



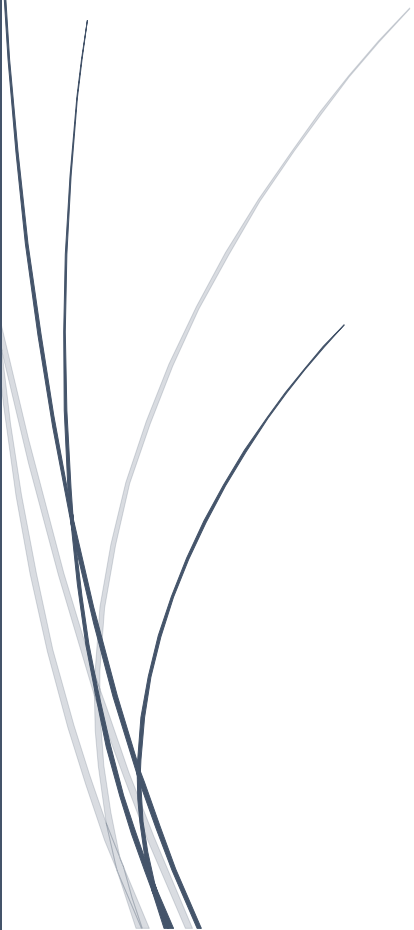
Name: Azhda Mustafa

Student number: 1907558

Module title: Ba Business & Management Group 1

Assignment Title: Accounting Fundamentals Assignment 1

Lecture's Name: Rexon Nting



TASK 1

The Journal Entries in the Books of Maxim

Date	Account	Debit	£	Credit	£
5 April	Cash	300		-	
	Capital	-		300	
7 April	Stock of goods	200		-	
	Cash	-		200	
8 April	Cash	250		-	
	Creditors	-		250	
15 April	Motor Van	150		-	
	Cash	-		150	
20 April	Cash	350		-	
	Stock of goods	-		350	
28 April	Rent	50		-	
	Cash	-		50	
29 April	Creditors	200		-	
	Cash	-		200	
30 April	Drawings	60		-	
	Cash	-		60	

(Marshall, 2005)

Ledger Accounts

Dr	Cash A/c	Cr
April 5 From Capital	£300	April 7 Purchased Goods £200
April 8 Received loan	£250	April 15 Motor van £150
April 20 Sold goods	£350	April 28 Paid rent £50
		April 29 Repaid part loan £200
		April 30 Drawings £60
		£660
		Closing balance c/d £240
	£900	£900

Dr	Capital A/c	Cr
	April 5 Introduced to cash	£300
Closing balance c/d	£300	
	£300	£300

Dr	Stock of goods A/c	Cr
April 7 Purchased goods	£200	April 20 Sold goods
		£350
Closing balance c/d	£150	
	£350	£350

Dr	Creditors A/c	Cr
April 29 Repaid part loan	£200	April 8 Received loan
		£250
Closing balance c/d	£50	
	£250	£250

Dr	Motor Van A/c	Cr
Apr 15 Purchased	£150	
Closing balance c/d	£150	

Dr	Rent	Cr
April 28 Paid rent	£50	
Closing balance c/d	£50	

Dr	Drawings	Cr
April 30 Drawings	£60	
Closing balance c/d	£60	

TRIAL BALANCE

List of account balances:	Debit £	Credit £
Cash	240	-
Capital	-	300
Stock	-	150
Creditors	-	50
Motor Van	150	-
Rent	50	-
Drawings	60	-
Total:	500	500

Statement of profit or loss for the month ended 30 April

Purchased goods	£200	Sold goods	£350
		Closing Stock of goods	£100
Gross Profit	£250	Gross Profit B/d	£250
Rent	£50		
Net Profit	<u>£200</u>		

Statement of financial position for the month ended 30 April

Assets	Amount £	Liabilities	Amount £
Motor Van	150	Capital	300
Cash	240	Net Profit	200
Closing stock	100	Creditors	50
Drawings	60		
Total	550		550

TASK 2**The Journal entries in the Book of Pendo**

Date	Account	Debit £	Credit £
1 January	Cash	5000	-
	Capital	-	5000
2 January	Motor Van	600	-
	Cash	-	600
3 January	Stock of goods	1300	-
	Cash	-	1300
4 January	Cash	1000	-
	Creditors	-	1000
10 January	Expenses	200	-
	Cash	-	200
13 January	Cash	300	-
	Stock of goods	-	300
20 January	Cash	500	-
	Stock of goods	-	500
24 January	Expenses	150	-
	Cash	-	150
27 January	Creditors	350	-
	Cash	-	350
30 January	Drawings	175	-
	Cash	-	175

