

Paul Robbins training and consultancy

Bookkeeping Transactions

Purchases and Purchase Returns on Credit

Bookkeeping for Purchases on Credit – Exercise 5

You have been given the partially completed Analysed Purchases Day Book for November 2016.

Purchases Day Book						
Date	Supplier	Inv No	Total (Gross)	VAT (20%)	Purchases Sinks	Purchases Basins
03/11/16	B. Day Ltd	B426			328.75	---
07/11/16	Howell & Co	0438			423.90	1,056.00
08/11/16	F & Y Ltd	FY123			---	889.25
13/11/16	Silver & Sons	S0367			2,278.50	1,438.00
17/11/16	Howell & Co	0480			220.00	1,302.40
20/11/16	B. Day Ltd	B462			554.60	---
21/11/16	F & Y Ltd	FY154			65.00	928.95
26/11/16	Silver & Sons	S0435			2,379.20	4,238.10
	Totals					

1. Calculate and fill in the VAT and Gross amounts for each Purchase Invoice.
2. Total the columns in the Analysed Purchases Day Book.
3. Post the column totals to the Main Ledger accounts as at 30 November 2016.
4. Post the Gross amounts of each Purchase Invoice to the Subsidiary Purchase Ledger accounts.

You have been given the partially completed Analysed Purchase Returns Day Book for November 2016.

Purchase Returns Day Book						
Date	Supplier	CN No	Total (Gross)	VAT (20%)	Purchases Sinks	Purchases Basins
14/11/16	Howell & Co	C036			---	248.20
18/11/16	B. Day Ltd	CR87			59.95	---
19/11/16	Silver & Sons	CR74			304.60	274.70
23/11/16	F & Y Ltd	CN32			---	214.50
	Totals					

5. Calculate and fill in the VAT and Gross amounts for each Purchase Credit Note.

6. Total the columns in the Analysed Purchase Returns Day Book.

7. Post the column totals to the Main Ledger accounts as at 30 November 2016.

8. Post the Gross amounts of each Purchase Credit Note to the Subsidiary Purchase Ledger accounts.

You have been provided with an extract from the Cash Book showing monies paid to credit suppliers which have been paid from the bank account.

Date	Name	Amount
22/11/16	F & Y Ltd	809.70
24/11/16	Howell & Co	1,478.04
28/11/16	B. Day Ltd	322.56
29/11/16	Silver & Sons	9,250.00
30/11/16	Totals	11,860.30

9. Post the amounts paid to the Main Ledger accounts at 30 November 2016.

10. Post the amounts paid to the Subsidiary Purchases Ledger accounts.

The business receives a 10% Prompt Payment Discount (PPD) for paying its suppliers within seven days of the date of the purchase invoice.

The following Credit Notes have been received in respect of PPD taken.

11. Calculate and fill in the VAT and Gross amounts for each Credit Note.

12. Total the columns in the Discounts Received Day Book.

13. Post the column totals to the Main Ledger accounts as at 30 November 2016.

14. Post the Gross amounts of each Credit Note to the Subsidiary Purchases Ledger accounts.

Discounts Received Day Book					
Date	Supplier	Credit Note No	Total (Gross)	VAT (20%)	Purchases (Net)
23/11/16	B. Day Ltd	CR96			£55.46
25/11/16	F & Y Ltd	CN44			£99.40
	Totals				

15. Total and balance off all 'T' accounts and complete the Trial Balance, Subsidiary Purchases Ledger account balances and reconciliation.

Main Ledger Accounts

<i>Purchases – Sinks</i>					
<i>Date</i>	<i>Description</i>	<i>Amount (£)</i>	<i>Date</i>	<i>Description</i>	<i>Amount (£)</i>

<i>Purchases – Basins</i>					
<i>Date</i>	<i>Description</i>	<i>Amount (£)</i>	<i>Date</i>	<i>Description</i>	<i>Amount (£)</i>

<i>Purchase Returns – Sinks</i>					
<i>Date</i>	<i>Description</i>	<i>Amount (£)</i>	<i>Date</i>	<i>Description</i>	<i>Amount (£)</i>

Purchase Returns – Basins					
Date	Description	Amount (£)	Date	Description	Amount (£)

Subsidiary Purchase Ledger Accounts

[illegible][illegible]

Trial Balance

Main Ledger Balances

Account Name	Debit (£)	Credit (£)
<i>Purchases – Sinks</i>		
<i>Purchases – Basins</i>		
<i>Purchase Returns – Sinks</i>		
<i>Purchase Returns – Basins</i>		
<i>VAT Control Account</i>		
<i>Purchase Ledger Control Account</i>		
<i>Bank Account</i>		
<i>Discounts Received</i>		
<i>Totals</i>		

Subsidiary Purchase Ledger Balances

Account Name	Debit (£)	Credit (£)
<i>B. Day Ltd</i>		
<i>Howell & Co</i>		
<i>F & Y Ltd</i>		
<i>Silver & Sons</i>		
<i>Totals</i>		

Reconciliation

Account Name	Debit (£)	Credit (£)
<i>Balance per Purchase Ledger Control Account</i>		
<i>Total of Subsidiary Purchase Ledger Balances</i>		
<i>Difference</i>		