

Aufgabe QR-9.8: Perpetual System for Inventory Management

(Permanentes System der Lagerbuchhaltung)

MELLENDORF AG is in the computer selling business. It sells laptops and has at the beginning of 20X8 27 laptops on stock it bought for 320 EUR/unit (net amount). During 20X8 the business purchased 8 times laptops 100 pieces for each delivery. The unit costs (purchase price, net amount) were as follows:

- (1) 315.00 EUR
- (2) 320.00 EUR
- (3) 320.00 EUR
- (4) 345.00 EUR
- (5) 338.00 EUR
- (6) 320.00 EUR
- (7) 320.00 EUR
- (8) 315.00 EUR

MELLENDORF applies the FiFo rule. The business sold during 20X8 560 computers. The first 500 computers were sold for 600.00 EUR/u (gross amount) the last ones for 660.00 EUR/u. Because of a software problem MELLENDORF had to offer the 1st 100 customers a discount 5%.

Required: Show relevant accounts for a perpetual system and determine the net profit (before tax).

Lösung (Solution)

The solution only contains the amounts relevant for profit and loss.

For valuation of inventories along FIFO method all purchases are to be posted to the inventory account.

See bookkeeping entries (1) to (8): E.g.: (1)

DR Purchase	31,500.00 EUR
CR Inventories	31,500.00 EUR

The opening value for inventories is $320 \cdot 27 = 8,640.00 \text{ EUR}$.

In order to keep the bookkeeping entries simple we only make one bookkeeping entry for all computers sold. The amount for material expenses is opening value of inventory plus purchases less materials still on stock: $(8,640 + 31,500 + 32,000 + 32,000 + 34,500 + 33,800 + 32,000 + 32,000 + 31,500 - (100 \cdot 315 + 100 \cdot 320 + 67 \cdot 320)) = 183,000.00 \text{ EUR}$. Accordingly there is a bookkeeping entry in order to consider the material expenses in the trading account:

DR T/A	183,000.00 EUR
CR Inventory	183,000.00 EUR

The sales of computers is considered by 3 bookkeeping entries, see below:

(9) 100 computers sold for 600.00 EUR (gross amount) under consideration of a discount 5%. The net selling price is: $100 \cdot 95\% \cdot 600/120\% = 47,500.00 \text{ EUR}$.

DR Bank	57,000.00 EUR
CR VAT	9,500.00 EUR
CR Sales revenue	47,500.00 EUR

(10) 400 computers sold for 600.00 EUR without discount: $400 \cdot 600/120\% = 200,000.00 \text{ EUR}$.

DR Bank	240,000.00 EUR
CR VAT	40,000.00 EUR
CR Sales revenue	200,000.00 EUR

(11) 60 computers sold for 660.00 EUR: $60 \cdot 660/120\% = 33,000.00 \text{ EUR}$.

DR Bank	39,600.00 EUR
CR VAT	6,600.00 EUR
CR Sales revenue	33,000.00 EUR

See accounts for determination of gross profit which amounts to 97,500.00 EUR:

Purch			Inventory			Sales		
D		C	D		C	D		C
31.500,00	(1)	31.500,00	OV	8.640,00	T/A	183.000,00	T/A	280.500,00
32.000,00	(2)	32.000,00	(1)	31.500,00			(9)	47.500,00
32.000,00	(3)	32.000,00	(2)	32.000,00			(10)	200.000,00
34.500,00	(4)	34.500,00	(3)	32.000,00			(11)	33.000,00
33.800,00	(5)	33.800,00	(4)	34.500,00				<u>280.500,00</u>
32.000,00	(6)	32.000,00	(5)	33.800,00				
32.000,00	(7)	32.000,00	(6)	32.000,00				
31.500,00	(8)	31.500,00	(7)	32.000,00				
			(8)	31.500,00	c/d	84.940,00		
				<u>267.940,00</u>		<u>267.940,00</u>		
			b/d	84.940,00				

T/A			b/d		
D		C	D		C
Inv	183.000,00	Sales	280.500,00		
GP	97.500,00				
	<u>280.500,00</u>				
		b/d	97.500,00		

Exhibit 1: Accounts