

## CASE STUDY

### FACT FILE

Business Name	Back-Up Ltd
Address	13 Merrion Villas Terenure Dublin 6W
Telephone	01 - 490 3469
Fax	01 - 490 3470
VAT Reg No	IE-2346897R
Accounts Contact	John Boden
Business	Office Supplies and Maintenance of Office Equipment
Type of Business entity	Private Limited Company

### Business Profile

Back-Up Ltd was started in 1984 by Rhona and Terry Johnson. Originally the business was a partnership, but in 1990 the partners formed a Limited Company.

The Company now sells a wide variety of stationery and office products directly to different business entities and through a retail outlet. It also services and repairs office equipment.

Sales to business entities are on credit terms. Sales in the retail outlet (shop) are mainly for cash although some customers are on credit terms.

The Company is registered for VAT. VAT is charged on office supplies made by the Company at the standard rate - 21%. VAT is charged on the servicing and repairs of office equipment at the lower rate - 12.5%.

The Company buys goods from a limited number of suppliers.

## YOUR ASSIGNMENT

The Company's accounts year is January to December. Today is 30th April 1994. You are employed as the bookkeeper and you have prepared the first quarter's accounts for 1994 using a manual system of accounts. Rhona and Terry Johnson are keen that the accounts would be computerised as soon as possible. They have asked you to implement this. You have purchased and installed a standard Accounts Processor software package.

**You are required to:**

**1** Set up the System parameters which include:

- setting up the appropriate nominal accounts with the opening balances from the trial balance you extracted from the manual system of accounts at 31-3-94;
- set up standing data for 4 customer and 3 supplier accounts with their opening balances as at 31-3-94;
- set up the relevant VAT codes.

**2** You are then required to enter the transactions for April 1994 into the computerised accounts system from the attached source documents and the extra information contained on page 3.

**3** Finally you are requested to print out:

- the trial balance (nominal ledger listing) as at 30th April 1994 at the end of processing;
- an aged debtors' listing and creditors' listing as at 30th April 1994;
- sales day book for April 1994;
- cash/cheque receipts day book for April 1994;
- purchase day book for April 1994;
- cheque payments day book for April 1994;
- petty cash payments day book for April 1994;
- the VAT report and VAT return to meet the statutory requirements of the Revenue Commissioners for April 1994. (Data for March 1994 is not required);
- Theft Security Limited sales ledger account as at 30th April 1994.

**4** Please store your data on a hard disk or floppy disk.

# NOMINAL ACCOUNTS - TRIAL BALANCE AS AT 31.3.1994

CODE	NOMINAL ACCOUNT	DR IR£	CR IR£
1100	Sales - goods and repairs		21,459.09
1200	Purchases	13,622.72	
1300	Staff Salaries (incl. Employer's PRSI)	2,523.23	
1310	Advertising	60.92	
1320	Printing, Postage, Stationery	160.44	
1330	Telephone	202.11	
1340	Electricity	223.90	
1350	Rent	1,500.00	
1360	Miscellaneous Expenses	87.40	
1370	Bank Charges	77.44	
1500	Office Equipment	2,680.00	
1550	Accumulated Depreciation Office Equipment		840.00
1600	Stock	4,000.00	
1640	Debtors	3,560.86	
1660	Current Bank Account	840.60	
1680	Petty Cash	180.00	
1840	Creditors		3,124.64
1850	VAT Payable		710.60
1860	PAYE/PRSI Payable		396.40
1900	Ordinary Share Capital		1,000.00
1950	Profit & Loss Account		<u>2,188.89</u>
		<u>£29,719.62</u>	<u>£29,719.62</u>

### **RELEVANT INFORMATION**

- 1 All cash and cheques are lodged on date of receipt.
- 2 Stock at 30th April 1994 is £4,400.
- 3 PAYE/PRSI due to the Revenue Commissioners for the month ended 5th May 1994 is £376.20.
- 4 VAT for Jan/Feb '94 of £468.60 was paid to the Revenue Commissioners on 26th April 1994. Cheque number 100010.

#### **5 PETTY CASH VOUCHERS**

<b>Date</b>	<b>Details</b>	<b>Voucher</b>	<b>Total</b>	<b>VAT</b>	<b>NET</b>
April 3	Stamps	45	32.00	-	32.00
April 5	Rail Fare	46	22.50	-	22.50
April 12	Stationery	47	10.89	1.89	9.00
April 19	Cleaning Goods	48	27.83	4.83	23.00
April 26	Taxi	49	12.00	-	12.00

#### **6 STAFF SALARIES PAID BY DIRECT DEBIT**

April 8th (Week 1)	£291.94 (net payment)
April 15th (Week 2)	£289.50 (net payment)
April 22nd (Week 3)	£290.56 (net payment)
April 29th (Week 4)	£282.50 (net payment)

