69				
Balance					

002500

Exercise 56

Date 2/next month..... Pay North Springwater Pty Ltd..... Details Payment Invoice 1480.....	<table style="width: 100%;"> <tr> <td style="width: 60%;"> Eastpac Bank Blackburn VIC 3130 Pay ...North Springwater Pty Ltd..... OR BEARER. The sum of Two hundred and thirty-one dollars and twenty-five cents..... DRAWER Brightspring Traders ABN: 80 000 000 001 123456789 "002501 "062"001: 123456789" </td> <td style="width: 40%; text-align: right; vertical-align: top;"> 002501 Date: 2/next month... \$231.25..... Peter Parker </td> </tr> </table>	Eastpac Bank Blackburn VIC 3130 Pay ...North Springwater Pty Ltd..... OR BEARER. The sum of Two hundred and thirty-one dollars and twenty-five cents..... DRAWER Brightspring Traders ABN: 80 000 000 001 123456789 "002501 "062"001: 123456789"	002501 Date: 2/next month... \$231.25..... Peter Parker
Eastpac Bank Blackburn VIC 3130 Pay ...North Springwater Pty Ltd..... OR BEARER. The sum of Two hundred and thirty-one dollars and twenty-five cents..... DRAWER Brightspring Traders ABN: 80 000 000 001 123456789 "002501 "062"001: 123456789"	002501 Date: 2/next month... \$231.25..... Peter Parker		

FWD					
This Cheque	231.25				
Balance					

002501

Exercise 57

Brightspring Traders ABN: 80 000 000 001 25 Spring Street Blackburn Vic 3130													
To: North Springwater Pty Ltd... 54 Valley Street BLACKBURN VIC 3130	Date: 2/next month...												
Please find attached a cheque which is payment for the following invoices:													
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Details</th> <th style="text-align: left;">Amount</th> </tr> </thead> <tbody> <tr> <td>Invoice 1480</td> <td>231.25</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td>TOTAL</td> <td>\$231.25</td> </tr> <tr> <td colspan="2">Signature: Sue Smith or Peter Parker could sign here if a signature is required</td> </tr> </tbody> </table>	Details	Amount	Invoice 1480	231.25					TOTAL	\$231.25	Signature: Sue Smith or Peter Parker could sign here if a signature is required		
Details	Amount												
Invoice 1480	231.25												
TOTAL	\$231.25												
Signature: Sue Smith or Peter Parker could sign here if a signature is required													

Exercise 58

Date ...2/next month Pay Metropolitan Electricity..... Details ...Payment invoice 4578111.....	Eastpac Bank Blackburn VIC 3130 Pay Metropolitan Electricity.....OR BEARER. The sum of Two hundred and fifty-six dollars DRAWER Brightspring Traders ABN: 80 000 000 001 123456789 "002502 "062"001: 123456789"	002502 Date: 2/next month..... \$256.00..... Peter Parker										
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">FWD</td> <td style="width: 50%;"></td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td>This Cheque</td> <td>256.00</td> </tr> <tr> <td>Balance</td> <td> </td> </tr> </table>	FWD						This Cheque	256.00	Balance			
FWD												
This Cheque	256.00											
Balance												
002502												

Exercise 61

Suggested answer only, but no \$50s or \$20s.

Denomination		Total
Notes: \$100		
\$50		
\$20		
\$10	2	20.00
\$5	8	40.00
Coins: \$2	10	20.00
\$1	10	10.00
50c	10	5.00
20c	10	2.00
10c	20	2.00
5c	20	1.00
TOTAL		\$100.00

Exercise 64

Petty cash book

						Acquisitions				
						Analysis of expenditure				
Date	Details	Voucher number	Amount received	Payments	GST amount	Postage	Office supplies	Staff amenities	Freight	Other
1/month	Advance cheque 2504		100.00							
	Australia Post – stamps	1		5.00	0.45	4.55				
	IGA Supermarkets – detergent	2		4.40	0.40					4.00
	Australia Post – Liquid Paper	3		3.30	0.30		3.00			
2/month	CN News – stamp	4		6.60	0.60		6.00			
3/month	IGA Supermarkets – milk	5		3.00	0.00			3.00		
	Fastway Couriers – parcel delivery	6		11.00	1.00				10.00	
4/month	Local Nursery – plant	7		3.30	0.30					3.00

Exercise 65

Balanced petty cash book

						Acquisitions				
						Analysis of expenditure excluding GST				
Date	Details	Voucher number	Amount received	Payments	GST amount	Postage	Office supplies	Staff amenities	Freight	Other
1/month	Advance cheque 2504		100.00							
	Australia Post – stamps	1		5.00	0.45	4.55				
	IGA Supermarkets – detergent	2		4.40	0.40					4.00
	Australia Post – Liquid Paper	3		3.30	0.30		3.00			
2/month	CN News – stamp	4		6.60	0.60		6.00			
3/month	IGA Supermarkets – milk	5		3.00	0.00			3.00		
	Fastway Couriers	6		11.00	1.00				10.00	
4/month	Local Nursery	7		3.30	0.30					3.00
		Step 1 & 2		\$36.60	\$3.05	\$4.55	\$9.00	\$3.00	\$10.00	\$7.00
	Balance in petty cash box	Step 3		63.40						
		Step 4	\$100.00	\$100.00						
4/month	Balance in petty cash box	Step 5	63.40							
	Reimbursement cheque 2505	Step 6	36.60							

Exercise 66

1.

Date 4/month Pay cash only Details Petty cash <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">FWD</td> <td style="width: 50%;"></td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td>This Cheque</td> <td>36-60</td> </tr> <tr> <td>Balance</td> <td> </td> </tr> </table> 002505	FWD						This Cheque	36-60	Balance		<table style="width: 100%;"> <tr> <td style="width: 60%;"> Eastpac Bank Blackburn VIC 3130 Pay Cash only (plus signature).. OR BEARER The sum of Thirty-six dollars and sixty cents..... DRAWER Brightspring Traders ABN: 80 000 000 001 123456789 "002505 "062""001: 123456789" </td> <td style="width: 40%; vertical-align: top;"> 002505 Date: 4/month..... \$36-60..... <div style="border: 1px solid black; padding: 2px; text-align: center; width: fit-content; margin: 0 auto;">NOT NEGOTIABLE</div> Peter Parker </td> </tr> </table>	Eastpac Bank Blackburn VIC 3130 Pay Cash only (plus signature).. OR BEARER The sum of Thirty-six dollars and sixty cents..... DRAWER Brightspring Traders ABN: 80 000 000 001 123456789 "002505 "062""001: 123456789"	002505 Date: 4/month..... \$36-60..... <div style="border: 1px solid black; padding: 2px; text-align: center; width: fit-content; margin: 0 auto;">NOT NEGOTIABLE</div> Peter Parker
FWD													
This Cheque	36-60												
Balance													
Eastpac Bank Blackburn VIC 3130 Pay Cash only (plus signature).. OR BEARER The sum of Thirty-six dollars and sixty cents..... DRAWER Brightspring Traders ABN: 80 000 000 001 123456789 "002505 "062""001: 123456789"	002505 Date: 4/month..... \$36-60..... <div style="border: 1px solid black; padding: 2px; text-align: center; width: fit-content; margin: 0 auto;">NOT NEGOTIABLE</div> Peter Parker												

2.

Denomination	Number	Amount
Notes: \$100		
\$50		
\$20		
\$10	2	20.00
\$5	1	5.00
Coins: \$2	2	4.00
\$1	5	5.00
50c	2	1.00
20c	5	1.00
10c	5	0.50
5c	2	0.10
TOTAL		\$36.60

3.

- The petty cash box was not locked and another staff member has taken \$2 for either personal use or business use, however this employee has not submitted a docket or voucher to validate or claim as a business expense.
- Kate handed out an incorrect reimbursement claim.
- \$100 was not actually put into the cash box – amount was not checked.
- Correct amount given as a reimbursement, however the petty cash voucher had an incorrect amount. This amount was not checked against the docket.

Exercise 67

On 2/next month Brightspring Traders wrote out a cheque to pay North Springwater Pty Ltd the amount of \$618.69 in payment of invoice 1478 for items purchased on credit.

