

Aufgabe QR-9.12: Vorratsbewertung

(Accounting for Inventories)

Advertising agency EILENRIEDE Ltd. follows a perpetual system for stock valuation. At the beginning of accounting period 20X5 EILENRIEDE has the following opening values: 8 ink cartridges 50 EUR/p, 18 photo paper 1000-page-packages: 20.00 EUR/p. Make bookkeeping entries for the following changes in inventory and determine EILENRIEDE Ltd's profit in case other revenue is 16,000.00 EUR.

Changes in inventory of ink cartridges: in Jan/20X5 add 20 cartridges at 52.00 EUR each, in March use 5 cartridges, in June add 6 cartridges at 48.00 EUR each, in December use 12 ink cartridges.

Changes in inventory of photo paper: February use up 10 packages, in April buy 5 packages 17.00 EUR each, in November use up all packages.

Required: Show the Purchase, Sales, RM inventory, Trading and Profit and Loss account for 20X5 and determine gross profit. Consider first in first out method as cost formula to be applied for inventory of raw materials.

Lösung: (Solution)

Bookkeeping entries:

20 · 52

DR Purchase	1,040.00 EUR
CR Bank	1,040.00 EUR

5 · 17

DR Purchase	85.00 EUR
CR Bank	85.00 EUR

6 · 48

DR Purchase	288.00 EUR
CR Bank	288.00 EUR

Transfer to inventory accounts

DR Inventory-Ink	1.040.00 EUR
CR Purchase	1.040.00 EUR

DR Inventory-Paper	85.00 EUR
CR Purchase	85.00 EUR

DR Inventory-Ink	288.00 EUR
CR Purchase	288.00 EUR

Posting material expenses:

Paper 10 · 20

DR Trading	200.00 EUR
CR Inventory-Paper	200.00 EUR

Ink: 5 · 50

DR Trading	250.00 EUR
CR Inventory-Ink	250.00 EUR

Paper 8 · 20 + 5 · 17 = 245.00 EUR

DR Trading	245.00 EUR
CR Inventory-Paper	245.00 EUR

Ink $3 \cdot 50 + 9 \cdot 52 = 618.00$ EUR.

DR Trading **618.00 EUR**
CR Inventory-Ink **618.00 EUR**

D	Purchase	C
Jan	1.040,00	Inv 1.040,00
Aprl	85,00	Inv 85,00
June	288,00	Inv 288,00
	<u>1.413,00</u>	<u>1.413,00</u>

D	Sales	C
T/A	<u>16.000,00</u>	Bank <u>16.000,00</u>

D	Bank	C
Sales	16.000,00	Jan 1.040,00
		Aprl 85,00
		June 288,00
		c/d <u>14.587,00</u>
	<u>16.000,00</u>	<u>16.000,00</u>
b/d	14.587,00	

D	Trading	C
Febr	200,00	Sales 16.000,00
Mrch	250,00	
Nov	245,00	
Dec	618,00	
GP c/d	<u>14.687,00</u>	
	<u>16.000,00</u>	<u>16.000,00</u>
P&L	14.687,00	GP b/d 14.687,00

D	Inventory	C
OV ink	400,00	Febr 200,00
OV pap	360,00	Mrch 250,00
Purch	1.040,00	Nov 245,00
Purch	85,00	Dec 618,00
Purch	<u>288,00</u>	c/d <u>860,00</u>
	<u>2.173,00</u>	<u>2.173,00</u>
b/d	860,00	

D	P&L	C
		T/A 14.687,00

Exhibit 1: Accounts

The gross profit amounts to 14,687.00 EUR.