

Study Unit 4

General Ledger entries - Tim's Garden Services

Post the following transactions to the General Ledger:

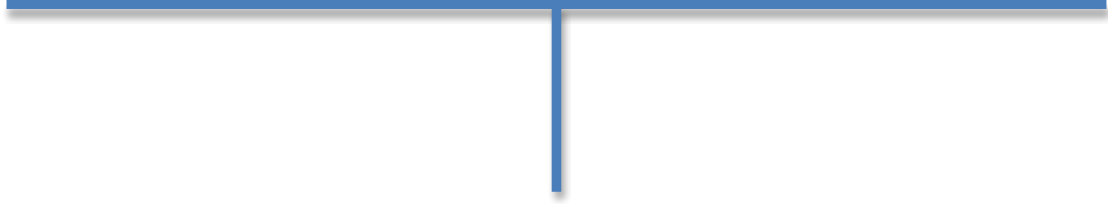
Tim Miller started a garden services business on 1 March 2013. He entered into the following transactions during March:

1. Tim deposited R100 000 into the bank account of the business as capital on 2 March
2. On 3 March, Tim purchased two lawnmowers for his business and paid for them from the business account. They amounted to R8 000
3. Also on 3 March, he paid R3 500 from the business account to New Market to design pamphlets for him to advertise the business
4. Tim purchased a bakkie on credit from PayLess Fleet for R95 000 on 4 March
5. Also on 4 March, he was paid R500 for services rendered to B Smith, in cash, which he deposited into the business account
6. On 5 March, Tim gave his wife R2 000 from the business account to go shopping
7. Tim paid wages of R400 to his staff from the bank account on 6 March
8. Tim rendered services on 6 March to R Naidoo, with the agreement that he would be paid for his services at the end of the month. R650
9. He refilled the bakkie with petrol (R870) and paid with money from the business account on 10 March
10. On 12 March he bought a chainsaw for the business and paid from his personal account. R5 600
11. On 15 March, he paid for the printing of advertising pamphlets from the business account, it came to R430
12. Also on 15 March, he performed services for two townhouse complexes and was paid R1 500. The amount was deposited into the business account
13. On 18 March he purchased tools for the business, which came to R2 300. He paid this from the business account
14. On 19 March he opened an account with the local hardware store DIY Stuff and purchased more tools on account to the value of R3 700
15. On 20 March he transferred his personal computer to the business. The value of the computer was R 12 800
16. On 20 March, R Naidoo paid R650 into the business account in settlement of his account (See Trns 8)
17. On 29 March Tim paid R300 to DIY Stuff in part payment of the amount he owes them (See Trns 14). He paid from the business account
18. On 30 March, the business bank account earned R54 interest. This was for March
19. On 31 March, Tim drew R30 000 from the business bank account for salaries
20. On 31 March, Tim obtained a loan from the bank for R30 000, which he plans to use for additional equipment for the business
21. Also on 31 March, he paid R5 000 to PayLess Fleet as an instalment on the bakkie, from the business account

Study Unit 4

DR

CR



Vehicles

Date	Details	Fol	Amount	Date	Details	Fol	Amount

Finance: PayLess Fleet

Date	Details	Fol	Amount	Date	Details	Fol	Amount

Services Rendered

Date	Details	Fol	Amount	Date	Details	Fol	Amount

Drawings

Date	Details	Fol	Amount	Date	Details	Fol	Amount

Wages

Date	Details	Fol	Amount	Date	Details	Fol	Amount

Debtor: R Naidoo

Date	Details	Fol	Amount	Date	Details	Fol	Amount

Petrol

Date	Details	Fol	Amount	Date	Details	Fol	Amount

Tools

Date	Details	Fol	Amount	Date	Details	Fol	Amount

Creditor: DIY Stuff

Date	Details	Fol	Amount	Date	Details	Fol	Amount

Computer Equipment

Date	Details	Fol	Amount	Date	Details	Fol	Amount

Interest Received

Date	Details	Fol	Amount	Date	Details	Fol	Amount

Salaries

Date	Details	Fol	Amount	Date	Details	Fol	Amount

Loan: Bank

Date	Details	Fol	Amount	Date	Details	Fol	Amount

Study Unit 4

General Ledger entries - Tim's Garden Services

Solution

DR Capital CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
				02-Mar	Bank	1	100 000
				12-Mar	Equipment	10	5 600
				20-Mar	Computer Equipment	15	12 800
							118 400