Exercise 68

1. Asset
2. Liability
3. Equity
4. Liability
5. Asset
6. Liability

Exercise 69

Balance sheet in T form of B Mercer
as at end current month

ASSETS		LIABILITIES	
Bank	20,000	Visa credit card	2,100
Stock of taps	4,500	Accounts payable	3,600
Accounts receivable	14,000	Bank loan	22,000
Office equipment	15,000		
Motor vehicle	35,000	EQUITY	
Shed	88,500	Capital	149,300
			<u>\$177,000</u>
	<u>\$177,000</u>		

Balance sheet in narrative form of B Mercer
as at end current month

EQUITY

Capital	<u>\$149,300</u>
---------	-------------------------

Represented by:

ASSETS

Bank	20,000	
Stock of taps	4,500	
Accounts receivable	14,000	
Office equipment	15,000	
Motor vehicle	35,000	
Shed	<u>88,500</u>	177,000

less LIABILITIES

Visa credit card	2,100	
Accounts payable	3,600	
Bank loan	<u>22,000</u>	27,700
		<u>\$149,300</u>

Exercise 70**Balance sheet of Rod Merryweather**
as at end/current month

EQUITY		
Capital		\$296,500
Represented by:		
ASSETS		
Cheque account	20,000	
Accounts receivable	16,500	
Airconditioners on hand	15,000	
Tools and equipment	18,000	
Work vans	65,000	
Work shed and office	200,500	335,000
LIABILITIES		
Mastercard	2,900	
Accounts payable	22,000	
NAB loan	13,600	38,500
		\$296,500

Exercise 71**Balance sheet of Jim's Mechanics**
as at end/current month

EQUITY		
Capital		\$398,210
Represented by:		
ASSETS		
Eastpac current account	15,400	
Customer balances	3,670	
Work supplies on hand	2,000	
Office furniture and equipment	6,500	
Miscellaneous equipment	150,000	
Hydraulic car hoist	15,000	
Work vehicles	42,000	
Work premises	300,000	534,570
less LIABILITIES		
Supplier balances	8,460	
Visa balance	2,900	
Eastpac loan	125,000	136,360
		\$398,210

Exercise 72

1. Bank decreased by \$1200
2. Purchase(s)
3. Asset purchase of a computer

Exercise 73
Profit and loss statement of Steve Harris, Endurance Tools
 for month ended 31 July yyyy

REVENUE		
Sales	35,000	
Centrelink subsidy received	500	35,500
Less EXPENSES		
Purchases	10,000	
Freight paid	3,000	
Advertising	2,500	
Wages	8,000	
Superannuation	720	24,220
Net profit		\$11,280

Balance sheet of Steve Harris, Endurance Tools
 as at 31 July yyyy

EQUITY		
Capital	69,500	
Add net profit	11,280	\$80,780
Represented by		
ASSETS		
Bank	22,000	
Accounts receivable	25,000	
Plant and equipment	35,000	
Stock of goods	3,500	85,500
Less LIABILITIES		
Credit card	3,000	
PAYG owing to the ATO	1,000	
Super owing	720	4,720
		\$80,780

Exercise 74**Profit and loss statement of John Franks**

for month ended 30 June yyyy

REVENUE		
Sales	\$66,000	
Interest earned	400	
Centrelink subsidy	500	66,900
less EXPENSES		
Purchases of meat	\$8,900	
Refrigerated transport costs	950	
Motor vehicle expenses	800	
Electricity	590	
Radio advertising	1,900	
Rent on premises	2,500	
Wages and salaries	11,000	
Superannuation expenses	990	27,630
NET PROFIT		\$39,270

Balance sheet

as at 30 June yyyy

EQUITY		
Capital	131,930	
plus net profit	39,270	\$171,200
ASSETS		
Westpac cheque account	19,780	
Stock of meat on hand	5,200	
Motor vehicles at cost (delivery)	45,000	
Refrigeration equipment at cost	135,000	204,980
less LIABILITIES		
Mastercard	1,900	
PAYG owing to ATO	1,000	
Owing to super fund	880	
Small business loan	30,000	33,780
		\$171,200

Exercise 75**Profit and loss statement of Kaffe Coffee Machines**

for month ended 31 August 20yy

REVENUE		
Sales of coffee machines	45,000	
Sales of coffee supplies	8,900	
Interest revenue	600	54,500
less EXPENSES		
Advertising and marketing	3,000	
Sales staff commission	8,000	
Insurance	220	
Rent, utilities and maintenance	1,900	
Manager's salary	5,000	
Secretary's wages	2,800	
Office expenses	4,500	
Motor vehicle expenses	5,500	30,920
NET PROFIT		\$23,580

Balance sheet of Kaffe Coffee Machines

as at 31 August 20yy

EQUITY		
Capital	154,820	
Add net profit	23,580	\$178,400
ASSETS		
Cheque account	2,300	
Owing from customers	19,000	
Coffee machines for resale	74,000	
Coffee supplies for resale	8,900	
Term investment – PRG Finance	30,000	
Motor vehicles at cost (delivery)	50,000	
Motor vehicles at cost (management)	35,000	219,200
less LIABILITIES		
Owing on credit card	4,800	
Owing to trade suppliers	36,000	40,800
		\$178,400

Exercise 76**Motor vehicles A/c**

Date	Particulars	Debit	Credit	Balance	Dr/Cr
July 1	Balance			55,000	Dr
July 4	Purchases (new motor vehicle)	35,000		90,000	Dr
July 8	Sales (sold motor vehicle)		20,000	70,000	Dr
July 9	Purchases (new motor vehicle)	40,000		110,000	Dr

Exercise 77**AGC Finance**

Date	Particulars	Debit	Credit	Balance	Dr/Cr
July 1	Balance			10,000	Cr
July 4	Loan repayment	1,000		9,000	Cr

Exercise 78**Capital A/c**

Date	Particulars	Debit	Credit	Balance	Dr/Cr

Drawings A/c

Date	Particulars	Debit	Credit	Balance	Dr/Cr

Exercise 79**Bank A/c**

Date	Particulars	Debit	Credit	Balance	Dr/Cr
July 1	Opening balance	40,000.00		40,000.00	Dr

Wages A/c

Date	Particulars	Debit	Credit	Balance	Dr/Cr

Electricity A/c

Date	Particulars	Debit	Credit	Balance	Dr/Cr

Insurance A/c

Date	Particulars	Debit	Credit	Balance	Dr/Cr

Exercise 81

1. Transaction	2. Accounts affected	3. Account group	4. Account group nature	5. Increase or decrease the account value	6. Dr/Cr	7. Amount
The owner banked \$35,000 into the business bank account	Bank	Asset	Dr	Increase	Dr	\$35,000
	Capital	Equity	Cr	Increase	Cr	\$35,000
Purchased a new computer for \$5,500 including GST using a bank loan	Office equipment	Asset	Dr	Increase	Dr	\$5,000
	GST paid	Liability	Cr	Decrease	Dr	\$500
	Bank loan	Liability	Cr	Increase	Cr	\$5,500
The owner banked a commission cheque for \$8,800 including GST	Bank	Asset	Dr	Increase	Dr	\$8,800
	Commission	Revenue	Cr	Increase	Cr	\$8,000
	GST collected	Liability	Cr	Increase	Cr	\$800
The owner withdrew \$500 for personal use from the bank account	Bank	Asset	Dr	Decrease	Cr	\$500
	Drawings	Equity	Cr	Decrease	Dr	\$500
Paid for advertising by cheque \$660 including GST	Bank	Asset	Dr	Decrease	Cr	\$660
	Advertising	Expense	Dr	Increase	Dr	\$600
	GST paid	Liability	Cr	Decrease	Dr	\$60
Purchased stock for resale on credit for \$2,200 including GST	Purchases	Expense	Dr	Increase	Dr	\$2,000
	GST paid	Liability	Cr	Decrease	Dr	\$200
	Accounts payable	Liability	Cr	Increase	Cr	\$2,200

Exercise 82

1. Transaction	2. Accounts affected	3. Account group	4. Account group nature	5. Increase or decrease the account value	6. Dr/Cr	7. Amount
The owner deposited \$55,000 into the business bank account	Bank Capital	Asset Equity	DR CR	INC INC	DR CR	55,000 55,000
Purchased goods (to resell) on credit from Johnson Bros for \$2,200 including GST	Purchases GST paid Johnson Bros	Expense Liability Liability	DR CR CR	INC DEC INC	DR DR CR	2,000 200 2,200
Borrowed (bank loan) to purchase furniture and office equipment at a cost of \$5,500 including GST	Furniture & equipment GST paid Bank loan	Asset Liability Liability	DR CR CR	INC DEC INC	DR DR CR	5,000 500 5,500
Paid \$330 including GST rent on premises	Rent expense GST paid Bank	Expense Liability Asset	DR CR DR	INC DEC DEC	DR DR CR	300 30 330
Paid for electricity by cheque \$220 including GST	Electricity expense GST paid Bank	Expense Liability Asset	DR CR DR	INC DEC DEC	DR DR CR	200 20 220
Sold goods on credit to J Burke, \$880 including GST	J Burke (Acc receivable) GST collected Sales	Asset Liability Revenue	DR CR CR	INC INC INC	DR CR CR	880 80 800
Received cheque from J Burke in settlement of his account	Bank J Burke (Acc Receivable)	Asset Asset	DR DR	INC DEC	DR CR	880 880
The owner withdrew \$200 for personal use from the bank A/c (no GST)	Drawings Bank	Equity Asset	CR DR	DEC DEC	DR CR	200 200