## STANDING DATA

### CUSTOMERS

Name	Address	VAT No.
Mary Murphy	8 Sycamore Road Donnybrook Dublin 4 Tel: 01 - 269 4622 Fax:	-
Terenure Comprehensive College	Cross Roads Terenure Dublin 6W Tel: 01 - 490 4392 Fax: 01 - 490 4684	-
Theft Security Ltd	18 Lemon Park South Circular Road Dublin 8 Tel: 01 - 450 7698 Fax: 01 - 450 7680	IE2951828Q
Hicks Furniture Ltd	7 Fortfield Terrace Kimmage Dublin 6W Tel: 01 - 450 6738 Fax: 01 - 450 6738	IE2030176M

## STANDING DATA

### SUPPLIERS

Name	Address	VAT No.
Computer Supplies Ltd	Tree Ind Estate Naas Road Dublin 12 Tel: 01 - 450 6811 Fax: 01 - 450 6821	IE8336978P
Dunnes Supplies Ltd	Waterloo Drive Baggot Street Dublin 4 Tel: 01 - 676 1576 Fax: 01 - 676 1533	IE3741839P
Knights Paper Products Ltd	Green Avenue Walkinstown Dublin 12 Tel: 01 - 450 0703 Fax: 01 - 450 0704	IE9067403Q

Students should assign their own codes to the customers and suppliers and set up further accounts if required.

**OPENING BALANCES**  
(as at 31.3.1994)

**CUSTOMERS**

Account	Invoice Number	Date	Net IR£	VAT IR£	Total IR£
Hicks Furniture Ltd	1836	14.2.94	250.00	31.25	281.25
	1862	23.3.94	168.00	35.28	203.28
J. F. Kennedy Ltd	1874	28.3.94	1,078.60	226.50	1,305.10
Mary Murphy	1868	25.3.94	60.00	12.60	72.60
Theft Security Ltd	1843	15.2.94	280.00	35.00	315.00
	1858	18.3.94	1,167.50	245.17	1,412.67
Credit Note	241	24.3.94	(24.00)	(5.04)	<u>(29.04)</u>
<b>Total</b>					<u><b>£3,560.86</b></u>

**SUPPLIERS**

Account	Invoice Number	Date	Net IR£	VAT IR£	Total IR£
Computer Supplies Ltd C/N	10346	7.2.94	609.08	127.91	736.99
	11342	9.3.94	540.50	113.50	654.00
	Credit Note	2863	12.3.94	(86.00)	(18.06)
Dunnes Supplies Ltd	3440	24.2.94	189.60	39.82	229.42
	3521	18.3.94	426.56	89.58	516.14
Knights Paper Products Ltd	2563	8.2.94	200.00	42.00	242.00
	2592	25.2.94	286.00	60.06	346.06
	2713	16.3.94	416.60	87.49	<u>504.09</u>
<b>Total</b>					<u><b>£3,124.64</b></u>

**EMITTANCE ADVICE**

Remittance Advice Date: 5/4/94  
Tel: 01 - 490 3469

From Back-Up Limited  
13 Merrion Villas  
Terenure  
Dublin 6W

To Knights Paper Products Limited  
Green Avenue  
Walkinstown  
Dublin 12

Code:

Ch	Inv.No	Inv.Date	Description	Inv.Amount	Discount	Paid Amount
013	2563	8 / 2/94	Purchase Inv	242.00	0.00	242.00
014	2592	25 / 2/94	Purchase Inv	346.06	0.00	346.06

Total: 588.06      0.00      588.06

ue Number: 100005      Date: 5/4/94

Amount: 588.06

**REMITTANCE ADVICE**

Remittance Advice Date: 5/4/94  
Tel: 01 - 490 3469

To Computer Supplies Limited  
Tree Industrial Estate  
Naas Road  
Dublin 12

Code:

Batch	Inv.No	Inv.Date	Description	Inv.Amount	Discount	Paid Amount
100011	10346	7 / 2/94	Purchase Inv	736.99	0.00	736.99

Total: 736.99      0.00      736.99

Cheque Number: 100006      Date: 5/4/94

Amount: 736.99

**REMITTANCE ADVICE**

Remittance Advice Date: 5/4/94  
Tel: 01 - 490 3469

From Back-Up Limited  
13 Merrion Villas  
Terenure  
Dublin 6W

To Dunnes Supplies Limited  
Waterloo Drive  
Baggot Street  
Dublin 4

Code:

<b>TRUST BANK LTD</b>		<i>5th April 1994</i>	
DONNYBROOK, DUBLIN 4.		<i>700</i>	
PAY <i>Back-Up Limited</i>		OR ORDER	
<i>Seventy two pounds and</i>		<b>IR £72.60</b>	
<i>sixty pence only -</i>			
90123	98-12-12 3680398	<i>Mary Murphy</i> Mary Murphy	

