

Suva Sangam College

Year 12

Accounting

Worksheet – 9

Question 1

Bale operates a shoe shop in Labasa. During the month of July 2020, the following transaction took place in his business:

July	2	Cash paid to Ramu \$72 and received discount of \$4, Received tax invoice from Cama \$138
	7	Cash purchases \$164 Paid electricity bill \$18
	10	Credit purchases from Navin Suppliers \$280
	12	Received cash for shoe repairs \$194 Received from Nelson \$300 less 10% discount
	16	Paid interest \$8 Returned goods to Cama \$18.
	18	Sold items on credit to Magarett for \$230 Received tax invoice from Ramu \$502 and Maciu \$327
	23	Cash purchases \$388. Credit sales to Nelson \$75
	26	Bale took \$200 for personal use Magarett returned goods worth \$30.
	29	Received credit note from Ramu \$15
	31	Issued tax invoice to Roma \$92

Required

a) Prepare:

- | | | |
|------|---------------------------|-----------|
| i. | Purchases Journal | (2½marks) |
| ii. | Sales Journal | (2 marks) |
| iii. | Purchases Returns Journal | (1½marks) |
| iv. | Sales Returns Journal | (1 mark) |

b) Define **Journalising**. (1mark)

c) Differentiate between **cash discount** and **trade discount**. (2marks)