Exercise 83

1. Transaction	2. Accounts affected	3. Account group	4. Account group nature	5. Increase or decrease the account value	6. Dr/Cr	7. Amount
Received a government grant (non-repayable) for \$40,000 to establish the business. Deposited into the business bank account	Bank Capital	Asset Equity	DR CR	INC INC	DR CR	40,000 40,000
Purchased photocopier and fax for the office by cash at a cost of \$550 including GST	Office equipment GST paid Bank	Asset Liability Asset	DR CR DR	INC DEC DEC	DR DR CR	500 50 550
Received an invoice from Tingle & Son for stock purchased for resale, total cost \$4,400 including GST	Purchases GST paid Tingle & Son (Acc Payable)	Expense Liability Liability	DR CR CR	INC DEC INC	DR DR CR	4,000 400 4,400
Paid first month's rent of \$550 including GST to Real Estate Inc	Rent expense GST paid Bank	Expense Liability Asset	DR CR DR	INC DEC DEC	DR DR CR	500 50 550
Billed by The Chronicle for advertising expenses \$330 including GST	Advertising GST paid The Chronicle (Acc Payable)	Expense Liability Liability	DR CR CR	INC DEC INC	DR DR CR	300 30 330
Sold goods for cash, \$1,100 including GST	Bank GST collected Sales	Asset Liability Revenue	DR CR CR	INC INC INC	DR CR CR	1,100 100 1,000
Sold goods to T Mix on 30 days credit \$440 including GST	T Mix (Acc rec'ble) GST collected Sales	Asset Liability Revenue	DR CR CR	INC INC INC	DR CR CR	440 40 400
The owner withdrew \$220 from stock for personal use. This includes GST	Drawings GST paid Purchases	Equity Liability Expense	CR CR DR	DEC INC DEC	DR CR CR	220 20 200

Exercise 84

1. Transaction	2. Accounts affected	3. Account group	4. Account group nature	5. Increase or decrease the account value	6. Dr/Cr	7. Amount
The owner banked \$25,000 into the business bank account	Bank Capital	Asset Equity	Dr Cr	Increase Increase	Dr Cr	25,000 25,000
Purchased stock for resale on credit (purchases) \$2,200 including GST	Purchases GST paid Accounts payable	Expense Liability Liability	Dr Cr Cr	Increase Decrease Increase	Dr Dr Cr	2,000 200 2,200
Sold stock for cash (sales) \$3,300. Banked	Sales GST collected Bank	Revenue Liability Asset	Cr Cr Dr	Increase Increase Increase	Cr Cr Dr	3,000 300 3,300
Bought a new printer for \$550 including GST. Wrote a cheque	Office equip GST paid Bank	Asset Liability Asset	Dr Cr Dr	Increase Decrease Decrease	Dr Dr Cr	500 50 550
Sold the old printer for \$55 including GST. Received cash which was banked	Office equip GST collected Bank	Asset Liability Asset	Dr Cr Dr	Decrease Increase Increase	Cr Cr Dr	50 5 55
Owner withdrew \$100 for personal use from the ATM	Drawings Bank	Equity Asset	Cr Dr	Decrease Decrease	Dr Cr	100 100
Wrote a cheque to pay creditors \$1,000 (no GST). The GST has already been accounted for in the purchase	Bank Accounts payable	Asset Liability	Dr Cr	Decrease Decrease	Cr Dr	1,000 1,000

Exercise 85

1. RT Engineering

Reporting GST on a cash basis	Reporting GST on an accrual basis
Amount claimed on May BAS: \$0	Amount claimed on May BAS: \$600

2. Rosedale Properties

Reporting GST on a cash basis	Reporting GST on an accrual basis
Amount claimed on June BAS: \$1,000	Amount claimed on June BAS: \$0

Exercise 86

Date		Particulars	Post ref	Debit	Credit
July	1	Bank		25,000	
		Capital			25,000
		(Owner invested \$25,000 in his business.)			
	2	Purchases		2,000	
		GST paid		200	
		Accounts payable (Best Tyres)			2,200
		(Stock purchased on credit)			
	5	Bank		3,300	
		Sales			3,000
		GST collected			300
		(Stock sold for cash)			
	8	Office equipment		500	
		GST paid		50	
		Bank			550
		(Cheque written out for new printer)			
	9	Drawings		100	
		Bank			100
		(Owner withdrew cash for personal use)			
	9	Accounts payable (Best Tyres)		500	
		Bank			500
		(Cheque written out to pay a creditor)			
				\$31,650	\$31,650

Exercise 87

General journal

Date		Particulars	Ref	Debit	Credit
July	1	Bank		10,000.00	
		Petty cash		100.00	
		Stock on hand		15,000.00	
		Office equipment		8,000.00	
		Motor vehicles		35,000.00	
		Bank loan			40,000.00
		Capital			28,100.00
		(Opening balances as per 30 June balance sheet)			

Exercise 88**Purchases journal**

Date	Invoice No.	Purchase order No.	Supplier	Post ref		Purchases DR	GST paid DR	Accounts payable CR
July 1	4995	124	Best Tyres			4,500.00	450.00	4,950.00
July 8	5001	126	Best Tyres			4,000.00	400.00	4,400.00
July 10	1781	130	Motor Supplies			500.00	50.00	550.00
July 18	5010	135	Best Tyres			5,000.00	500.00	5,500.00
						\$14,000.00	\$1,400.00	\$15,400.00

Exercise 89**Purchases returns and allowances journal**

Date	Adjust No.	Supplier	Post ref		Purchases DR Returns CR	GST paid CR	Accounts payable DR
July 20	441	Best Tyres			500.00	50.00	550.00
July 20	1782	Motor Supplies			30.00	3.00	33.00
					\$530.00	\$53.00	\$583.00

Exercise 90**Sales journal**

Date	Invoice No.	Customer	Post ref	Sales CR	GST collected CR	Accounts receivable DR
July 3	15	Pine Shire Council		7,500.00	750.00	8,250.00
July 10	19	Seymore Logistics		4,250.00	425.00	4,675.00
July 10	20	Lilydale Transport		1,400.00	140.00	1,540.00
July 15	21	Seymore Logistics		850.00	85.00	935.00
July 20	22	Hugh Jackson		1,200.00	120.00	1,320.00
				\$15,200.00	\$1,520.00	\$16,720.00

Exercise 91

Sales returns and allowances journal

Date	Adjust No.	Customer	Post ref	Sales returns DR	GST collected DR	Accounts receivable CR
July 4	6	Pine Shire Council		300.00	30.00	330.00
July 20	7	Hugh Jackson		50.00	5.00	55.00
				\$350.00	\$35.00	\$385.00

Exercise 92

1. Cheque is not post-dated or stale (15 months old)
Cheque is signed
Words and figures agree
2. The cheque should be returned to the payer for signature.

Exercise 92 to Exercise 94

Cash receipts journal

Date July	Particulars	Ref No.	Posting ref	Credits							Debits	
				Accounts receivable control (no GST)	Tyre sales (ex GST)	Interest (no GST)	Other accounts		GST collected	\$ to be banked	Banked	
							Account	Amt ex GST				
6	T J Smith	Inv 16			100.00				10.00	110.00		
	M Smith	Inv 17			500.00				50.00	550.00		
	Rosedale Properties	Inv 18			700.00				70.00	770.00	1,430.00	
15	Pine Shire Council	R 44		8,250.00					--	8,250.00		
	Seymore Logistics	R 45		4,675.00						4,675.00	12,925.00	
22	Cash sales	Inv 23			200.00				20.00	220.00		
	M Madden (cash sale)	Inv 24			400.00				40.00	440.00		
	Suncorp Insurance	Chq					Insurance refunds	210.00	--	210.00		
	Lilydale Transport	R 46		1,540.00					--	1,540.00	2,410.00	

Exercise 95 and Exercise 96

Cash payments journal

Date July	Particulars	Ref No.	Post ref	Credit		Debits ⇒ Accounts payable (no GST)	Wages No GST	Fuel ex GST	Advertising ex GST	Other accounts		GST paid
				Bank						Account	Amt ex GST	
1	The Chronicle	612		330.00					300.00			30.00
1	Local Garage	613		99.00				90.00				9.00
6	Downs College	614		700.00						Drawings	700.00	--
10	Best Tyres	615		4,400.00		4,400.00						--
12	Carol Ward	616		360.00			360.00					--
16	Websitters	617		165.00					150.00			15.00
18	Local Garage	618		110.00				100.00				10.00
20	Officeworks	619		440.00						Office equipment	400.00	40.00
20	Best Tyres	620		1,000.00		1,000.00						--
28	Carol Ward	621		360.00			360.00					--
31	Reimbursement	622		88.10						Petty cash	88.10	

Exercise 95

3. After the cheque has been written out, the cheque number and data of payment must be written on the tax invoice.
4. Yes
5. Invoice was to be paid by the EOM of the following month.

