

Chapter 9: Periodic Inventory Systems

Chapter Review Solutions

2. Henrietta's Fashions

Trading Statement for the month ending 31 May

Sales			52,700
Less: Cost of Goods Sold			
Opening inventory	11,300		
Purchases	23,850		
Cost of goods available for sale	35,150		
Less Closing inventory	-12,100	23,050	
Gross Profit			\$29,650

4. Gamlin Imports

(a) Trading Statement for the year ending 30 June 2019

Sales			181,800
Less: Cost of Goods Sold			
Opening inventory	16,500		
Freight Inwards	3,250		
Customs Duty	2,600		
Purchases	125,300		
Cost of goods available for sale	147,650		
Less Closing inventory	-27,300	120,350	
Gross Profit			\$61,450

(b) The cost of goods sold for the year ended 30 June 2019: \$120,350.

(c) A lower closing stock of \$20,000 would reduce profit by \$20,000.

6. Globethink

Date	Particulars	Folio	Debit	Credit
July 03	Purchases		130	
	GST Paid		13	
	Accounts Payable			143
	Purchases of stock on credit			
03	Purchases		150	
	GST Paid		15	
	Accounts Payable			165
	Purchases of stock on credit			
05	Bank		561	
	Sales			510
	GST Collected			51
	Cash sales			
05	Wages		320	
	Bank			320
	Cash sales			
06	Telephone		120	
	GST Paid		12	
	Bank			132
	Paid telephone			
09	Advertising		110	
	GST Paid		11	
	Bank			121
	Paid advertising			
10	Bank		600	
	Accounts Receivable			600
	Customer receipt			
11	Account Receivable		341	
	Sales			310
	GST Collected			31
	Credit sales			
22	Bank		176	
	Sales			160
	GST Collected			16
	Cash sales			
22	Accounts Payable		44	
	Purchases			40
	GST Paid			4
	Credit note from supplier			
25	Accounts Payable		750	
	Bank			750
	Paid supplier			