

Peachtree Accounting Project Work One

Use the following information to tailor and customize Peachtree accounting program to satisfy the accounting and stock control need of Bole Cosmetic Retail Company. The owner of the company has two shops at Bole and Piazza; he wants to know the financial activities and profitability of both these shops separately.

1. Company Name and Address information

☐ Bole Cosmetics Retail
Company

☐ W 17 K 23 House #
1028

☐ P.o.box
2095

☐ Tel. 251-1-51-
25-26

☐ Addis Ababa,
Ethiopia

Business Type

☐ Sole
Proprietorship

☐ Chart of
Account

☐ Build your own chart of
account

Method of Accounting

☐ Accrual

Posting Method

☐ Real-
Time

Accounting Period

☐ Jan-Dec 20XX

☐ No of periods 12

☐ First period data will be entered-
1 20XX

☐ ***Use the following exercise to set up, Chart of accounts, Customers, Vendor and***

Products and opening balance as of Jan 1, 20XX.

2. The following are Chart of accounts and set up balances

as of Jan 1, 20XX:

<u>Account No.</u>	<u>Account Description</u>	<u>Debiting</u>	<u>Crediting</u>
1110		5000	t
1115	Cash on hand	8000	
1120	Regular Saving	25000	
1125	Regular Checking	35000	
1150	Account Receivable	4850	
1151	Allowance		200
1160	Short Term	10000	
1161	Staff Loan	2500	
1162	L/C Deposit	20000	
1163	Goods In Transit	55000	
1170	Inventory	43000	
1180	Supplies	3500	
1185	Prepaid Insurance	2800	
1190	Prepaid Rent	12000	
1210	Equip Original	48000	
1211	Acc. Depn. -		8000
1215	Vehicle	50000	
1216	Acc. Depn. - Vehicle		1000
1220	Office Furniture	48600	
1221	Acc. Depn. -		1200
1222	Building	120000	
1223	Acc. Depn. Building		2500
2110	Accounts Payable		8960
2210	Unclaimed Salary		500
2215	Deposit Payable		1500
2225	Employees Income		1200
2300	Mortgage Payable		1150
3110	Registered Capital		2718

3115	less: Withdrawal		
3210	Retained Earning	2500	
4110	Cosmetics Income	^	
4111	Service Income		
4155	Sales Allowance		
4220	Miscellaneous Revenue		
5110	Cost of Goods Sold		
5220	Shipping Expenses		
5225	Salaries & Expenses		
5235	Repair & Maintenance		
5240	Income Tax Exp.		
5245	Interest Exp.		
5251	Depreciation Exp.- Equip.		
5252	Depreciation Exp.- Auto		
5253	Depreciation Exp.-		
5254	Depreciation Exp.-		
5255	Sales/Purchase Tax Exp.		
5256	Bank Service Charge		
5260	Rent Exp.		
5265	Insurance Exp.		
5270	Transportation Exp.		
5275	Supplies Exp.		
5320	Miscellaneous Exp.		
5410	Amortization Exp.		
	Grand Total	<u>493050</u>	<u>4930</u>

3. Customer Ledger Balance as of Jan. 1, 20XX

Customer Name	ID	Address	Inv. Date	Inv. #	Balance
Hirut Lemma	HL001	Tel 55-05-54	12/15/98	1095	700
Kebede Mamo	KM001	Tel 15-12-47	11/25/98	1090	100
Roman Belew	RB001	Tel 15-25-57	12/23/98	1097	460
Girma Kiros	GK001	Tel 33-05-64	11/28/98	1092	500
Rahel Abebe	RA002	Tel 12-47-47	12/05/98	1093	500
Dawit Taye	DT001	Tel 16-25-42	12/10/98	1094	300
Nejiba Ahmed	NA001	Tel 15-11-58	12/22/98	1096	690
Melat Abebe	MA001	Tel 44-25-23	11/10/98	1091	700
Grand Total					4850