Exercise 97 and Exercise 98**General journal**

Date		Particulars	Ref	Debit	Credit
July	1	Bank		10,000.00	
		Petty cash		100.00	
		Stock on hand		15,000.00	
		Office equipment		8,000.00	
		Motor vehicles		35,000.00	
		Bank loan			40,000.00
		Capital			28,100.00
		(Opening balances as per 30 June balance sheet)			
				\$68,100.00	\$68,100.00
July	31	Motor vehicle expenses - fuel		50.00	
		Advertising		15.00	
		Staff amenities		16.00	
		GST paid		7.10	
		Petty cash			88.10
		(Petty cash expenditure for July)			
July	31	Wages		120.00	
		PAYG withholding			120.00
		(Account for PAYG withheld from wages)			
	31	Depreciation		40.00	
		Accum depreciation – office equipment			40.00
		(Write off depreciation on office equipment)			
	31	Prepaid expenses (increase asset)		200.00	
		Advertising (decrease an expense)			200.00
		(Account for prepaid advertising for August and September)		\$68,548.10	\$68,548.10

Exercise 99

Cash receipts journal

Date July	Particulars	Ref No.	Posting ref	Credits							Debits	
				Accounts receivable control (no GST)	Tyre sales (ex GST)	Interest (no GST)	Other accounts		GST collected	\$ to be banked	Banked	
							Account	Amt ex GST				
6	T J Smith	Inv 16			100.00				10.00	110.00		
	M Smith	Inv 17			500.00				50.00	550.00		
	Rosedale Properties	Inv 18			700.00				70.00	770.00	1,430.00	✓
15	Pine Shire Council	R 44		8,250.00					--	8,250.00		
	Seymore Logistics	R 45		4,675.00					--	4,675.00	12,925.00	✓
22	Cash sales	Inv 23			200.00				20.00	220.00		
	M Madden	Inv 24			400.00				40.00	440.00		
	Suncorp Insurance	Chq					Insurance refunds	210.00	--	210.00		
	Lilydale Transport	R 46		1,540.00					--	1,540.00	2,410.00	✓
31	Interest	BS*				82.00			--		82.00	
				\$14,465.00	\$1,900.00	\$82.00		\$210.00	\$190.00		\$16,847.00	

* BS = bank statement

Exercise 100

Cash payments journal

Date July	Particulars	Ref No.	Post ref	Credit		Debits ⇒ Accounts payable (no GST)	Wages	Fuel	Advertising	Other accounts		GST paid
				Bank			No GST	Ex GST	Ex GST	Account	Amt excluding GST	
1	The Chronicle	612		330.00					300.00			30.00
1	Local Garage	613		99.00				90.00				9.00
6	Downs College	614		700.00						Drawings	700.00	--
10	Best Tyres	615		4,400.00		4,400.00						--
12	Carol Ward	616		360.00			360.00					--
16	Websitters	617		165.00					150.00			15.00
18	Local garage	618		110.00				100.00				10.00
20	Officeworks	619		440.00						Office equipment	400.00	40.00
20	Best Tyres	620		1,000.00		1,000.00						--
28	Carol Ward	621		360.00			360.00					--
31	Reimbursement	622		88.10						Petty cash	88.10	
31	Lease of premises	BS*		1,100.00						Lease of premises	1,000.00	100.00
	Bank charges	BS		18.00						Bank charges	18.00	--
				\$9,170.10		\$5,400.00	\$720.00	\$190.00	\$450.00		\$2,206.10	\$204.00

* BS = Bank statement

Exercise 101

Bank account

31 July 20yy

Opening balance 1 July 20yy	\$10,000.00
Add total cash receipts (total of Banked column)	<u>\$16,847.00</u>
	\$26,847.00
Less total cash payments (total of Banked column)	<u>\$9,170.10</u>
Bank account balance 31 July 20yy	<u><u>\$17,676.90</u></u>

Exercise 102

Cheque number 617	Amount \$165.00
Cheque number 618	Amount \$110.00
Cheque number 619	Amount \$440.00
Cheque number 622	Amount \$88.10

Exercise 103

1. The cheque butt is \$330 however the amount withdrawn from the bank account is \$300.
2. Angus or the bookkeeper could have written \$330 on the cheque butt, however the cheque could have been written out for \$300 in error.

The bank could have processed the amount of the cheque incorrectly.

3. According to policies and procedures, the bookkeeper must refer all discrepancies to Angus.
Angus should contact The Chronicle to check the amount they have recorded in their books. If the amount is \$300, the business still owes another \$30.00.
4. If the amount they have banked is \$330.00, Angus should contact the bank in relation to this cheque.

Exercise 104
CASH RECEIPTS JOURNAL – Gorgoroth Catering

Date July	Particulars	Ref No.	Post ref							
				Accounts receivable control (no GST)	Sales (ex GST)	Interest (no GST)	GST collected	\$ to be banked	Banked	
6	Cash sales – T Will	16			2,000.00		200.00	2,200.00		
	Cash sales – M Box	17			3,000.00		300.00	3,300.00	5,500.00	
18	Lilydale Properties	44		1,100.00			--	1100.00		
	Cash sales – W Pratt	45			3,000.00		300.00	3,300.00	4,400.00	
31	Interest	BS				3.00	--		3.00	
	Grand Hotel	BS		550.00			--		550.00	
				1,650.00	8,000.00	3.00	800.00		10,453.00	

CASH PAYMENTS JOURNAL – Gorgoroth Catering

Date July	Particulars	Ref No.	Post ref	Credit						
				Bank	Debits ⇒ accounts payable (no GST)	Wages	Motor vehicle expenses	Bank fees	GST paid	
						No GST	Ex GST	Ex GST		
1	Pam West	612		420.00		420.00			--	
1	Local Garage - fuel	613		88.00			80.00		8.00	
6	Downs Electrical	614		500.00	500.00				--	
10	Local Garage - repairs	615		220.00			200.00		20.00	
15	Pam West	616		420.00		420.00			--	
16	SDC Products	617		1,400.00	1,400.00				--	
28	Local Garage - fuel	618		110.00			100.00		10.00	
31	Bank charges	BS		11.00				11.00	--	
	Ergon	BS		330.00	330.00				--	
				\$3,499.00	\$2,230.00	\$840.00	\$380.00	\$11.00	\$38.00	

Bank account

31 July 20yy

Opening balance 1 July 20yy	\$5,000.00
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Add total cash receipts	\$10,453.00
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	\$15,453.00
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Less total cash payments	\$3,499.00
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Bank account balance 31 July 20yy	\$11,954.00
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Bank reconciliation statement

31 July 20yy

Credit balance as per bank statement 31 July	\$13,774.00
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Less unpresented cheques:

616	\$420.00
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617	\$1,400.00	1,820.00
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Equals debit balance as per bank account 31 July	\$11,954.00
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Exercise 105**GENERAL JOURNAL – GORGOROTH CATERING**

Date	Particulars	Ref	Debit	Credit
August 28	Depreciation expense		400.00	
	Accum depreciation – office furniture			180.00
	Accum depreciation – motor vehicles			220.00
	(Depreciation to be written off)			
29	Wages expense		110.00	
	PAYG withholding payable			110.00
	(Account for PAYG withheld from wages)			
			\$510.00	\$510.00

PURCHASES JOURNAL – GORGOROTH CATERING

Date	Invoice No.	Purchase order No.	Supplier	Post ref	Purchases DR	GST paid DR	Accounts payable CR
Aug 3	A452		Johnson & Son		5610.00	561.00	6171.00
12	A590		Johnson & Son		5000.00	500.00	5500.00
					\$10610.00	\$1,061.00	\$11671.00

PURCHASES RETURNS AND ALLOWANCES JOURNAL

Date	Adjust No.	Supplier	Post ref	Purchases returns CR	GST paid CR	Accounts payable DR
Aug 14	B23	Johnson & Son		420.00	42.00	462.00
				\$420.00	\$42.00	\$462.00

SALES JOURNAL – GORGOROTH CATERING

Date	Invoice No.	Customer	Post ref	Sales CR	GST collected CR	Accounts receivable DR
Aug 1	145	Igor Vostok		800.00	80.00	880.00
3	146	P Pearson		2310.00	231.00	2541.00
				\$3110.00	\$311.00	\$3421.00

SALES RETURNS AND ALLOWANCES JOURNAL

Date	Adjust No.	Customer	Post Ref	Sales returns DR	GST collected DR	Accounts receivable CR
Aug 5	14	P Pearson		100.00	10.00	110.00
				\$100.00	\$10.00	\$110.00

Exercise 106**General ledger accounts****110 BANK**

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	10,000		10,000	Dr

115 PETTY CASH

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	100		100	Dr

140 STOCK ON HAND

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	15,000		15,000	Dr

150 OFFICE EQUIPMENT

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	8,000		8,000	Dr

170 MOTOR VEHICLES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	35,000		35,000	Dr

250 BANK LOAN

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ		40,000	40,000	Cr

310 CAPITAL

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ		28,100	28,100	Cr

Exercise 108

Date	Invoice No.	Purchase order No.	Supplier	Post ref	Purchases DR	GST paid DR	Accounts payable CR
July 1	4995	124	Best Tyres		4,500.00	450.00	4,950.00
July 8	5001	126	Best Tyres		4,000.00	400.00	4,400.00
July 10	1781	130	Motor Supplies		500.00	50.00	550.00
July 18	5010	135	Best Tyres		5,000.00	500.00	5,500.00
					\$14,000.00	\$1,400.00	\$15,400.00
					510	230	210

