

- 1 Seok buys and sells goods on credit. He has three credit customers and allows one of them, Naomi, trade discount of 10%. All customers pay Seok by bank transfer.

The following balances were extracted from Seok's sales ledger at 1 August 2023.

	\$
Naomi	450
Siena	155
Bwana	<u>386</u>
	<u>991</u>

The following transactions took place in August 2023.

- Aug 3 Sold goods on credit, to Naomi, list price \$410
- 5 Sold goods on credit, \$89, to Bwana
- 10 Naomi returned goods, list price \$20
- 11 Naomi paid \$423 in full settlement of the amount she owed at 1 August
- 19 Sold goods on credit, \$180, to Bwana
- 22 Sold goods on credit, to Naomi, list price \$230
- 27 Bwana returned goods, \$19
- 29 Bwana paid \$400

### REQUIRED

- (a) Prepare the sales journal for August 2023.  
Total the journal and indicate the ledger account where the total would be posted.

Seok  
Sales journal

Date	Details	\$	\$
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....

[4]

- (b) Prepare the sales returns journal for August 2023.  
Total the journal and indicate the ledger account where the total would be posted.

Seok  
Sales returns journal

Date	Details	\$	\$
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....

[3]

- (c) Prepare the account for Naomi for August 2023 as it would appear in the books of Seok.  
Balance the account and bring down the balance at 1 September 2023.

Seok  
Naomi account

Date	Details	\$	Date	Details	\$
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....

[6]

Question	Answer	Marks																					
1(a)	<p style="text-align: center;">Seok Sales journal</p> <table border="1"> <thead> <tr> <th>Date</th><th>Details</th><th>\$</th></tr> </thead> <tbody> <tr> <td>2023</td><td></td><td></td></tr> <tr> <td>Aug 3</td><td>Naomi (410 – 41)</td><td>369 (1)</td></tr> <tr> <td>5</td><td>Bwana</td><td>89}</td></tr> <tr> <td>19</td><td>Bwana</td><td>180} (1)</td></tr> <tr> <td>22</td><td>Naomi (230 – 23)</td><td>207 (1)</td></tr> <tr> <td>31</td><td>Transfer to sales account</td><td><u>845</u> (1) <b>OF</b></td></tr> </tbody> </table>	Date	Details	\$	2023			Aug 3	Naomi (410 – 41)	369 (1)	5	Bwana	89}	19	Bwana	180} (1)	22	Naomi (230 – 23)	207 (1)	31	Transfer to sales account	<u>845</u> (1) <b>OF</b>	4
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Question	Answer						Marks		
1(c)	Seok Naomi account						6		
	Date	Details		\$	Date	Details		\$	
	2023				2023				
	Aug 1	Balance b/d	(1)	450	Aug 10	Sales returns		(1) OF	18
	3	Sales }		369	11	Bank		(1)	423
	22	Sales }	(1)OF	207		Discount allowed		(1)	27
					31	Balance c/d			558
				<u>1026</u>					<u>1026</u>
	Sept 1	Balance b/d	(1)OF	558					