Name:_____
Class:_____
Date:_____

Journal

1. In which book is a credit note from a supplier entered?
   A. Purchase journal
   B. Purchases returns journal
   C. Sales journal
   D. Sales returns journal

2. Y allows X trade discount of 25% and cash discount of 5% if invoices are paid within 30 days. X purchases goods with a list price of $1200 from Y. Which amount will be entered in X's purchases journal?
   A. $840
   B. $855
   C. $900
   D. $1200

3. Which transaction is entered in the general journal?
   A. Cash paid to supplier
   B. Cash received from customer
   C. Machinery bought on credit
   D. Stock bought on credit

4. A business buys goods on credit. Which document is used to record this in the buyer's books?
   A. Credit note
   B. Purchases invoice
   C. Goods sold on credit
   D. Petty cash payments

5. Which item is recorded in the General Journal?
   A. Cash sales
   B. Fixed assets bought on credit
   C. Goods sold on credit
   D. Petty cash payments

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6. Amina sells goods to Yasmin on credit. They are found to be damaged. Which document will Amina then send to Yasmin?
   A. Copy invoice
   B. Credit note
   C. Debit note
   D. Statement of account

7. Maurice sends faulty goods back to James. In which book of prime entry would James record this transaction?
   A. General journal
   B. Purchases returns journal
   C. Sales journal
   D. Sales returns journal

8. Which source document is used to make an entry in the purchases returns journal?
   A. Credit note issued by the business
   B. Credit note issued by the supplier
   C. Invoice issued by the business
   D. Invoice issued by the supplier

9. Which is entered in the purchases journal?
   A. Invoices from suppliers
   B. Invoices to customers
   C. Payments from customers
   D. Payments to suppliers

10. A company purchased goods costing $4000 and was allowed a trade discount of 10%. A cash discount of 2½ % is given for payment within 30 days. Payment was made within the 30 day period. What was the amount paid?
    A. $3500
    B. $3510
    C. $3600
    D. $3900

11. How many of the following transactions should be recorded in the general journal?

Credit purchase of a fixed asset
Credit sale of goods
Goods taken by owner for personal use
Writing off a bad debt

    A. 1 transaction
    B. 2 transactions
    C. 3 transactions
    D. 4 transactions

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12. What is the purpose of an invoice?
    A. To confirm that a payment has been received
    B. To confirm that damaged goods have been returned
    C. To show details of all transactions with a customer during the month
    D. To show details of goods that have been supplied on credit

13. Daniel allows Joanne trade discount of 25 % and cash discount of 5 % if invoices are paid within 30 days. Joanne purchased goods with a list price of $1200 from Daniel. Which amount would be entered in Joanne's purchases journal?
    A. $840
    B. $855
    C. $900
    D. $1200

14. Logan records his sales invoices in a sales journal. What happens at the end of the month?
    A. Each customer's account is credited with the total of that customer's invoices for the month.
    B. Each customer's account is debited with the total of that customer's invoices for the month.
    C. The sales account is credited with the total of the sales invoices.
    D. The sales account is debited with the total of the sales invoices.

15. On 1 May Bashir purchases goods on credit with a list price of $200. He is given a trade discount of $20. If payment is made within 28 days a cash discount of $10 will be given. Which amount is credited to the supplier's account on 1 May?
    A. $170
    B. $180
    C. $190
    D. $200

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