CASH RECEIPTS JOURNAL – GORGOROTH CATERING

Date August	Particulars	Ref No.	Posting ref	Credits							Debits	
				Accounts receivable control (no GST)	Sales (ex GST)	Interest (no GST)	Other accounts		GST collected	\$ to be banked	Banked	
							Account	Amt ex GST				
1	Capital	DD					Capital	10,000		10,000	10,000	
2	Cash sales	CRT18			1,980				198	2,178		
2	Ben Netanyahu	Rct46		1,100						1,100	3,278	
7	Cash sales	CRT17			1,890				189	2,079		
7	P Pearson	Rct47		2,431						2,431	4,510	
31	Interest	DD				24				24	24	
				\$3,531	\$3,870	\$24		10,000	\$387		\$17,812	

CASH PAYMENTS JOURNAL – GORGOROTH CATERING

Date August	Particulars	Ref No.	Post ref	Credit		Debits ⇨ accounts payable (no GST)	Wages No GST	Fuel Ex GST	Advertising Ex GST	Other accounts		GST paid
				Bank						Account	Amt ex GST	
6	Johnson & Son	619		6,171		6,171						
6	Pam West	620		560			560					
10	Local Garage	621		1,056				960				96
20	Purchases	622		990						Purchases	900	90
28	Bank fees	BS		15						Bank Charges	15	
29	Ergon Energy	TFR		330						Electricity	300	30
31				\$9,122		\$6,171	\$560	\$960			\$1,215	\$216

Bank account

31 August 20yy

Opening balance 1 August 20yy	\$11,954.00
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Add total cash receipts	\$17,812.00
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	\$29,766.00
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Less total cash payments	\$9,122.00
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Bank account balance 31 August 20yy	<u>\$20,644.00</u>
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Bank reconciliation statement

31 August 20yy

Credit balance as per bank statement 31 August	\$18,480.00
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Less unrepresented cheques:	619	\$6,171.00	
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	621	\$1,056.00	\$7,227.00
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Equals debit balance as per bank account 31 July	<u>\$20,644.00</u>
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Exercise 109 to Exercise 114**110 BANK**

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	10,000.00		10,000.00	Dr
July 31	Sundry receipts	CRJ	16,847.00		26,847.00	Dr
	Sundry payments	CPJ		9,170.10	17,676.90	Dr

115 PETTY CASH

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	100.00		100.00	Dr
July 31	Petty cash expenditure	GJ		88.10	11.90	Dr
	Bank	CPJ	88.10		100.00	Dr

120 ACCOUNTS RECEIVABLE (debtors)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Sales and GST	SJ	16,720.00		16,720.00	Dr
	Sales returns and allowances & GST	SRJ		385.00	16,335.00	Dr
	Bank	CRJ		14,465.00	1,870.00	Dr

130 PREPAID EXPENSES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Advertising	GJ	200.00		200.00	Dr

140 STOCK ON HAND

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	15,000.00		15,000.00	Dr

150 OFFICE EQUIPMENT

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	8,000.00		8,000.00	Dr
	Bank	CPJ	400.00		8,400.00	Dr

160 ACCUMULATED DEPRECIATION – office equipment

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Depreciation	GJ		40.00	40.00	Cr

170 MOTOR VEHICLES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	35,000.00		35,000.00	Dr

210 ACCOUNTS PAYABLE (creditors)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Purchases and GST	PJ		15,400.00	15,400.00	Cr
	Purchases returns and GST	PRJ	583.00		14,817.00	Cr
	Bank	CPJ	5,400.00		9,417.00	Cr

220 GST COLLECTED

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accounts receivable (sales)	SJ		1,520.00	1,520.00	Cr
	Accounts receivable (sales returns)	SRJ	35.00		1,485.00	Cr
	Bank	CRJ		190.00	1,675.00	Cr

230 GST PAID

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accounts payable (purchases)	PJ	1,400.00		1,400.00	Dr
	Accounts payable (purchases returns)	PRJ		53.00	1,347.00	Dr
	Bank	CPJ	204.00		1,551.00	Dr
	Petty cash expenditure	GJ	7.10		1,558.10	Dr

240 PAYG WITHHOLDING

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Wages	CPJ		120.00	120.00	Cr

250 BANK LOAN

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ		40,000.00	40,000.00	Cr

310 CAPITAL

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ		28,100.00	28,100.00	Cr

320 DRAWINGS

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Bank	CPJ	700.00		700.00	Dr

410 SALES (tyres, accessories)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accounts receivable	SJ		15,200.00	15,200.00	Cr
	Bank	CRJ		1,900.00	17,100.00	Cr

420 SALES RETURNS AND ALLOWANCES (tyres, accessories)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accounts receivable	SRJ	350.00		350.00	Dr

430 INTEREST RECEIVED

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Bank	CRJ		82.00	82.00	Cr

440 INSURANCE REFUNDS

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Bank	CRJ		210.00	210.00	Cr

510 PURCHASES (tyres, accessories)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accounts payable	PJ	14,000.00		14,000.00	Dr

520 PURCHASES RETURNS AND ALLOWANCES (tyres, accessories)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accounts payable	PRJ		530.00	530.00	Cr

610 ADVERTISING

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Bank	CPJ	450.00		450.00	Dr
	Prepaid expenses	GJ		200.00	250.00	Dr
	Petty cash	GJ	15.00		265.00	Dr

620 BANK CHARGES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Bank	CPJ	18.00		18.00	Dr

630 DEPRECIATION

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accum dep – office equipment	GJ	40.00		40.00	Dr

640 LEASE OF PREMISES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Bank	CPJ	1,000.00		1,000.00	Dr

650 MOTOR VEHICLE EXPENSES – fuel and repairs

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Bank	CPJ	190.00		190.00	Dr
	Petty cash	GJ	50.00		240.00	Dr

655 STAFF AMENITIES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Petty cash	GJ	16.00		16.00	Dr

660 WAGES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Bank	CPJ	720.00		720.00	Dr
	PAYG withholding	GJ	120.00		840.00	Dr

Exercise 115**TRIAL BALANCE of Brocks Tyreworld**

as at 31 July yyyy

Account name	Dr balance	Cr balance
Bank	17,676.90	
Petty cash	100.00	
Accounts receivable	1,870.00	
Prepaid expenses	200.00	
Stock on hand	15,000.00	
Office equipment	8,400.00	
Accumulated depreciation – office equipment		40.00
Motor vehicles	35,000.00	
Accounts payable		9,417.00
GST collected		1,675.00
GST paid	1,558.10	
PAYG withholding		120.00
Bank loan		40,000.00
Capital		28,100.00
Drawings	700.00	
Sales		17,100.00
Sales returns and allowances	350.00	
Interest received		82.00
Insurance refunds		210.00
Purchases	14,000.00	
Purchases returns and allowances		530.00
Advertising	265.00	
Bank charges	18.00	
Depreciation	40.00	
Lease of premises	1,000.00	
Motor vehicle expenses – fuel	240.00	
Staff amenities	16.00	
Wages	840.00	
Totals	\$97,274.00	\$97,274.00

Exercise 116

GENERAL JOURNAL of Brocks Tyreworld

Date	Particulars	Ref	Debit	Credit
August 28	Wages	660	150.00	
	PAYG withholdings payable	240		150.00
	(Accounting for PAYG withheld from wages)			
31	Depreciation expenses	630	150.00	
	Accum depreciation – office equipment	160		40.00
	Accum depreciation – motor vehicles	180		110.00
	(Depreciation written off for month)			
31	Drawings	320	220.00	
	Purchases	510		200.00
	GST paid	230		20.00
	(Stock withdrawn for personal use)			
31	Motor vehicles – fuel and repairs	650	33.50	
	Advertising expense	610	30.00	
	Staff amenities	655	8.00	
	GST paid	230	7.15	
	Petty cash	115		78.65
	(Analysis of petty cash expenditure – August)			

PURCHASES JOURNAL – Brocks Tyreworld

Date	Invoice No.	Purchase order No.	Supplier	Post ref	Purchases DR	GST paid DR	Accounts payable CR
Aug 8	5026	135	Best Tyres		3,650	365	4,015
15	5502	152	Best Tyres		2,000	200	2,200
20	1954	166	Motor Suppliers		800	80	880
					\$6,450	\$645	\$7,095
					510	230	210

PURCHASES RETURNS AND ALLOWANCES JOURNAL

Date	Adj No.	Supplier	Post ref	Purchases returns CR	GST paid CR	Accounts payable DR
Aug 20	502	Best Tyres		600	60	660
				\$600	\$60	\$660
				520	230	210

SALES JOURNAL – Brocks Tyreworld

Date	Invoice No.	Customer	Post ref	Sales CR	GST collected CR	Accounts receivable DR
Aug 3	23	Pine Shire Council		4,500	450	4,950
20	24	Seymore Logistics		6,800	680	7,480
21	25	Lilydale Transport		2,100	210	2,310
29	26	Seymore Logistics		2,550	255	2,805
				\$15,950	\$1,595	\$17,545
				410	220	120

SALES RETURNS AND ALLOWANCES JOURNAL

Date	Adjust No.	Customer	Post ref	Sales returns DR	GST collected DR	Accounts receivable CR
Aug 24	8	Lilydale Transport		350	35	385
				\$350	\$35	\$385
				420	220	120

