

Aufgabe QR-4.6: Books of Original Entry

(Sammelbuchungen)

You have got CRAWLEY Ltd's trial balance as at 31.12.20X7 in DR(CR) format. The concept for its business is a kind of MEDIAMARKT business. It buys products from suppliers on credit and sells them on cash to customers.

T/B	DR(CR)	31.12.20X7	31.12.20X8
Property plant equipment		500.000,00	
Inventories		400.000,00	
Accounts receivables		100.000,00	
Cash		50.000,00	
VAT			
Issued capital		(300.000,00)	
Reserves		(450.000,00)	
Retained earnings		(50.000,00)	
Accounts payables			
Interest bear. Liabilities		(250.000,00)	
Revenue			
Purchases			
Labor			
Depreciation			
Other expenses			

Exhibit 1: Trial balance

You have to consider the following activities:

(1) Purchases (Purchase Journal)

100 TVs from supplier Lüttke-Paulmann for 2,400.00 EUR gross amount each

80 DVD-Players from supplier Schulte Brammelkamp for 888.00 EUR gross amount each

430 AV-Receivers from supplier Dalkenkötter for 756.00 EUR gross amount each

(2) Sales on cash (Cash Book!)

48 TVs for 3,000.00 EUR gross amount

68 DVD-Players for 1,200.00 EUR gross amount

373 AV-Receivers for 1,440.00 EUR gross amount each

9 TVs for 3,000.00 EUR gross amount less 19% discount each

1 TV return inward for 3,000.00 EUR gross amount less 19% discount

(3) additional payments

Labour 70,000.00 EUR in total paid on cash

Interest for bank loan (6% from 250,000.00 EUR) amounts to 15,000.00 EUR interest

(4) Depreciation on Property, Plant, and Equipment

Depreciation is 100,000.00 EUR.

Required: Set up books of original entry and make related bookkeeping entries in the general ledger and in the purchase ledger. Set up the trial balance for 20X8. Compute EAT (Earnings after tax) for fiscal year 20X8. (It is enough to set up the Profit and Loss account.) Tax is paid in fiscal year 20X9.

Lösung (Solution):

The activities to be considered are

(1) Depreciation of P, P, E: Depreciation charge is $20\% \cdot 500,000.00 = 100,000.00$ EUR. Accordingly the carrying amount of P, P, E is $500,000 - 100,000 = 400,000.00$ EUR. In the trial balance the amount for depreciation is **100,000.00 EUR**.

(2) Interest is 15,000 and to be considered in the trial balance.

(3) Purchases are to be gathered in the purchase journal, see below:

Crawley Ltd's PURCHASE JOURNAL for 20X8			
Purchase item	net amount	VAT (20%)	gross amount
(a) 100 TVs	200.000,00	40.000,00	240.000,00
(b) 80 DVD players	59.200,00	11.840,00	71.040,00
(c) 430 AV Receivers	270.900,00	54.180,00	325.080,00
	<u>530.100,00</u>	<u>106.020,00</u>	<u>636.120,00</u>

Exhibit 2: Purchase Journal

Later the goods were paid via bank transfer.

DR A/P	636,120.00 EUR
CR Bank	636,120.00 EUR

The purchases are considered in the trial balance.

(4) The sales are on cash and are to be considered by the cash book. See below:

Also, labour is paid on cash 70,000.00 EUR.

The payment to the suppliers clears the A/P.

**Crawley Ltd's
CASH BOOK
for 20X8**

Item	Discount	Cash/Bank
OV		50.000,00
(2) Interest		(15.000,00)
(5) Labour		(70.000,00)
(A) 48 TVs		144.000,00
(B) 68 DVD players		81.600,00
(C) 167 Sofas		537.120,00
(D) 9 TVs less 19% discount		21.870,00
(E) Return 1 TV less 19% discount		(2.430,00)
Payment of suppliers		(636.120,00)
Total	0,00	111.040,00

Exhibit 3: Cash book

In order to determine the amount for output VAT and revenue the sales are to be considered: Output VAT is: $20\% \cdot (144,000 + 81,600 + 537,120 + 21,870 - 2,430)/120\% = \mathbf{130,350.00 \text{ EUR}}$. Accordingly the revenue amounts to $(144,000 + 81,600 + 537,120 + 21,870 - 2,430)/120\% = \mathbf{651,800.00 \text{ EUR}}$.

The VAT account also contains the input VAT resulting from purchases, see below:

Purchase		Revenue		VAT	
D	C	D	C	D	C
PJ	530.100,00	c/d	651.800,00	PJ	106.020,00
			651.800,00	CB	130.360,00
			b/d	c/d	24.340,00
			136.440,00		130.360,00
				b/d	24.340,00

Exhibit 4: Accounts

T/B	DR(CR)	31.12.20X7	31.12.20X8
Property plant equipment		500.000,00	1 400.000,00
Inventories		400.000,00	400.000,00
Accounts receivables		100.000,00	100.000,00
Cash		50.000,00	4 111.040,00
VAT			4 (24.340,00)
Issued capital	(300.000,00)		(300.000,00)
Reserves	(450.000,00)		(450.000,00)
Retained earnings	(50.000,00)		(50.000,00)
Accounts payables			0,00
Interest bear. Liabilities	(250.000,00)		(250.000,00)
Revenue			4 (651.800,00)
Purchases			3 530.100,00
Labor			4 70.000,00
Depreciation			1 100.000,00
Other expenses			2 15.000,00
		0,00	0,00
		0	

Exhibit 5: Trial balance

In order to determine the profit a P&L account is to be set up. The amount for closing stock is $(400,000 + (52 - 8) \cdot 2,400 + (80 - 68) \cdot 888/120\% + (430 - 373) \cdot 756/120\% = 532,790.00 \text{ EUR}$.

The P&L account looks like below:

D	P&L (T/A)		C
OVA	400.000,00	Sales	651.800,00
Purch	530.100,00	Cl.St.	532.790,00
GP	254.490,00		
	<u>1.184.590,00</u>		<u>1.184.590,00</u>
Labour	70.000,00	b/d	254.490,00
Interes	15.000,00		
Depr	100.000,00		
NP	69.490,00		
	<u>254.490,00</u>		<u>254.490,00</u>
TaxL	20.847,00	b/d	69.490,00
R/E	48.643,00		
	<u>69.490,00</u>		<u>69.490,00</u>

Exhibit 6: P&L account