**THE LEDGER**

***1.***

|  |  |  |
| --- | --- | --- |
| Account  | Debit | Credit  |
| PurchasesCapitalSalesDebtorsCreditors Motor VehicleStock Cash at Bank  | 130,00045 ,000120,00050,00010,000355,000 | 150,000165,00040,000355,00 |

***2.*** i) Creditors ledger-to find the total purchase made on credit

ii) Private ledgers-to ascertain the movement of capital in the business/keep confidential

 accounts

iii) Normal ledger-to record the total expenses or income incurred r received in business

***3.*** Nyatike Traders

 Trial Balance

 As at 31st Jan/2010

 Dr Cr

Capital 319,000

Drawings 16,000

Creditors 20,000

Discount allowed 5,000

Buildings 250,000

Return Outwards 6,000

Purchases 74,000 0000

 345,000 345,000

***4.***

|  |
| --- |
| Kebirigo TradersTrial Balance BalanceAs at 31st Dec. 2009 |
|  | DR | CR |
| BuildingsDebtorsCapitalSalesPurchasesStockCreditorsGeneral expensesBank overdraft | 100,000 54,000  48,000 25,400 31,800 | 136,000 85,000  35,700  2,500 |
|  | 259,200 | 259,200 |

***5.***

|  |  |  |
| --- | --- | --- |
| Fixed AssetsPurchasesSalesDebtorsStockCreditorscapital | 250000800002200060000412000 | 12000045000247000412000 |

6. - Errors of original entry

- Errors of total commission

- Errors of complete reversal of entries

- Compensating errors

7..

|  |  |  |
| --- | --- | --- |
|  | Account | Subsidiary ledger |
| a) | Return inwards | General Ledger |
| b) | Discounts received | General Ledger |
| c) | Drawings | Nominal Ledger |
| d) | Juma a supplier | Purchases Ledger |
| e) | Ombichi a distributor | Sales Ledger |
| f) | Bank | Cash book |

***8.*** Capital account

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Date | Details | L.F | Amount | Date | Details | LF | Amount |
|  |  |  |  | 1.6.2009 | cash | CB | 100000 |

 Cash account

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Date  | Details | L.F | Amount | Date | Details | LF | Amount |
| 1.6.2009 | Capital | GL | 100000 | 3.6.2009 | Furniture | GL | 30000 |
| 2.6.2009 | A Co-operative loan | GL | 20000 |  |  |  |  |

 Co-operative loan account

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Date | Details | L.F | Amount | Date | Details | LF | Amount |
|  |  |  |  | 2.6.2009 | cash | CB | 20000 |

Furniture account

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Date | Details | LF | Amount | Date | Details | LF | Amount |
| 3.6.2009 | Bank | CF | 40000 |  |  |  |  |
| 3.6.2009 | Cash | CB | 30000 |  |  |  |  |

 Bank account

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Date | Details | LF | Amount | Date | Details | LF | Amount |
|  |  |  |  | 3.6.2009 | Furniture | GL | 40000 |
|  |  |  |  |  |  |  |  |

***9. Post the transaction into the relevant ledge account***

***Dr***. Capital a/c Cr

|  |  |
| --- | --- |
|  w  | 1.6.2008 cash 120,000 13.6.2008 furniture 15,000 |

Dr. CASH A/C Cr

|  |  |
| --- | --- |
| 1.6.2008 capital 120,00028.6.2008 loan 40,000  | 4..6.2008 bank 66000  |

Dr. BANK A/C Cr

|  |  |
| --- | --- |
| 4.6.2008 cash 66,000 |  A  |

Dr. FURNITURE A/C Cr

|  |  |
| --- | --- |
| 13.6.2008 capital 15000 |  A |

Dr. LOAN Cr

|  |  |
| --- | --- |
|  A | 28.6.2008 cash 40,000 |

**THE LEDGER**

1. Dr. Cash A/c Cr Dr. Capital A/c Cr.

 Jan. Capital 100,000 Jan. Purchases 20,000 Jan. Cash 100,000

 March Bank 60,000

 June Drawings 10,000

Dr. Purchases Cr.

Jan. cash 20,000

May Creditor 70,000

 Dr. Sales Cr. Dr. Debtors Cr.