Ledger Accounts

Dr		Cash A/c		Cr	
January 1 Pendo paid		£5000	January 2 Bought motor Van	£600	
January 4 Received loan		£1000	January 3 Bought goods	£1300	
January 13 Sold goods		£300	January 10 Paid expenses	£200	
January 20 Sold goods		£500	January 24 Paid expenses	£150	
			January 27 Repaid part loan	£350	
			January 30 Drawings	£175	
			Closing balance c/d	£4025	
		£6800		£6800	

Dr	Capital	Cr	Dr	Motor Van	Cr
		January 1 To cash	£ 5000	January 2 Purchased	£600
		Closing balance c/d	£5000		Closing balance c/d £600

Dr	Creditor	Cr	Dr	Stock of goods	Cr
January 27	£350	January 4	£1000	January 3	£1300
				January 13	£300
				January 20	£500
		Closing balance	£650		Closing balance £500
	£1000			£1300	£1300

Dr	Expenses	Cr	Dr	Drawings	Cr
January 10	£200		January 30	£175	
January 24	£150				
		Closing c/d	£350	Closing balance	£175

(Marshall, 2005)

TRIAL BALANCE

List of account balances:	Debit £	Credit £
Cash	4025	-
Capital	-	5000
Stock	500	-
Creditors	-	650
Motor Van	600	-
Expenses	350	-
Drawings	175	-
Total:	5650	5650

Statement of profit or loss for the month ended 31 January

Purchased goods	1300	Sold goods	£800
		Closing Stock of goods	£800
Gross Profit	£300	Gross Profit B/d	£300
Expenses	£350		
		Net Loss c/d	£50

Statement of financial position for the month ended 31 January

Assets	Amount £	Liabilities	Amount £	
Motor Van	600	Capital	5000	
Cash	4025	Net Loss		50
Closing stock	800		4950	
Drawings	175	Creditors	650	
Total	5600		5600	

Task 3**The Journal Entries in the Book of Mafuta**

Date	Account	Debit	£	Credit	£
2 January	Harvey a/c	124		-	
	Sales	-		124	
5 January	Wages	12		-	
	Cash	-		12	
5 January	Purchases	150		-	
	Rich a/c	-		150	
7 January	Cash	18		-	
	Smith a/c	-		18	
9 January	Max a/c	21		-	
	Cash	-		21	
11 January	Cash	64		-	
	Sales	-		64	
14 January	Wages	14		-	
	Cash	-		14	
14 January	Purchases	75		-	
	Cash	-		75	
15 January	Rich a/c	162		-	
	Cash	-		162	
20 January	Furnitures	32		-	
	Cash	-		32	
21 January	Wages	17		-	
	Cash	-		17	
21 January	Cash	110		-	
	Sales	-		110	
23 January	Cash	25		-	
	Harvey a/c	-		25	
28 January	Wages	15		-	
	Cash	-		15	
31 January	Cash	30		-	
	Sales	-		30	

Ledger Accounts

Dr	Harvey a/c	Cr
Jan 2 £124	January 23 £25	
Opening balance b/d £39		
	Closing balance £138	
£ 163		£163

Dr	Sales	Cr
	January 2 £124	
	January 11 £64	
	January 21 £110	
	January 28 £84	
	January 31 £30	
	Closing balance c/d £412	

Dr	Cash	Cr
January 7 £18	January 5 £12	
January 11 £64	January 9 £21	
January 21 £110	January 14 £14	
January 23 £25	January 14 £75	
January 28 £84	January 15 £162	
January 31 £30	January 20 £32	
Opening balance 343	January 21 £17	
	January 23 £3	
	January 28 £15	
	Closing balance c/d £323	
£674		£674

Dr	Wages	Cr
January 5 £12		
January 14 £14		
January 21 £17		
January 28 £15		
	Closing balance c/d £58	

