

Books of prime entries

Questions

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Total Marks

/11

- 1 Shahid is a trader and Mariam is a credit customer.

The following incomplete statement of account was available on 31 August 2017.

STATEMENT OF ACCOUNT Shahid 44 Narrow Lane, Anytown				
Mariam The Avenue Weston				31 August 2017
Date	Reference	Debit \$	Credit \$	Balance \$
2017 Aug 1	Balance due			520
9	Goods	340		860
13	Returns		24	?
24	Payment		507	?
	Discount		13	?

REQUIRED

State the business document and the book of prime entry Shahid would use to record the following transactions which appear on the statement of account.

Transaction	Document	Book of prime entry
August 9 Goods		
13 Returns		

(4 marks)

- 2 (a)** Seok buys and sells goods on credit. He has three credit customers and allows one of them, Naomi, trade discount of 10%. All customers pay Seok by bank transfer.

The following balances were extracted from Seok's sales ledger at 1 August 2023.

	\$
Naomi	450
Siena	155
Bwana	<u>386</u>
	<u>991</u>

The following transactions took place in August 2023.

Aug 3	Sold goods on credit, to Naomi, list price \$410
5	Sold goods on credit, \$89, to Bwana
10	Naomi returned goods, list price \$20
11	Naomi paid \$423 in full settlement of the amount she owed at 1 August
19	Sold goods on credit, \$180, to Bwana
22	Sold goods on credit, to Naomi, list price \$230
27	Bwana returned goods, \$19
29	Bwana paid \$400

REQUIRED

Prepare the sales journal for August 2023.

Total the journal and indicate the ledger account where the total would be posted.

Seok
Sales journal

Date	Details	\$	\$

(4 marks)

- (b) Prepare the sales returns journal for August 2023.
Total the journal and indicate the ledger account where the total would be posted.

Seok
Sales returns journal

Date	Details	\$	\$

(3 marks)

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