

SOLUTION: REVISION EXERCISE 4

(1)

WITBLITS ELECTRICIANS

GENERAL LEDGER

Dr		Capital: W Blits				Cr	
				20.1			R
				Oct 1	Bank		10 000
				24	Vehicles		9 000
							19 000

Dr		Drawings: W Blits				Cr	
20.1			R				
Oct 17	Bank		1 000				

Dr		Equipment (at cost)				Cr	
20.1			R				
Oct 3	Sparks Dealers/ Trade payables control		1 000				

Dr		Vehicles (at cost)				Cr	
20.1			R				
Oct 24	Capital: W Blits		9 000				

Dr		Bank				Cr	
20.1			R	20.1			R
Oct 1	Capital: W Blits		10 000	Oct 9	Advertising expenses		200
	Long-term loan: SA			12	Telephone expenses		75
	Bank		6 000	17	Drawings: W Blits		2 000
13	Service fees		500	27	Salaries		2 000
				30	Long-term loan: SA		
					Bank		1 500
				31	Balance	c/d	10 725
			16 500				16 500
20.1							
Nov 1	Balance	b/d	10 725				

Dr				Long-term borrowing: SA Bank				Cr			
20.1 Oct 30 31	Bank Balance	c/d	R	20.1 Oct 1	Bank						6 000
			1 500								
			4 500	20.1 Nov 1	Balance	b/d					4 500
			6 000								

Dr				Trade payables control				Cr			
				20.1 Oct 3	Equipment					R	1 000

Dr				Advertising expenses				Cr			
20.1 Oct 9	Bank		R 200								

Dr				Service fees				Cr			
				20.1 Oct 13	Bank					R 500	

Dr				Salaries				Cr			
20.1 Oct 27	Bank		R 2 000								

Dr				Telephone expenses				Cr			
20.1 Oct 12	Bank		R 75								

(2)

WITBLITS ELECTRICIANS

TRIAL BALANCE AS AT 31 OCTOBER 20.1

	Dr R	Cr R
Capital: W Blits		19 000
Drawings: W Blits	2 000	
Equipment (at cost)	1 000	
Vehicles (at cost)	9 000	
Bank	10 725	
Long-term loan: SA Bank		4 500
Trade payables control		1 000
Service fees		500
Advertising expenses	200	
Salaries	2 000	
Telephone expenses	75	
	25 000	25 000