Batch	Inv.No	Inv.Date	Description	Inv.Amount	Discount	Paid Amount
100016	3440	24/2/94	Purchase Inv	229.42	0.00	229.42

Received 6th April 1994

Total: 229.42      0.00      229.42

Cheque Number: 100007      Date: 5/4/94      Amount: 229.42



INVOICE

Invoice No: 1894  
Invoice Date: 6/4/94  
Page: 1

Back-Up Limited  
13 Merrion Villas  
Terenure  
Dublin 6W

VAT Number: 2346897R

Tel: 01 - 490 3469

*Deliver to*  
Hicks Furniture Limited  
7 Fortfield Terrace  
Kimmage  
Dublin 6W

*Invoice to*  
Hicks Furniture Limited  
7 Fortfield Terrace  
Kimmage  
Dublin 6W

Your Order No: 1452  
Our Order No: 2151

Desc: Re Order 1452

Customer Code:  
Sl's Ord Date: 6/4/94

Description	Quantity	Unit Price	Disc	Total
IPT 11**14.5" 70gm Listing Paper	6.00	15.90		95.40
Service to Photocopier	1.00	120.00		120.00

INVOICE

Invoice No: 1895  
Invoice Date: 6/4/94  
Page: 1

Back-Up Limited  
13 Merrion Villas  
Terenure  
Dublin 6W

VAT Number: 2346897R

Tel: 01 - 4903469

*Deliver to*  
Theft Security Limited  
18 Lemon Park  
South Circular Road  
Dublin 8

*Invoice to*  
Theft Security Limited  
18 Lemon Park  
South Circular Road  
Dublin 8

Your Order No: 983  
Our Order No: 2152

Desc: Re: 983

Customer Code:  
Sl's Ord Date: 6/4/94

Description	Quantity	Unit Price	Disc	Total
150 150MB Data Cartridge	2.00	17.90		35.80
Disk Drive Lock	1.00	31.05		31.05

VAT Rate	Net Amount	VAT Amount
1 21.00%	95.40	20.03
2 12.50%	120.00	15.00
	<b>Total</b>	<b>250.43</b>

Net:	Total
66.85	80.89
VAT: 14.04	

VAT Rate	Net Amount	VAT Amount
1.00%	66.85	14.04
	<b>Total</b>	<b>80.89</b>

FRIENDLY BANK LTD

TERENURE, DUBLIN 6.

*YCO*

*4th April, 1994*

PAY *Back-Up Limited*

*Three hundred and fifteen*

*pounds only -*

*Daniel Delaney*

THEFT SECURITY LTD

00928 92-10-12 3656302

© National Council for Vocational Awards

IRISH BANK LTD

TERENURE, DUBLIN 6W.

*YCO*

*5th April, 1994*

PAY *Back-Up Limited*

*Two hundred and eighty one*

*pounds and twenty-five pence*

OR ORDER

IR £281.25

*John Hicks*

Hicks Furniture Limited

14348

97-10-12 648309

© National Council for Vocational Awards

Received 26. April 1994

# TELECOM EIREANN

## TELEPHONE SERVICE ACCOUNT

Account No. 17514258

Account Type Business

Telephone No 01-490 3409

Date 5th April 1994

To Back-Up Ltd  
13 Merrion Villas  
Terenure  
Dublin 6W

### Account Summary

Last Bill Amount	150.26
Payment Received, Thank you	150.26CR
Line Rental	20.00
Equipment Rental	8.50
Metered calls 1019 units @ 21%	113.82
VAT on £142.32 @ 21%	29.89
<b>Total due IRE</b>	<b>172.21</b>

Received 8th April 1994

TEL: 01 - 676 1576  
FAX: 01 - 676 1533

VAT REG. NO: IE-3741839P

**DUNNES SUPPLY LTD**  
Waterloo Drive  
Baggot Street  
Dublin 4

To: Back-Up Ltd  
13 Merrion Villas  
Terenure  
Dublin 6W

Date: 8 April 1994  
No 105

Terms Net 1 month

Your Order No 101

QTY	Description	£	p
300	Verbatim 3.5" DS/HD disks	210	00
	Sub-total	210	00
	VAT	44	10
	Total	254	10

