

Value Added Tax (VAT)

Basic journal entries

Sales of goods are managed based on periodic inventory.

The booking of VAT is based on the net method. To simplify, please use the rate of 7.7%. All calculations are rounded to the nearest franc.

First quarter entries have already been booked. Please book the different journal entries for the **2nd quarter**:

1. The VAT statement for the previous quarter has been done. Make the necessary transfers/journal entries.
2. Purchase of goods on credit fr. 32'600.—excluding VAT.
3. Sale of goods on credit fr. 52'800.—excluding VAT.
4. Payment of VAT for the previous quarter.
5. Cash purchase of a delivery car for fr. 23'500.— VAT included.
6. Payment of fr. 10'000.— to suppliers, less 2% discount.
7. Customers pay us a deposit of Fr. 20'000.— (VAT not included) by bank transfer. Please book either in the "Sales" account or in "Cash received in advance from Customers" account.
8. Booking of an electricity bill for fr. 3'450.— VAT included.
9. Cash sale of goods for fr. 26,900.— VAT included.
10. Payment of the electricity bill (entry 8) by bank transfer after deducting a discount of 400.—.
11. We grant a discount of fr. 538.— to our customers amount including VAT.
12. The boss takes goods for a value of fr. 400.— Purchase price.
13. We sell goods for fr. 100'000.—, excluding VAT, to the same customers of the journal entry n° 7. The balance is paid by bank transfer.

Value Added Tax (VAT)

Basic accounting journal entries

Sales of goods are managed based on perpetual inventory. The gross margin is 25% of the selling price.

The booking of VAT is based on the net method. To simplify, please use the rate of 7.7%. All calculations are rounded to the nearest franc.

First quarter entries have already been booked. Please book the different journal entries for the **2nd quarter**:

1. The VAT statement for the previous quarter has been done. Make the necessary transfers/journal entries.
2. Purchase of goods on credit fr. 25'800.—excluding VAT.
3. Sale of goods on credit fr. 38'900.—excluding VAT.
4. Payment of VAT for the previous quarter.
5. Cash purchase of a computer for fr. 3,500.— VAT included.
6. Payment to suppliers of journal entry 2, minus 2% discount.
7. Customers pay us what they owe us by bank transfer.
8. Booking of an advertising invoice of fr. 13,450.-, VAT included.
9. Cash sale of goods for fr. 26,900.— VAT included.
10. Payment of the advertising invoice by bank transfer after deduction of a discount of 1'000.—, please refer to journal entry 8.
11. Customer sends us back goods for fr. 2'000.— VAT not included. We send him a credit note for future orders.
12. Boss takes from the stock goods for with a selling price of 571.- including VAT.