Dr	Max a/c	Cr
January 9 £21	opening balance b/d £21	
£21		£21

Dr	Rich a/c	Cr
January 15 £162	Opening balance £12	
	Jan 5 £150	
£162		£162

Dr	Smith a/c	Cr
Opening balance £18	January 7	£18
	£18	£18

Dr	Purchases	Cr
January 5	£150	
January 14	£75	
Closing balance	£225	

Dr	Furnitures	Cr
January 20	£32	
Opening balance	£198	
Closing balance c/d	£230	

Dr	Expenses	Cr
January 23	£3	
Closing balance c/d	£3	

Dr	Capital	Cr
	January 1 opening balance	£1049
Closing balance	£1049	

TRIAL BALANCE

List of account balances:	Debit £	Credit £
Cash	323	-
Capital	-	1049
Harvey a/c	138	-
Sales	-	412
Purchases	225	-
Expenses	3	-
Furnitures	230	-
Wages	58	-
Opening stock	458	-
Moon	26	-
Total:	1461	1461

Statement of profit or loss for the month ended 31 January

Opening stock	£458	Sold goods	£412
Purchases a/c	£225	Closing Stock of goods	£374
Gross Profit	£103	Gross Profit B/d	103
Furnitures	£230		
Wages	£58		
		Net Loss c/d	£188

Statement of financial position for the month ended 31 January

Assets	Amount £	Liabilities	Amount £
Harvey	138	Capital	1049
Cash	323	Net Loss	188
Closing stock	374		
Moon	26		
Total	861		861

Task 4

Ledger Accounts in books of Ricardo

_Dr	Sales	Cr
	June 2 By Claire	£8500
	June 14 By Hywel	£8550
	June 20 By cash	£6000
	June 24 By Mandy	£5000
Closing balance c/d	£28 050	

Dr	Purchases	Cr
June 13 To Georgina	£12000	
June 21 To Andrew	£4500	
	Closing balance c/d	£16 500

Dr	Claire a/c	Cr
June 2 To Sale	£8500	Cash £7125
		Discount £375
	£8500	£8500

Dr	Georgina a/c	Cr
June 25 Cash	£11 160	June 13 Purchase £12 000
Discount	£840	
	£12 000	£12 000

Dr	Hywel a/c	Cr
June 14 to Sales	£8550	June 25 from cash a/c £8550
	£8550	£8550

Dr	Andrew a/c	Cr
June 27 To cash	£4410	June 21 From Purchase £4500
Discount	£90	
	£4500	£4500

Dr	Cash a/c	Cr
June 20 To sales	£6000	June 25 Georgian £11 160
June 14 To Hywel	£8550	June 27 Andrew £4410
June 24 To Claire	£7125	June 30 Balance c/d £6105
	£21675	£21675

Dr		Sales return a/c		Cr	
June 22 To Claire		£1000	Trading a/c	£1000	
		£1000		£1000	

Dr	Mandy a/c	Cr	
June 24 to Sales	£5000	Closing balance	£5000
	£5000		£5000

Dr	Discount a/c		Cr
June 24 To Claire	£375	Closing balance	£375
	£375		£375

Dr	Discount Received a/c		Cr
		June 25 By Georgina	£840
Closing balance	£930	June 27 By Andrew	£90
	£930		£930

(Marshall and institute of Certified Bookkeepers,2014)

TRIAL BALANCE

List of account balances:	Debit £	Credit £
Cash	6105	-
Mandy	5000	-
Sales return	1000	-
Sales	-	28050
Purchases	16500	-
Discount received	-	930
Discount	375	-
Total:	28980	28980

Task 5

Capital expenditures: Money a company spends to buy or upgrade major assets, such as buildings and factories.

Revenue expenditure: Payments a company receives for its products or services. (Epstein,2005)

Capital expenditures: is the amount invested by the owner(s) of the business.

Revenue expenditure: is the amount of goods and/or services sold, expressed in monetary terms. (Gowthorpe, 2019)

References:

Epstein, L. (2005). *Reading financial reports for dummies, a Wiley Brand*. Hoboken, Nj: John Wiley & Sons, Inc.

Gowthorpe, C. (2018). *Business accounting and finance*. Andover, Hampshire, United Kingdom Cengage Learning, Emea.

Marshall, P. and Institute Of Certified Bookkeepers (2014). *Mastering spreadsheet book-keeping*. Oxford: How To Books.

Marshall, P. (2005). *Mastering Book-Keeping*. 7th ed. 3 Newtec place, Magdalen road, oxford: How to Books Ltd.