4. Vendor Ledger Balance as of Jan. 1, 20XX

Vendor Name	Vendor Id	Address	Inv. Date	Inv. #	Balance
Nani International	N2001	Tel 44-45-62	11/20/98	85	2200
General Trading Agency	G2001	Tel 15-22-22	12/15/98	90	1020
ABB Import Export	A2001	Tel 16-44-45	12/23/98	95	1900
GTZ Cosmetics	G2002	Tel 44-56-64	12/25/98	97	3840
Grand Total					8960

5. Stock Ledger Balance Jan. 1, 20XX.

Product Name	Product Id	Measure	Cost Price	Sales Price	QTY Hand	Total Price	Location
Women Perfume	PER10	Each	500	700	30	1500	Shop 1
Men Perfume	PER20	Each	350	500	35	1225	Shop 2
Cleansing Cram 40Z	COS10	Each	175	230	40	700	Shop 1
Soufflé Makeup	COS20	Each	160	250	25	400	Shop 2
Pressed Powder Deep	COS30	Each	95	150	50	475	Shop 2
Grand Total						43000	

The Owner provided you the following memorandum for cost tracking and eternal control purpose:

- ☐ All collection has to be made by cash receipt
- ☐ All collections from both shops has to be directly deposited to Saving Bank Account
- Intact
- ☐ All direct costs related to the shop has to be recorded in that shop
- ☐ All overhead costs has to be shared by both shops equally (50%)

6. The Owner provided you with the following Sales and Receipt transactions for the month of January 20XX:

Jan 2.....Shop - 1 sold on account 2 units of women perfume and one unit of men perfume to Roman Belew by invoice No 2000.

Jan 3.....Shop - 2 Collected Bir 700 from Hirut Lemma for settlement of outstanding

Invoice No 1095. Cash receipt No 500 and Bank Deposit Slip # 200

Jan 5.....Shop - 1 Collected Bir 690 from Nejiba Mohamed for settlement of outstanding

Invoice No 1096. Cash receipt No 400 and Bank Deposit Slip # 100

Jan 6.....Shop - 1 Collected Bir 300 from Scrap sales. Cash receipt No 401 and Bank

Deposit Slip # 101

Jan 6.....Shop - 2 Sold on account one unit of Cleansing crem, one unit of Soufflé makeup

And one unit of Pressed powders deep to Melat Abebe by Invoice No 3000

Jan 11.....Shop - 1 Collected Bir 500 from Girma Kiros for settlement of outstanding

Invoice No 1092. Cash receipt No 402 and Bank Deposit Slip # 102

Jan 12.....Shop - 1 Sold by cash one unit of cleansing crem , one unit of Soufflé makeup

And one unit of Pressed powder deep to Walk in Customer. Total sales amount is Birr 630, Cash receipt No 403 and Bank Deposit Slip # 103.

Jan 18.....Shop - 1 Sold on Account two units of woman perfume, three units of Men Perfume, two units of cleansing crem, four unit of soufflé makeup and five units of Pressed Powder Deep to a new customer called Gift Trading, Tel. 75-44-55, by Invoice No 2001.

Jan 18.....Shop - 2 Sold on account three units of women perfume, two units of men

Perfume, five units of cleansing cream, six units of soufflé makeup and seven units of Pressed Powder Deep to a new customer called MGM Trading, Tel.

35-10-35, by Invoice No 3001.

Jan 19.....Shop - 2 collected Bir 500 from Rahel Abebe for settlement of outstanding

Invoice No 1093. Cash receipt No 501 and Bank
Deposit Slip # 201

Jan 20.....Shop - 1 collected Bir 460 from Roman Belew for
settlement of outstanding voice No 1097. Cash receipt No
404 and Bank Deposit Slip # 104.