DR Bank CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
02-Mar	Capital	1	100 000	03-Mar	Equipment	2	8 000
04-Mar	Services Rendered	5	500	03-Mar	Advertising	3	3 500
15-Mar	Services Rendered	12	1 500	05-Mar	Drawings	6	2 000
20-Mar	Debtor: R Naidoo	16	650	06-Mar	Wages	7	400
30-Mar	Interest Received	18	54	10-Mar	Petrol	9	870
31-Mar	Loan: Bank	20	30 000	15-Mar	Advertising	11	430
				18-Mar	Bank	13	2 300
				29-Mar	Creditor: DIY Stuff	17	300
				31-Mar	Salaries	19	30 000
				31-Mar	Finance: PayLess Fleet	21	5 000
					Balance	c/d	79 904
			132 704				132 704
	Balance	b/d	79 904				

Equipment

Date	Details	Fol	Amount	Date	Details	Fol	Amount
03-Mar	Bank	2	8 000				
12-Mar	Capital	10	5 600				
			13 600				

Study Unit 4

Advertising

Date	Details	Fol	Amount	Date	Details	Fol	Amount
03-Mar	Bank	3	3 500				
15-Mar	Bank	11	430				
			3 930				

Vehicles

Date	Details	Fol	Amount	Date	Details	Fol	Amount
03-Mar	Finance: Payless Fleet	4	95 000				
			95 000				

Finance: PayLess Fleet

Date	Details	Fol	Amount	Date	Details	Fol	Amount
31-Mar	Bank	21	5 000	03-Mar	Vehicles	4	95 000
	Balance	c/d	90 000				
			95 000				95 000
					Balance	b/d	90 000

Services Rendered

Date	Details	Fol	Amount	Date	Details	Fol	Amount
				04-Mar	Bank	5	500
				06-Mar	Debtor: R Naidoo	8	650
				15-Mar	Bank	12	1 500
							2 650

Drawings

Date	Details	Fol	Amount	Date	Details	Fol	Amount
05-Mar	Bank	6	2 000				
			2 000				

Study Unit 4

Wages

Date	Details	Fol	Amount	Date	Details	Fol	Amount
06-Mar	Bank	7	400				
			400				

Debtor: R Naidoo

Date	Details	Fol	Amount	Date	Details	Fol	Amount
06-Mar	Services rendered	8	650	20-Mar	Bank	16	650
					Balance	c/d	0
			650				650
	Balance	b/d	0				

Petrol

Date	Details	Fol	Amount	Date	Details	Fol	Amount
10-Mar	Bank	9	870				
			870				

Tools

Date	Details	Fol	Amount	Date	Details	Fol	Amount
18-Mar	Bank	13	2 300				
19-Mar	Creditor: DIY Stuff	14	3 700				
			6 000				

Creditor: DIY Stuff

Date	Details	Fol	Amount	Date	Details	Fol	Amount
29-Mar	Bank	17	300	19-Mar	Tools	14	3 700
	Balance	c/d	3 400				
			3 700				3 700
					Balance	b/d	3 400

Computer Equipment

Date	Details	Fol	Amount	Date	Details	Fol	Amount
20-Mar	Capital	15	12 800				
			12 800				

Study Unit 4

Interest Received

Date	Details	Fol	Amount	Date	Details	Fol	Amount
				30-Mar	Bank	18	54
							54

Salaries

Date	Details	Fol	Amount	Date	Details	Fol	Amount
31-Mar	Bank	19	30 000				
			30 000				

Loan: Bank

Date	Details	Fol	Amount	Date	Details	Fol	Amount
				31-Mar	Bank	20	30 000
							30 000

244 504

244 504