 Feb. Debtors 30,000 Feb. Sales 30,000 April. R. Inwards (S.R) 50,000

 Dr. Bank Cr. R. Inwards(S.R)

 March cash 60,000 April Debtors 50,000

 Creditors Drawings

 May Purchases 70,000 June capital 10,000

***2.***

*Dr Capital Account Cr*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| *Date* | *Details*  | *Amount* | *Date* | *Details* | *Amount* |
| *5/4/07* | *Bal c/d* | *80000* | *1/4/07**5/4/07* | *Cash**Bal b/d* | *80000* |

*Dr Cash Account Cr*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| *Date* | *Details*  | *Amount* | *Date* | *Details* | *Amount* |
| *1/4/07**5/4/07* | *Capital* *Bal b/d* | *80000**80000**25940* | *2/4/07**3/4/07**5/4/07**5/4/07* | *Stationery* *Bank* *Postage stamps**Bal c/d* | *4000**50000* *60**25940**80000* |

Dr Stationery Account Cr

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details  | Amount | Date | Details | Amount |
| 2/4/075/4/07 | Cash Bal b/ | 40004000 | 5/4/07 | Bal c/d | 4000 |

Dr Bank Account Cr

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details  | Amount | Date | Details | Amount |
| 3/4/075/4/07 | Cash Bal b/d | 50000 50000 | 5/4/07 | Bal c/d | 50000  |

Dr Motor vehicle Account Cr

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details  | Amount | Date | Details | Amount |
| 4/4/075/4/07 | Lucy motorsBal b/d | 250000 250000 | 5/4/07 | Bal c/d | 250000 |

Dr Lucy Motors Account Cr

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details  | Amount | Date | Details | Amount |
| 5/4/07 | Bal c/d | 250000 | 4/4/075/4/07 | Motor vehicleBal b/d | 250000250000 |

Dr Postage Account / Exp accounts Cr

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Details  | Amount | Date | Details | Amount |
| 5/4/075/4/07 | Cash Bal b/d | 6060 | 5/4/07 | Bal c/d | 60 |

May

Trial balance As at 5/4/2007

|  |  |  |
| --- | --- | --- |
| Account  | Dr (Shs.) | Cr (Shs.) |
| Capital Cash Stationery Bank Motor vehicleLucy motorsPostage  | 2594040005000025000060330000 | 80000 250000330000 |

***3.***

|  |
| --- |
| Dr. CAPITAL A/C Cr. |
| Dec. 31 Bal. b/d 160,000 | Dec. 1 A/C 160,000Jan Bal b/d 160,000 |

|  |
| --- |
| Dr. Cash A/C Cr. |
| Dec. 1 Capital 160,000 3 sales 126,000 5 Rent 37,500 323,500Jan 1 bal. b/d 196,500 | Dec. 2 Purchase 120,000 4 electricity 1,000 6 comm. 6,000 7 Bal c/d 196,500 323,500 |

|  |
| --- |
| Dr. PURCHASE A/C Cr. |
| Dec. 2 Cash 120,000Jan. 1 Bal b/d 120,000 | Dec. 30 Bal b/d 120,000 |

|  |
| --- |
| Dr. SALES A/C Cr. |
| Dec. 30 Bal. b/d 126,000 | Nov. 3 Cash 126,000Jan. 1Bal b/d 126,000 |

|  |
| --- |
| Dr. ELECTRICITY A/C Cr. |
| Dec. 4 Cash 1,000Jan. 1 Bal b/d 1,000 | Dec. 30 Bal c/d 1,000 |

|  |
| --- |
| Dr. RENT A/C Cr. |
| Dec. 30 Bal. c/d 37,570 | Dec. 5 Cash 37,500Jan. 1Bal b/d 37,500 |

|  |
| --- |
| Dr. DISCOUNT A/C Cr. |
| Dec. 6 Cash 6,000 Bal b/d 6,000 | Dec. 30 Bal c/d 6,000 |

|  |
| --- |
| NDHIWA TRADERSTrial balance as at 31st Dec. 2008 |
| Title of Accounts Capital CashPurchasesSalesElectricityRentdiscount | Debit 196,500120,000 1,000 6,000323,500 | Credit160,000126,00037,500323,500 |

**25.**