

Level 3 Certificate in Bookkeeping and Accounting (RQF)
Study Text Book Model Answers

Lesson 9 – Prepare an Extended Trial Balance

Question 9.1

You are provided below with an extended trial balance. Balances taken from the bookkeeping system of Discount Decorating Supplies at the year-end 30 June 201Y have already been entered in the trial balance column of the extended trial balance and the debit and credit columns have been totalled as proof of arithmetic accuracy.

Discount Decorating Supplies – Extended Trial Balance at 30 June 201Y								
Ledger Account	Trial Balance		Adjustments		Profit & Loss		Balance Sheet	
	DR	CR	DR	CR	DR	CR	DR	CR
	£	£	£	£	£	£	£	£
Fixtures (cost)	10,000						10,000	
Vehicles (cost)	45,000						45,000	
Provision for dep'n - fixtures		3,000		1,000				4,000
- vehicles		29,565		3,000				32,565
Opening stock	38,850				38,850			
Purchases	379,836				379,836			
Sales		477,188				477,188		
Discount allowed	3,458				3,458			
Discount received		5,826				5,826		
Sales returns	2,252				2,252			
Purchase returns		2,968				2,968		
Sales ledger control	17,400						17,400	
Purchase ledger control		21,450						21,450
Rent and rates	18,880			10,800	8,080			
Heat and light	1,200		400		1,600			
Wages and salaries	51,180				51,180			
Vehicle expenses	7,068				7,068			
Bad debts	1,500				1,500			
Provision for doubtful debts		300		150				450
General expenses	2,562				2,562			
Capital		70,000						70,000
Drawings	24,000						24,000	
Bank	6,331						6,331	
Cash	780						780	
Totals	610,297	610,297	-	-	-	-	-	-
Closing stock – Profit and loss				39,160		39,160		
Closing stock – Balance sheet			39,160				39,160	
Depreciation expense			4,000		4,000			
Accrued expenses				400				400
Prepaid expenses			10,800				10,800	
Provision for doubtful debts adjm't			150		150			
Net profit					24,606			24,606
Totals			54,510	54,510	525,142	525,142	153,471	153,471

The following additional information is also available at 30 June 201Y:

- a Closing stock was valued at £39,160 at 30 June 201Y.
- b Depreciation:
 - i Fixtures are to be depreciated by £1,000 at the year-end 30 June 201Y
 - ii Vehicles are to be depreciated by £3,000 at the year-end 30 June 201Y
- c Heat and light bills of £400 due but unpaid at the year-end 30 June 201Y are to be accounted for.
- d Rent and rates of £10,800 are prepaid at 30 June 201Y.
- e Increase the balance on the provision for doubtful debts account by £150 at the year-end 30 June 201Y

REQUIRED:

Complete the extended trial balance of Discount Decorating Supplies at 30 June 201Y.

Question 9.2

You are provided below with an extended trial balance at 31 May 201Y. Balances taken from the bookkeeping system of Trent Sawmills, a business owned by Thomas Trent, have already been entered in the trial balance column of the extended trial balance, and the debit and credit columns have been totalled as proof of arithmetic accuracy

Trent Saw Mill – Extended Trial balance at 31 MAY 201Y								
Ledger Account	Trial Balance		Adjustments		Profit & Loss		Balance Sheet	
	DR	CR	DR	CR	DR	CR	DR	CR
	£	£	£	£	£	£	£	£
Bank	2,420						2,420	
Bank loan		40,000						40,000
Capital		155,000						155,000
Carriage inwards	4,440				4,440			
Discounts allowed	2,500				2,500			
Discounts received		3,470				3,470		
Drawings	36,000						36,000	
Fixtures (Cost)	12,000						12,000	
Fixtures (Prov'n for dep'n)		2,400		2,400				4,800
Insurances	1,200				1,200			
Loan interest paid	900				900			
Operating expenses	22,740		2,500		25,240			
Premises (Cost)	120,000						120,000	
Purchases	618,400				618,400			
Rates	6,800			2,800	4,000			
Sales		803,410				803,410		
Stock (opening stock)	70,240				70,240			
Sales ledger control		56,440						56,440
Purchase ledger control	37,780						37,780	
Value added tax (VAT)		4,260						4,260
Vehicles (Cost)	40,000						40,000	
Vehicles (Prov'n for dep'n)		8,000		6,400				14,400
Vehicle expenses	4,610				4,610			
Wages and salaries	92,950				92,950			
Totals	1,072,980	1,072,980	-	-	-	-	-	-
Closing stock – Profit & loss				67,440		67,440		
Closing stock – Balance sheet			67,440				67,440	
Prepaid expenses			2,800				2,800	
Accrued expenses				2,500				2,500
Depreciation charge			8,800		8,800			
Net profit					41,040			41,040
Totals			81,540	81,540	874,320	874,320	318,440	318,440

Additional information at 31 May 201Y:

You are provided with the following information at the year-end 31 May 201Y

- Stock at 31 May 201Y is valued at £67,440
- Rates of £2,800 are prepaid at 31 May 201Y
- An accrual of £2,500 is to be made at 31 May 201Y to account for operating expenses incurred but unpaid at that date
- Depreciation for the year ended 31 May 201Y is to be provided for as follows:
 - Fixtures £2,400
 - Vehicles £6,400

REQUIRED

Complete the extended trial balance of Trent Saw Mill for the year ended 31 May 201Y.