CASH RECEIPTS JOURNAL – Brocks Tyreworld

Date August	Particulars	Ref No.	Post ref	Credits							Debits	
				Accounts receivable control (no GST)	Tyre sales (ex GST)	Interest (no GST)	Other accounts		GST collected	\$ to be banked	Banked	
							Account	Amt ex GST				
Aug 5	Ron Brown	Inv 27			230.00				23.00	253.00	253.00	
17	K Maurice	Inv 28			800.00				80.00	880.00		
17	Pine Shire Council	Rct 46		4,950.00						4,950.00	5,830.00	
23	Seymore Logistics	Rct 47		8,000.00						8,000.00		
23	M Prentice	Inv 29			1,250.00				125.00	1,375.00	9,375.00	
31				\$12,950.00	\$2,280.00				\$228.00		\$15,458.00	
				120	410					220	110	

CASH PAYMENTS JOURNAL – Brocks Tyreworld

Date August	Particulars	Ref No.	Post ref	Credit		Debits ⇨ Accounts payable (no GST)	Wages	MV expenses	Advertising	Other accounts		GST paid
				Bank	No GST		Ex GST	Ex GST	Account	Amt ex GST		
1	Media releases	623		3,300.00					3,000.00			300.00
1	Local Garage	624		209.00				190.00				19.00
7	GP Printing	625	320	440.00						Drawings	440.00	
10	Best Tyres	626		3,355.00		3,355.00						
14	Carol Ward	627		420.00			420.00					
16	Novelties Galore	628	510	297.00						Purchases	270.00	27.00
19	Local garage	629	655	198.00				100.00		Staff amenities	80.00	18.00
20	Downs Office Mach	630	150	990.00						Office equipment	900.00	90.00
28	Motor suppliers	631		880.00		880.00						
29	Carol Ward	632		420.00			420.00					
31	Reimbursement	633	115	78.65						Petty cash	78.65	
				\$10587.65		\$4,235.00	\$840.00	\$290.00	\$3,000.00		\$1768.65	\$454.00
110						210	660	650	610	230		

GENERAL LEDGER of Brocks Tyreworld**110 BANK**

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 1	Balance	GJ	10,000.00		10,000.00	Dr
Jul 31	Sundry receipts	CRJ	16,847.00		26,847.00	Dr
	Sundry payments	CPJ		9,170.10	17,676.90	Dr
Aug 31	Sundry receipts	CRJ	15,458.00		33,134.90	Dr
	Sundry payments	CPJ		10,587.65	22,547.25	Dr

115 PETTY CASH

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 1	Balance	GJ	100.00		100.00	Dr
Jul 31	Petty cash expenditure	GJ		88.10	11.90	Dr
Jul 31	Bank	CPJ	88.10		100.00	Dr
Aug 31	Petty cash expenditure	GJ		78.65	21.35	Dr
Aug 31	Bank	CPJ	78.65		100.00	Dr

120 ACCOUNTS RECEIVABLE (debtors)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Sales and GST	SJ	16,720.00		16,720.00	Dr
	Sales returns and allowances & GST	SRJ		385	16,335.00	Dr
	Bank	CRJ		14,465.00	1,870.00	Dr
Aug 31	Sales and GST	SJ	17,545.00		19,415.00	Dr
	Sales returns and allowances & GST	SRJ		385.00	19,030.00	Dr
	Bank	CRJ		12,950.00	6,080.00	Dr

130 PREPAID EXPENSES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Advertising	GJ	200		200	Dr

140 STOCK ON HAND

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 1	Balance	GJ	15,000.00		15,000.00	Dr

150 OFFICE EQUIPMENT

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 1	Balance	GJ	8,000.00		8,000.00	Dr
	Bank	CPJ	400.00		8,400.00	Dr
Aug-20	Bank	CPJ	900.00		9,300.00	Dr

160 ACCUMULATED DEPRECIATION – office equipment

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Depreciation	GJ		40.00	40.00	Cr
Aug 31	Depreciation	GJ		40.00	80.00	Cr

170 MOTOR VEHICLES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 1	Balance	GJ	35,000.00		35,000.00	Dr

180 ACCUMULATED DEPRECIATION – motor vehicles

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Aug 31	Depreciation	GJ		110.00	110.00	Cr

210 ACCOUNTS PAYABLE (creditors)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Purchases and GST	PJ		15,400.00	15,400.00	Cr
	Purchases returns and GST	PRJ	583.00		14,817.00	Cr
	Bank	CPJ	5,400.00		9,417.00	Cr
Aug 31	Purchases and GST	PJ		7,095.00	16,512.00	Cr
	Purchases returns and GST	PRJ	660.00		15,852.00	Cr
	Bank	CPJ	4,235.00		11,617.00	Cr

220 GST COLLECTED

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Accounts receivable (sales)	SJ		1,520.00	1,520.00	Cr
	Accounts receivable (sales returns)	SRJ	35.00		1,485.00	Cr
	Bank	CRJ		190.00	1,675.00	Cr
Aug 31	Accounts receivable (sales)	SJ		1,595.00	3,270.00	Cr
	Accounts receivable (sales returns)	SRJ	35.00		3,235.00	Cr
	Bank	CRJ		228.00	3,463.00	Cr

230 GST PAID

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Accounts payable (purchases)	PJ	1,400.00		1,400.00	Dr
	Accounts payable (purchases returns)	PRJ		53.00	1,347.00	Dr
	Bank	CPJ	204.00		1,551.00	Dr
	Petty cash expenditure	GJ	7.10		1,558.10	Dr
Aug 31	Accounts payable	PJ	645.00		2,203.10	Dr
	Accounts payable	PRJ		60.00	2,143.10	Dr
	Bank	CPJ	454.00		2,597.10	Dr
	Drawings	GJ		20.00	2,577.10	Dr
	Petty cash expenditure	GJ	7.15		2,584.25	Dr

240 PAYG WITHHOLDING

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Wages	GJ		120.00	120.00	Cr
Aug-28	Wages	GJ		150.00	270.00	Cr

250 BANK LOAN

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 1	Balance	GJ		40,000.00	40,000.00	Cr

310 CAPITAL

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 1	Balance	GJ		28,100.00	28,100.00	Cr

320 DRAWINGS

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Bank	CPJ	700.00		700.00	Dr
Aug-07	Bank	CPJ	440.00		1,140.00	Dr
Aug 31	Purchases and GST	GJ	220.00		1,360.00	Dr

410 SALES (tyres, accessories)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Accounts receivable	SJ		15,200.00	15,200.00	Cr
	Bank	CRJ		1,900.00	17,100.00	Cr
Aug 31	Accounts receivable	SJ		15,950.00	33,050.00	Cr
	Bank	CRJ		2,280.00	35,330.00	Cr

420 SALES RETURNS AND ALLOWANCES (tyres, accessories)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Accounts receivable	SRJ	350.00		350.00	Dr
Aug 31	Accounts receivable	SRJ	350.00		700.00	Dr

430 INTEREST RECEIVED

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Bank	CRJ		82.00	82.00	Cr

440 INSURANCE REFUNDS

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Bank	CRJ		210.00	210.00	Cr

510 PURCHASES (tyres, accessories)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Accounts payable	PJ	14,000.00		14,000.00	Dr
Aug 31	Accounts payable	PJ	6,450.00		20,450.00	Dr
Aug-16	Bank	CPJ	270.00		20,720.00	Dr
Aug 31	Drawings	GJ		200.00	20,520.00	Dr

520 PURCHASES RETURNS AND ALLOWANCES (tyres, accessories)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Accounts payable	PRJ		530.00	530.00	Cr
Aug 31	Accounts payable	PRJ		600.00	1,130.00	Cr

610 ADVERTISING

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Bank	CPJ	450.00		450.00	Dr
	Prepaid expenses	GJ		200.00	250.00	Dr
	Petty cash	GJ	15.00		265.00	Dr
Aug 31	Bank	CPJ	3,000.00		3,265.00	Dr
	Petty cash	GJ	30.00		3,295.00	Dr

620 BANK CHARGES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Bank	CPJ	18.00		18.00	Dr

630 DEPRECIATION

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Accum dep – office equipment	GJ	40.00		40.00	Dr
Aug 31	Accum dep – office equipment	GJ	40.00		80.00	Dr
Aug 31	Accum dep - motor vehicles	GJ	110.00		190.00	Dr

640 LEASE OF PREMISES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Bank	CPJ	1,000.00		1,000.00	Dr

650 MOTOR VEHICLE EXPENSES – FUEL and REPAIRS

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Bank	CPJ	190.00		190.00	Dr
	Petty cash	GJ	50.00		240.00	Dr
Aug 31	Bank	CPJ	290.00		530.00	Dr
	Petty cash	GJ	33.50		563.50	Dr

655 STAFF AMENITIES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Petty cash	GJ	16.00		16.00	Dr
Aug-09	Bank	CPJ	80.00		96.00	Dr
Aug 31	Petty cash	GJ	8.00		104.00	Dr

660 WAGES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
Jul 31	Bank	CPJ	720.00		720.00	Dr
	PAYG withholding	GJ	120.00		840.00	Dr
Aug 31	Bank	CPJ	840.00		1,680.00	Dr
	PAYG withholding	GJ	150.00		1,830.00	Dr

