DATE.

Assignment NO 1

Name: Saghir Akmal

ID : F2023385041

Saghir

DATE.

Saghir

Assignment 1

E. 5.2

a) Kerber Co.

Date		Dr	Cr
April 5	Inventory	23000	
	Account Payable		23000
6	Inventory	900	
	Cash		900
7	Equipment	26000	
	Account Payable		26000
8	Account Payable	3000	
	Inventory		3000
15	Account Payable	20,000	
	Inventory		400
	Cash		19,600

b)

Date		Dr	Cr
May 4	Account Payable	20,000	
	Cash		20,000

DATE.

Saghir

E. 5.3

Beginning Inventory = 18 × 30
= 540

Date	Explaination	Dr	Cr
Sept 6	Inventory	1980	
	Cash		1980
9	Inventory	90	
	Cash		90
10	Cash	69	
	Inventory		69
12	Accaunt Recievable	806	
	Sales		806
12	COGS	598	
	Inventory		598
14	Sales Return	31	
	Account Recievable		31
14	Inventory	23	
	COGS		23
20	Accaunt Recievable	960	
	Sales		960
20	COGS	690	
	Inventory		690

DATE.

Saghis

E: 5.4

a) Diaz Company

Date			
June 10	Inventory	8000	
	Account Payable		8000
11	Inventory	400	
	Cash		400
19	Account Payable	7700	
	Inventory Cash		154
	Cash		7546

b) Taylor Company

Date		Dr	Cr
June 10	Account receivable	8000	
	Sales		8000
10	COGS	4800	
	Inventory		4800
12	Sales Return	300	
	Account Receivable		300
12	Inventory	70	
	COGS		70
19	Cash	7546	
	Sales Discount	154	
	Account Receivable		7700

DATE.

Saghir

E: 5.5

R. Humphrey Company

a)

Date			
Dec 3	Account Receivable	570000	
	Sales		570000
3	COGS	350000	
	Inventory		35000
3	Frieght	400	
	Cash		400
8	Sales return + allowance	20000	
	Accounts Receivable		20000
13	Cash	544500	
	Sales discounts	5500	
	Accounts Recievable		550000

b)

Date		Dr	Cr
Dec 13	Cash	550000	
	Account receivable		550000

DATE.

Saghis

E: 5.6

a) **Sales**

Sales revenue		820000
Less: Sales Return and Allowances	25000	
Sales Discounts	13000	(35000)
Net Sales		782000

E: 5.7

		Dr	Cr
a)	COGS	1400	
	Inventory		1400
b)	Sales Revenue	115000	
	Income Summary		115000
	Income Summary	91900	
	Sales Return and Allowances		1700
	Sales Discounts		1200
	COGS		60000
	Operating Expense		29000

E: 5-9

Sales

Sales Revenue		38000
Less: Sales Returns and Allowances	13000	
Sales Discounts	8000	21000
Net Sales		35900
COGS		215000

DATE

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Gross Profit	144000

Other Operating Expenses

Frieght-out	7000	
Insurance Expense	6000	
Salaries and Wages expense	58000	
Rent Expense	30000	(101000)
Net Income		43000

b) Gross Profit rate = $\frac{\text{Gross Profit}}{\text{Net Sales}} \times 100\%$

$= \frac{144000}{359000} \times 100\%$

$= 40.1\%$

E: 5.13

a)

a)

92000	Sales Revenue
-87000	Net Sales
5000	Sales Return

b)

87000	Net Sales
- 56000	COGS
31000	Gross Profit

c)

31000	Gross Profit
(-15000)	Operating expense
16000	Net Income

DATE.

Saghis

d) 102000 Net Sales
5000 Sales Return
107000 Sales Revenue

e) 102000 Net Sales
(-41500) Gross Profit
60500 COGS

f) 41500 Gross Profit
(-18000) Net Income
23500 Operating expenses

b) **Gross Profit Rates**

Summer Company

$\frac{31000}{87000} \times 100\% = 35.6\%$

Winter Company

$\frac{41500}{102000} \times 100\% = 40.7\%$

E: 5-20

a)

Date		Dr	Cr
April 5	Purchases	25000	
	Accaunt Payable		25000
6	Freight-In	900	
	Cash		900

DATE.

Saghi

7	Equipment	30000	
	Account Payable		30000
8	Account Payable	2800	
	Purchase Return		2800
15	Account Payable	22200	
	Purchase Discount		444
	Cash		21756

b)

Date		Dr	Cr
May			
4	Accounts Payable	22200	
	Cash		22200

E:5-21

a)

Date		Dr	Cr
April 5	Purchases	21000	
	Account Payable		21000
6	Freight-In	800	
	Cash		800
7	Equipment	26000	
	Account Payable		26000

DATE.

Sashi

8	Account Payable	4000	
	Purchase Return		4000
15	Account Payable	17000	
	Purchase discount		340
	Cash		16660

b)

Date		Dr	Cr
May 4	Account Payable	17000	
	Cash		17000