**1.** The financial year of T Guiness ended on 31 December 20X6. Show the ledger accounts forthe following items including the balance transferred to the necessary part of the financial state-ments, also the balances carried down to 20X7:

(*a*) Motor expenses: Paid in 20X6 £819; Owing at 31 December 20X6 £94.

(*b*) Insurance: Paid in 20X6 £840; Prepaid as at 31 December 20X6 £68.

(*c*) Stationery: Paid during 20X6 £370; Owing as at 31 December 20X5 £110; Owing as at

31 December 20X6 £245.

(*d*) Business rates: Paid during 20X6 £1,654; Prepaid as at 31 December 20X5 £140; Prepaid as at

31 December 20X6 £120.

(*e*) Guiness sub-lets part of the premises. He receives £1,400 during the year ended 31 December 20X6.

Harte, the tenant, owed Guiness £175 on 31 December 20X5 and £185 on 31 December 20X6.

**2** W Hope’s year ended on 30 June 20X8. Write up the ledger accounts, showing the transfersto the financial statements and the balances carried down to the next year for the following:



(*a*) Stationery: Paid for the year to 30 June 20X8 £240; Stocks of stationery at 30 June 20X7 £60;

at 30 June 20X8 £95.

(*b*) General expenses: Paid for the year to 30 June 20X8 £470; Owing at 30 June 20X7 £32; Owing

at 30 June 20X8 £60.

(*c*) Rent and business rates (combined account): Paid in the year to 30 June 20X8 £5,410; Rent

owing at 30 June 20X7 £220; Rent paid in advance at 30 June 20X8 £370; Business rates owing

30 June 20X7 £191; Business rates owing 30 June 20X8 £393.

(*d*) Motor expenses: Paid in the year to 30 June 20X8 £1,410; Owing as at 30 June 20X7 £92;

Owing as at 30 June 20X8 £67.

(*e*) Hope earns commission from the sales of one item. Received for the year to 30 June 20X8

£1,100; Owing at 30 June 20X7 £50; Owing at 30 June 20X8 £82.

**3** On 1 January 20X8 the following balances, among others, stood in the books of R Atkins, asole trader:

(*a*) Business rates, £210 (Dr);

(*b*) Packing materials, £740 (Dr).

During the year ended 31 December 20X8 the information related to these two accounts is as follows:

(*i*) Business rates of £1,920 were paid to cover the period 1 April 20X8 to 31 March 20X9;

(*ii*) £3,150 was paid for packing materials bought;

(*iii*) £242 was owing on 31 December 20X8 in respect of packing materials bought on credit;

(*iv*) Old materials amounting to £63 were sold as scrap for cash;

(*v*) Closing stock of packing materials was valued at £690.

You are required to write up the two accounts showing the appropriate amounts transferred to the Profit and Loss Account at 31 December 20X8, the end of the financial year of the trader.

*Note*: No separate accounts are opened for creditors for packing materials bought on credit.