TRIAL BALANCE of Brocks Tyreworld
as at 31 August 20yy

Account name	DR	CR
Bank	22,547.25	
Petty cash	100.00	
Accounts receivable	6,080.00	
Prepaid expenses	200.00	
Stock on hand	15,000.00	
Office equipment	9,300.00	
Accum dep on office equipment		80.00
Motor vehicles	35,000.00	
Accum dep on motor vehicles		110.00
Accounts payable		11,617.00
GST collected		3,463.00
GST paid	2,584.25	
PAYG withholding payable		270.00
Bank loan		40,000.00
Capital		28,100.00
Drawings	1,360.00	
Sales (tyres and accessories)		35,330.00
Sales returns and allowances	700.00	
Interest received		82.00
Insurance refunds		210.00
Purchases (tyres and accessories)	20,520.00	
Purchases returns and allowances		1,130.00
Advertising	3,295.00	
Bank charges	18.00	
Depreciation	190.00	
Lease of premises	1,000.00	
Motor vehicle expenses - fuel and repairs	563.50	
Staff amenities	104.00	
Wages	1,830.00	
	\$120,392.00	\$120,392.00

Exercise 117**Profit and loss statement of Brocks Tyreworld**
for the month ended 31 July 20yy

INCOME		
Sales	17,100.00	
less sales returns	-350.00	
interest received	82.00	
insurance refunds	210.00	17,042.00
Less EXPENSES		
Purchases	14,000.00	
Less purchases returns	-530.00	
Advertising	265.00	
Bank charges	18.00	
Depreciation	40.00	
Lease of premises	1,000.00	
Motor vehicle expenses - fuel	240.00	
Staff amenities	16.00	
Wages	840.00	15,889.00
NET PROFIT		\$1,153.00

Exercise 118**Balance sheet of Brocks Tyreworld**

as at 31 July 20yy

EQUITY		
Capital	28,100.00	
Add net profit	1,153.00	
	29,253.00	
Less drawings	700.00	\$28,553.00
Represented by		
ASSETS		
Bank	17,676.90	
Petty cash	100.00	
Accounts receivable	1,870.00	
Prepaid expenses	200.00	
Stock on hand	15,000.00	
Office equipment	8,400.00	
Accumulated depreciation – office equipment	-40.00	
Motor vehicles	35,000.00	78,206.90
Less LIABILITIES		
Accounts payable	9,417.00	
GST collected	1,675.00	
GST paid	-1,558.10	
PAYG withholding	120.00	
Bank loan	40,000.00	49,653.90
		\$28,553.00

Exercise 119**Balance sheet of Brocks Tyreworld**

as at 31 August 20yy

OWNERS EQUITY		
Capital	28,100.00	
add net profit	8,531.50	
		36,631.50
less drawings		1,360.00
NET EQUITY		\$35,271.50
Represented by		
ASSETS		
Bank	22,547.25	
Petty cash	100.00	
Accounts receivable	6,080.00	
Prepaid expenses	200.00	
Stock on hand	15,000.00	
Office equipment	9,300.00	
less accum depreciation	-80.00	
Motor vehicles	35,000.00	
less accum depreciation	-110.00	
TOTAL ASSETS		88,037.25
less LIABILITIES		
Accounts payable	11,617.00	
GST collected	3,463.00	
GST paid	-2,584.25	
PAYG withholding payable	270.00	
Bank loan	40,000.00	
TOTAL LIABILITIES		52,765.75
NET ASSETS		\$35,271.50

Profit and loss statement of Brocks Tyreworld
as at 31 August 20yy

INCOME		
Sales (tyres and accessories)	35,330.00	
less sales returns and allowances	700.00	34,630.00
Interest received		82.00
Insurance refunds		210.00
TOTAL INCOME		\$34,922.00
Less EXPENSES		
Purchases (tyres and accessories)	20,520.00	
less purchases returns and allowances	-1,130.00	
Advertising	3,295.00	
Bank charges	18.00	
Depreciation	190.00	
Lease of premises	1,000.00	
Motor vehicle expenses	563.50	
Staff amenities	104.00	
Wages	1,830.00	26,390.50
NET PROFIT		\$8,531.50

Chapter 14 Revision

GENERAL JOURNAL of Kookaburra Furniture

Date		Particulars	Ref	Debit	Credit
July	1	Bank	110	20,000.00	
		Petty cash	115	100.00	
		Stock on hand(furniture)	140	54,900.00	
		Office equipment	150	10,000.00	
		Motor vehicles	160	30,000.00	
		Bank loan	250		40,000.00
		Capital	310		75,000.00
		(Opening balances as per balance sheet)		115,000.00	115,000.00
	31	Office supplies	652	25.00	
		Staff amenities	655	14.00	
		GST paid	230	3.60	
		Petty cash	115		42.60
		(Petty cash expenditure)			
	31	Wages	660	120.00	
		PAYG withholding	240		120.00
		(PAYG withheld from wages)			
		Depreciation	630	100.00	
		Accum dep – motor vehicles	170		100.00
		(Depreciation written off)			
		Prepaid expenses	130	500.00	
		Motor vehicle expenses	650		500.00
		(Account for Aug – Dec insurance)			
		Office equipment	150	5,000.00	
		GST paid	230	500.00	
		Bank loan	250		5,500.00
		(Purchase of new photocopier – bank loan)			
				121,262.60	121,262.60

PURCHASES JOURNAL – KOOKABURRA FURNITURE

Date	Invoice No.	Purchase order No.	Supplier	Post ref	Purchases DR	GST paid DR	Accounts payable CR
July	1	100	Furniture Importers		2,700.00	270.00	2,970.00
	10	101	Furniture Importers		6,000.00	600.00	6,600.00
	16	102	Corella Suppliers (ABN is not quoted on this invoice – contact supplier for ABN details)		3,000.00	300.00	3,300.00
					\$11,700.00	\$1,170.00	\$12,870.00
					510	230	210

PURCHASES RETURNS AND ALLOWANCES JOURNAL

Date	Adjust No.	Supplier	Post ref	Purchases returns CR	GST paid CR	Accounts payable DR
July 15	3050	Furniture Importers		150.00	15.00	165.00
	505	Corella Suppliers		1,000.00	100.00	1,100.00
				\$1,150.00	\$115.00	\$1,265.00
				520	230	210

SALES JOURNAL – KOOKABURRA FURNITURE

Date	Invoice No.	Customer	Post ref	Sales CR	GST collected CR	Accounts receivable DR
July 3	100	Synergy Accountants		8,000.00	800.00	8,800.00
July 7	101	Synergy Accountants		600.00	60.00	660.00
July 10	102	ECI Electrical		3,200.00	320.00	3,520.00
				\$11,800.00	\$1,180.00	\$12,980.00
				410	220	120

SALES RETURNS AND ALLOWANCES JOURNAL

Date	Adjust No.	Customer	Post ref	Sales returns DR	GST collected DR	Accounts receivable CR
July 7	44	Synergy Accountants		300.00	30.00	330.00
July 10	45	ECI Electrical		160.00	16.00	176.00
				\$460.00	\$46.00	\$506.00
				420	220	120

CASH RECEIPTS JOURNAL – KOOKABURRA FURNITURE

Date July	Particulars	Ref No.	Posting ref	Credits							Debits	
				Accounts receivable control (no GST)	Furniture sales (ex GST)	Interest (no GST)	Other accounts		GST collected	\$ to be banked	Banked	
							Account	Amt ex GST				
July 10	Synergy Accountants	60		704.00						704.00		
July 10	Suncorp	61					Insurance refund	1,600.00		1,600.00	2,304.00	
July 25	ECI Electrical	62		1,000.00						1,000.00		
July 25	Lilydale Properties	103			2,000.00				200.00	2,200.00		
July 25	Cash sale	104			640.00				64.00	704.00	3,904.00	
July 31	Interest	BS				24.00					24.00	
				\$1,704.00	\$2,640.00	\$24.00		\$1,600.00	\$264.00		\$6,232.00	
				120	410	430		440	220		110	

CASH PAYMENTS JOURNAL – KOOKABURRA FURNITURE

Date July	Particulars	Ref No.	Post ref	Credit		Debits ⇒ Accounts payable (no GST)	Wages	Motor vehicle expenses	Electricity	Other accounts		GST paid
				Bank			No GST	Ex GST	Ex GST	Account	Amt ex GST	
1	Suncorp	101		660.00				600.00				60.00
1	Local Garage	102		176.00				160.00				16.00
6	Empire Theatre	103		400.00						Drawings	400.00	
10	Furniture Importers	104		2,000.00		2,000.00						
12	Judy Jones	105		400.00			400.00					
16	G Hilder	106		220.00						Accounting	200.00	20.00
18	Local Garage	107		110.00				100.00				10.00
20	Officeworks	108		1,870.00						Office equipment	1,700.00	170.00
20	Ergon	109		220.00					200.00			20.00
28	Judy Jones	110		400.00			400.00					
28	Local Garage	111		88.00				80.00				8.00
29	Furniture Importers	112		970.00		970.00						
15	Loan repayment	BS		1,000.00						Bank loan	1,000.00	
31	Bank charges	BS		21.00						Bank charges	21.00	
				\$8,535.00		\$2,970.00	\$800.00	\$940.00	\$200.00		\$3,321.00	\$304.00
				110		210	660	650	640			230