Received 11th April 1994

# INVOICE

Invoice No: 1903  
 Invoice Date: 12/4/94  
 Page: 1

Back-Up Limited  
 13 Merrion Villas  
 Terenure  
 Dublin 6W

VAT Number: 2346897R

Tel: 01 - 490 3469

*Deliver to*  
 Cash Sales Invoice

*Invoice to*  
 Cash Sales Invoice

Customer Code:  
 Sls Ord Date: 12/4/94

Desc: Cash Sale

Your Order No: 2160  
 Our Order No: 2160

Quantity	Unit Price	Disc	Total
2.00	4.10		8.20

Description  
 100M Fax Roll

Net:	8.20
VAT:	1.72
Total	9.92

VAT Rate	Net Amount	VAT Amount
1 21.00%	8.20	1.72
%	%	%

# INVOICE

Invoice No: 1896  
 Invoice Date: 14/4/94  
 Page: 1

ck-Up Limited  
 Merrion Villas  
 Terenure  
 Dublin 6W

VAT Number: 2346897R

f: 01 - 490 3469

*Deliver to*  
 Mary Murphy  
 8 Sycamore Road  
 Donnybrook  
 Dublin 4

*Invoice to*  
 Mary Murphy  
 8 Sycamore Road  
 Donnybrook  
 Dublin 4

Customer Code:  
 Sls Ord Date: 14/4/94

Desc: Sales Invoice

Your Order No: 2153  
 Our Order No: 2153

Quantity	Unit Price	Disc	Total
10	73.60		736.00

Description  
 3 Button Mouse

Net:	736.00
VAT:	154.56
Total	890.56

VAT Rate	Net Amount	VAT Amount
1 21.00%	736.00	154.56
%	%	%

# ELECTRICITY SUPPLY BOARD

FITZWILLIAM STREET  
DUBLIN 2

## CREDIT NOTE

Back-Up Limited  
13 Merrion Villas  
Terenure  
Dublin 6W

Credit No: 1898  
Credit Date: 14/4/94  
Page: 1

Tel: 01 - 490 3469

VAT Number: 2346897R

Your Account No: 17514259

Date: 13/4/1994

To: Back-Up Ltd  
13 Merrion Villas  
Terenure  
Dublin 6W

*Invoice to* Theft Security Ltd  
18 Lemon Park  
South Circular Road  
Dublin 8

*Deliver to* Theft Security Ltd  
18 Lemon Park  
South Circular Road  
Dublin 8

Your Order No: 983  
Our Order No: 2155

Desc: Sales Invoice 1895

Customer Code:  
Sls Ord Date: 6/4/94

Description  
3.5" Disk Drive Lock

Quantity 1.00  
Unit Price 31.05

Disc  
Total 31.05

METER READINGS		UNITS AND RATE (PENCE)	DESCRIPTION	AMOUNT
PRESENT	PREVIOUS			
274952	273615	Standing Charge		11.50
		1337 x 10.00		133.70
		VAT @ 12.5%		18.15
			Total IRE	163.35

Received 15th April 1994

VAT Rate Net Amount VAT Amount  
1 21.000% 31.05 6.52  
%  
%

Net: 31.05  
VAT: 6.52  
Total 37.57

**EMITTANCE ADVICE**

**INVOICE**

Back-Up Limited  
13 Merrion Villas  
Terenure  
Dublin 6W

Remittance Advice Date: 23/ 4/94  
Tel: 01 - 490 3469

Back-Up Limited  
13 Merrion Villas  
Terenure  
Dublin 6W

Invoice No: 1899  
Invoice Date: 27/ 4/94  
Page: 1

VAT Number: 2346897R

Tel: 01 - 490 3469

Telecom Eireann

Code:

*Invoice to* Terenure Comprehensive College  
Cross Roads  
Terenure  
Dublin 6W  
*Deliver to* Terenure Comprehensive College  
Cross Roads  
Terenure  
Dublin 6W

Your Order No: 2156

Desc: Sales Invoice

Customer Code:  
Sls Ord Date: 20/ 4/94

ch 040    Inv.No 5th April    Inv.Date 5 / 4/95    Description Purchase Invoice    Inv.Amount 172.21    Discount 0.00    Paid Amount 172.21

Description Service to office machines    Quantity 3.00    Unit Price 240.00    Disc    Total 720.00

**Total:**    172.21    0.00    172.21  
VAT Rate 2 12.50%    Net Amount 720.00    VAT Amount 90.00  
%    %  
Total    810.00

CREDIT NOTE No: 39

TEL: 01 - 676 1576

FAX: 01 - 676 1533

VAT REG. NO: IE-3741839P

DUNNES SUPPLY LTD

Waterloo Drive

Baggot Street

Dublin 4

To: *Back-Up Ltd*  
*13 Merrion Villas*  
*Terenure*  
*Dublin 6W*

Date: *27 April 1994*

[CR. by M. McDonald]

QTY	Description	£	p
<i>100</i>	<i>Verbatim 3.5"</i>	<i>70</i>	<i>00</i>
	<i>DS/HD disks</i>	<i>14</i>	<i>70</i>
	<i>Our Invoice No. 105</i>	<i>84</i>	<i>70</i>
	<i>of 8th April 1994 refers</i>		

Received 29th April 1994