Question 9.3

You are provided below with an extended trial balance. Balances taken from the bookkeeping system of Premier Catering at the year-end 31 May 201Y have already been entered in the trial balance column of the extended trial balance and the debit and credit columns have been totalled as proof of arithmetic accuracy.

Premier Catering – Extended Trial Balance at 31 May 201Y

Ledger Account	Trial Balance		Adjustments		Profit & Loss		Balance Sheet	
	DR £	CR £	DR £	CR £	DR £	CR £	DR £	CR £
Premises (cost)	100,000						100,000	
Motor vehicles (cost)	40,000						40,000	
Office equipment (cost)	7,500						7,500	
Motor vehicles – prov'n dep'n		17,500		4,500				22,000
Office equipment – prov'n dep'n		1,500		750				2,250
Opening Stock	25,400				25,400			
Purchases	279,600				279,600			
Sales		435,000				435,000		
Discounts received		4,470				4,470		
Discounts allowed	3,590				3,590			
Wages and salaries	71,630				71,630			
Carriage inwards	1,720				1,720			
Loan interest	2,000				2,000			
Vehicle expenses	5,430				5,430			
Rates	14,800			7,800	7,000			
Other operating expenses	36,200		2,600		38,800			
Sales ledger control	45,600						45,600	
Purchase ledger control		37,200						37,200
Cash	250						250	
Bank (overdrawn balance)		14,500						14,500
Drawings	27,500						27,500	
Loan		20,000						20,000
Capital		131,050						131,050
Totals	661,220	661,220	-	-	-	-	-	-
Closing stock – Profit & Loss				27,200		27,200		
Closing stock – Balance sheet			27,200				27,200	
Prepaid expenses			7,800				7,800	
Accrued expenses				2,600				2,600
Depreciation charge			5,250		5,250			
Net profit					26,250			26,250
Totals			42,850	42,850	466,670	466,670	255,850	255,850

You are also provided with the following additional information at the year ended 31 May 201Y:

- Stock at 31 May 201Y is valued at £27,200
- Rates of £7,800 are prepaid at 31 May 201Y
- An accrual of £2,600 is to be made at 31 May 201Y to account for operating expenses incurred but unpaid at that date
- Depreciation for the year ended 31 May 201Y is to be provided for as follows:
 - Motor vehicles £4,500
 - Office equipment £750

REQUIRED

Complete the extended trial balance of Premier Catering for the year ended 31 May 201Y.

Question 9.4

You are provided below with an extended trial balance. Balances taken from the bookkeeping system of JC Construction Supplies at the year-end 30 September 201Y have already been entered in the trial balance column of the extended trial balance and the debit and credit columns have been totalled as proof of arithmetic accuracy.

JC Construction Supplies – Extended Trial Balance at 30 September 201Y								
Ledger Account	Trial Balance		Adjustments		Profit & Loss		Balance Sheet	
	DR	CR	DR	CR	DR	CR	DR	CR
	£	£	£	£	£	£	£	£
Stock (opening stock)	22,000				22,000			
Purchases	323,000				323,000			
Sales		440,700				440,700		
Discount allowed	4,600				4,600			
Discount received		5,500				5,500		
Sales returns	6,700				6,700			
Purchase returns		5,600				5,600		
Wages and salaries	34,500				34,500			
Bad debts	3,100				3,100			
Carriage inwards	1,400				1,400			
Carriage outwards	2,200				2,200			
Other operating expenses	24,500			170	24,330			
Sales ledger control	34,000						34,000	
Purchase ledger control		21,600						21,600
Provision for doubtful debts		450	110					340
Cash on hand	800						800	
Bank (overdrawn balance)		23,400						23,400
Drawings	23,500						23,500	
Capital		62,050						62,050
Property	50,000						50,000	
Equipment	64,000						64,000	
Provision for depreciation								
- equipment		35,000		12,700				47,700
Totals	594,300	594,300	-	-	-	-	-	-
Closing stock – Profit and loss				23,700		23,700		
Closing stock – Balance sheet			23,700				23,700	
Expenses prepaid			170				170	
Prov'n for doubtful debts adjustment				110		110		
Depreciation charge			12,700		12,700			
Net profit					41,080			41,080
Totals			36,680	36,680	475,610	475,610	196,170	196,170

The following additional information is also available at 30 September 201Y:

- 1 Stock at the close of business on 30 September 201Y is valued at £23,700.
- 2 'Other operating expenses' of £170 are prepaid at 30 September 201Y.
- 3 The balance on the provision for doubtful debts account is to be decreased by £110 at the year-end 30 September 201Y
- 4 Equipment at the year-end 30 September 201Y is to be depreciated by £12,700

REQUIRED

- a Complete the extended trial balance of JC Construction Supplies for the year ended 30 September 201Y.