Jan 29.....Shop - 1 Sold by Cash twenty units of Cleansing Cream and
Ten units of Soufflé Makeup to a Walk in Customer. Total
Sale amount is Bir 7100 Cash Receipt No 502 and Bank
Deposit Slip # 202.

Jan 30.....Shop - 1 Sold on account eight units of Women perfume and ten
units of Men

Perfume To Girma Kirose by Invoice No 2002.

**7. The following sales and Cash receipts transaction are made
during the month of
February 20XX.**

Feb 3.....Shop - 1 Sold on account 10 units of Pressed Powder to Roman
Belew by Invoice
No 2003.

Feb 7.....Shop - 1 Sold on account 2 units of Cleansing cream, 3 units
of Soufflé makeup, and 2 units of Pressed Powder Deep to
Kebede Mamo by Invoice No 2004.

Feb 8.....Shop - 1 Collected Bir 1000 from Kebede Mamo from Settlement
of outstanding

Invoice No 1090. Cash Receipt No 405 and Bank
Deposit Slip # 203.

Feb 8.....Shop - 2 Sold by Cash 3 units of Women Perfume to a Walk-in
customer. Total

Sales amount is Bir 2100, Cash Receipt No 503 and Bank Deposit Slip # 203.

Feb 9.....Shop - 2 Sold an account 2 units of Men Perfume, 3 units of Cleansing Cream, 5 units of Soufflé Makeup and 6 units of Pressed Powder Deep to Dawit Taye by Invoice No 3002.

Feb 15.....Shop - 1 Collected Bir 700 from Melat Abebe of Settlement of outstanding

Invoice No 1091. Cash Receipt No 406 and Bank Deposit Slip # 106.

Feb 16.....Shop -1 Sold 3 units of Pressed Powder Deep on account to Rahel Abebe. Sales

Inv. # 2005

Feb 18.....Shop - 1 Sold 7 units of Men Perfume to a Walk-in Customer on Cash for

3500. Receipt # 407 and Bank Deposit # 107.

Feb 18.....Shop - 2 Sold 15 units of Cleansing crème to a Walk-in Customer on Cash for

3450. Receipt # 504 and Bank Deposit # 204.

Feb 19.....Shop - 2 Received Cash on Sales of Office Equipment (One Computer) 3800

Receipt No 505. And Bank Deposit # 205. The Current Depreciation of the equipment is 200.

Feb 20.....The equipment has an Original value of 8500 and Accumulated depreciation of

4400. Record the current depreciation using JV - as a Reference.

Feb 21.....Shop - 1 Sold 3 units of Women Perfume and 12 units of Pressed Powder Deep

To Melat Abebe on Account by Sales Invoice # 2006.

Feb 22.....Shop - 2 Sold 5 units of Pressed Powder Deep and 5 units of Men Perfume on

Account to Dawit Taye by Sales Inv. # 3003.

Feb 25.....Shop - 1 Collected Bir 1900 from Roman Belew Settlements of outstanding

Invoice No \2000. .Cash Receipt No 408 and Bank Deposit Slip # 108.

Feb 25.....Shop -1 Collected Bir 5110 Gift Trading for settlement of outstanding Invoice

No 2001. Cash Receipt No 409 and Bank Deposit Slip # 109.

Feb 27.....Shop - 2 Collected Bir 630 from Melat Abebe for settlement of outstanding

Invoice No 3000. Cash Receipt No 506 and Bank Deposit Slip # 206.

Feb 28.....Shop - 2 Collected Bir 6800 from MGM Trading for for settlement of outstanding Invoice No 3001. Cash Receipt No 507 and Bank Deposit Slip # 207.

Feb 28.....The owner of the Shop evaluated the market status of product cleansing crème and decided to drop this Product and introduce another product line in the market. He agreed to sale on account 30 units of this product to Gift Trading at a reduced price of Bir 95 each. The Sale belongs 15 units to Shop 1 and 15 to Shop 2. Use Invoice # 3004 as a reference