

Question 3 (24 marks)**a.****Inventory**

Date 2019	Cross-Reference	Amount	Date 2019	Cross-Reference	Amount
1 Aug.	Balance	28 480	31 Aug.	Cost of Sales	3 600
31 Aug.	Accounts Payable	9 000		Cost of Sales	6 200
	Cost of Sales	1 000		Drawings	800
	Inventory Gain	400		Advertising	400
				Accounts Payable	1 000
		<u>38 880</u>		Balance	26 880
1 Sep.	Balance	26 880			<u>38 880</u>

8 marks

1 mark for each entry in account, with each Cost of Sales entry to be awarded 1 mark.

*If students combine the two Cost of Sales entries on the credit side of account, there is no penalty imposed and full marks should be awarded
1 mark for completing the account, which includes carrying the balance forward.*

GST Clearing

Date 2019	Cross-Reference	Amount	Date 2019	Cross-Reference	Amount
31 Aug.	Bank	1 170	1 Aug.	Balance	1 170
	Accounts Payable	900	31 Aug.	Bank	720
	Bank	3 970		Accounts Receivable	1 240
	Accounts Receivable	200		Accounts Payable	100
				Balance	<u>3 010</u>
		<u>6 240</u>			<u>3 230</u>
1 Sep.	Balance	3 010			

11 marks

4 marks for Bank entries totalling \$3 970:

\$3 100 + \$450 (Computer) + \$120 (Customs Duty) + \$300 (Advertising).

1 mark for each other entry in account.

1 mark for completing the account, which includes carrying the balance forward.