Exercise 128

PETTY CASH BOOK – Kookaburra Furniture

						Acquisitions				
						Analysis of expenditure excluding GST				
Date	Details	Voucher #	Amt received	Payments	GST amount	Postage	Office supplies	Staff amenities	Freight	Other
1	Cheque		100.00							
1	Australia Post	3		16.50	1.50		15.00			
2	CN News	4		11.00	1.00		10.00			
13	IGA Supermarkets	5		8.50	0.50			8.00		
23	IGA Supermarkets	6		6.60	0.60			6.00		
				42.60	3.60		25.00	14.00		
	Balance in petty cash box c/d			57.40						
			100.00	100.00						
	Balance in petty cash box b/d		57.40							
	Reimbursement chq									

Number counted	Denomination	Extended total
Coins:		
5	20c	1.00
2	50c	1.00
0	\$1	0.00
1	\$2	2.00
Total coins:		\$4.00
Notes:		
	\$5	
	\$10	
5	\$20	100.00
4	\$50	200.00
4	\$100	400.00
Total notes:		\$700.00
Total coins and notes:		\$704.00

Exercise 127

2. The bookkeeper should abide by the professional code of conduct and advise the owner that this is illegal. This is a difficult issue and perhaps the issue should be referred to the accountant.
3. The tax invoice received should be checked for validity and accuracy and the amount owing should be checked against the supplier statement.

Exercise 130

Bank account

31 July 20yy

Opening balance 1 July 20yy	\$20,000.00
Add total cash receipts	\$6,232.00
	<hr/>
	\$26,232.00
Less total cash payments	\$8,535.00
	<hr/>
Bank account balance 31 July 20yy	\$17,697.00

Bank reconciliation statement

31 July 20yy

Credit balance as per bank statement 31 July			\$19,305.00
Less unpresented cheques:	106	220.00	
	107	110.00	
	109	220.00	
	111	88.00	
	112	970.00	1,608.00
			<hr/>
Equals debit balance as per bank account 31 July			\$17,697.00

GENERAL LEDGER OF KOOKABURRA FURNITURE

110 BANK

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	20,000.00		20,000.00	Dr
July 31	Cash receipts	CRJ	6,232.00		26,232.00	Dr
	Cash payments	CPJ		8,535.00	17,697.00	Dr

115 PETTY CASH

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	100.00		100.00	Dr
July 31	Petty cash expenditure	GJ		42.60	57.40	Dr

120 ACCOUNTS RECEIVABLE (DEBTORS)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Sales and GST	SJ	12,980.00		12,980.00	Dr
	Sales returns and GST	SRJ		506.00	12,474.00	Dr
	Cash receipts	CRJ		1,704.00	10,770.00	Dr

130 PREPAID EXPENSES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Motor vehicle expenses	GJ	500.00		500.00	Dr

140 STOCK ON HAND

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	54,900.00		54,900.00	Dr

150 OFFICE EQUIPMENT

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	10,000.00		10,000.00	Dr
July 31	Cash payments (new computer)	CPJ	1,700.00		11,700.00	Dr
	Bank loan	GJ	5,000.00		16,700.00	Dr

160 MOTOR VEHICLES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ	30,000.00		30,000.00	Dr

170 ACCUMULATED DEPRECIATION - MOTOR VEHICLES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Depreciation	GJ		100.00	100.00	CR

210 ACCOUNTS PAYABLE (CREDITORS)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Purchases and GST	PJ		12,870.00	12,870.00	Cr
	Purchases returns and GST	PRJ	1,265.00		11,605.00	Cr
	Cash payments	CPJ	2,970.00		8,635.00	Cr

220 GST COLLECTED

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accounts receivable (sales)	SJ		1,180.00	1,180.00	Cr
	Accounts receivable (sales returns)	SRJ	46.00		1,134.00	Cr
	Cash receipts	CRJ		264.00	1,398.00	Cr

230 GST PAID

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accounts payable (purchases)	PJ	1,170.00		1,170.00	Dr
	Accounts payable (returns)	PRJ		115.00	1,055.00	Dr
	Cash payments	CPJ	304.00		1,359.00	Dr
	Petty cash expenditure	GJ	3.60		1,362.60	Dr
	Office equipment	GJ	500.00		1,862.60	Dr

240 PAYG WITHHOLDING

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Wages	GJ		120.00	120.00	Cr

250 BANK LOAN

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ		40,000.00	40,000.00	Cr
July 31	Cash payments	CPJ	1,000.00		39,000.00	Cr
	Office equipment	GJ		5,500.00	44,500.00	Cr

310 CAPITAL

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 1	Balance	GJ		75,000.00	75,000.00	Cr

320 DRAWINGS

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Cash payments	CPJ	400.00		400.00	Dr

410 SALES (furniture)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accounts receivable	SJ		11,800.00	11,800.00	Cr
	Cash receipts	CRJ		2,640.00	14,440.00	Cr

420 SALES RETURNS AND ALLOWANCES (furniture)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accounts Receivable	SRJ	460.00		460.00	Dr

430 INTEREST RECEIVED

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Cash receipts	CRJ		24.00	24.00	Cr

INSURANCE REFUNDS

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Cash receipts	CRJ		1,600.00	1,600.00	Cr

510 PURCHASES (furniture)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accounts payable	CPJ	11,700.00		11,700.00	Dr

520 PURCHASES RETURNS AND ALLOWANCES (furniture)

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accounts payable	PRJ		1,150.00	1,150.00	Cr

610 ACCOUNTING FEES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Cash payments	CPJ	200.00		200.00	Dr

620 BANK CHARGES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Cash payments	CPJ	21.00		21.00	Dr

630 DEPRECIATION

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Accum dep – motor vehicles	GJ	100.00		100.00	Dr

640 ELECTRICITY

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Cash payments	CPJ	200.00		200.00	Dr

650 MOTOR VEHICLE EXPENSES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Cash payments	CPJ	940.00		940.00	Dr
	Prepaid expenses	GJ		500.00	440.00	Dr

652 OFFICE SUPPLIES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Petty cash expenditure	GJ	25.00		25.00	Dr

655 STAFF AMENITIES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Petty cash expenditure	GJ	14.00		14.00	Dr

660 WAGES

Date	Particulars	Ref	Debit	Credit	Balance	Dr/Cr
July 31	Cash payments	CPJ	800.00		800.00	Dr
	PAYG	GJ	120.00		920.00	Dr

Trial balance of Kookaburra Furniture

as at 31 July yyyy

Account Name	Dr Balance	Cr Balance
Bank	17,697.00	
Petty cash	57.40	
Accounts receivable	10,770.00	
Prepaid expenses	500.00	
Stock on hand	54,900.00	
Office equipment	16,700.00	
Motor vehicles	30,000.00	
Accumulated depreciation – motor vehicles		100.00
Accounts payable		8,635.00
GST collected		1,398.00
GST paid	1,862.60	
PAYG withholding		120.00
Bank loan		44,500.00
Capital		75,000.00
Drawings	400.00	
Sales (furniture)		14,440.00
Sales returns and allowances (furniture)	460.00	
Interest received		24.00
Insurance refunds		1,600.00
Purchases (furniture)	11,700.00	
Purchases returns and allowances (furniture)		1,150.00
Accounting fees	200.00	
Bank charges	21.00	
Depreciation	100.00	
Electricity	200.00	
Motor vehicle expenses	440.00	
Office supplies	25.00	
Staff amenities	14.00	
Wages	920.00	
TOTALS	\$146,967.00	\$146,967.00

Profit and loss statement of Kookaburra Furniture
for month of July yyyy

INCOME			
Sales (furniture)	14,440.00		
Less sales returns and allowances	-460.00	13,980.00	
Interest received		24.00	
Insurance refunds		1,600.00	15,604.00
Less EXPENSES			
Purchases (furniture)	11,700.00		
Less purchases returns and allowances	-1,150.00	10,550.00	
Accounting fees		200.00	
Bank charges		21.00	
Depreciation		100.00	
Electricity		200.00	
Motor vehicle expenses		440.00	
Office supplies		25.00	
Staff amenities		14.00	
Wages		920.00	12,470.00
Net Profit			\$3,134.00

BALANCE SHEET of Kookaburra Furniture
as at 31 July yyyy

EQUITY			
Capital		75,000.00	
Plus net profit		3,134.00	78,134.00
Less drawings			400.00
			\$77,734.00
Represented by			
ASSETS			
Bank		17,697.00	
Petty cash		57.40	
Accounts receivable		10,770.00	
Prepaid expenses		500.00	
Stock on hand		54,900.00	
Office equipment		16,700.00	
Motor vehicles	30,000.00		
Less Accum dep motor vehicles	-100.00	29,900.00	130,524.40
Less LIABILITIES			
Accounts payable		8,635.00	
GST collected	1,398.00		
GST paid	-1,862.60	-464.60	
PAYG withholding		120.00	
Bank loan		44,500.00	52,790.40
			\$77,734.00