

Accounts sba



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AIMS OF THE BUSINESS The aim of the business is to achieve exposure of what goes on in the business world. The aim of this business is to also know how to prepare Accounting Ratios, how to operate a business and how to achieve customer satisfaction and to attain profit.

DESCRIPTION OF THE BUSINESS The name of the company is Cola Red Enterprise.

The type of company is a Private Limited Company which is located at 23 Donald Boulevard, May Pen, Clarendon. The number of shareholders is twenty seven (27) and the cost per share is four hundred dollars (\$400). The starting capital for Cola Red Enterprise is ten thousand eight hundred dollars (\$10800). The executive body consists of the General Manager, Secretary, Financial Management, Personnel Department, Marketing Management, Production Department. The duration of the business is one (1) week dating from November 9 through to November 13 2009. Good sold were ice cream novelties, sweets, toco loco, Banana chips, Cheese Trix.

ACCOUNTING RECORDS KEPT The account records kept are as follows:

Source documents Banking Documents General Journal Sales Journal General Ledger Sales Ledger Cash book Trial balance Final Accounts The following transactions relates to Cola Red Enterprise Ltd: 2009 Nov 9 Started business with \$10800 in cash. Cash Purchases \$9500 Cash Sales \$12200 Nov 10 Cash Purchases \$10200 Paid for transport by cash \$350 Cash Sales \$15000 Nov 11 Cash Purchases \$11500 Transport by cash \$350 Credit sales to C.

Radcliffe \$500 Cash Sales \$14500 Nov 12 Cash Purchases \$12000 Transport
\$350 C. Radcliffe paid \$500 in cash Cash Sales \$17250

Nov 13 Cash Purchases \$12000 Cash sales \$20400 Nov 16 Banked cash Nov
27 Took cash out of the bank GENERAL JOURNAL Date| Details| folio| \$DR|
\$CR| Nov 9| Cash CapitalBeing started business with cash \$10800| CBGL|
10800| 10800| Nov 30| Trading/a/c PurchasesBeing purchases transferred to
trading/a/c \$55200 | NLGL| 55200| 55200| Nov 30| Sales Trading/a/cBeing
sales transferred to trading/a/c \$79850| GLNL| 79850| 79850| Nov 30| Profit &
Lossa/c Transportation expenseBeing transportation Expense transferred to
Profit & Lossa/c \$1050| NLGL| 1050| 1050|

SALES JOURNAL Date| Details| Invoice#| Folio| Amount\$| Nov 11| C. Radcliffe|
0001| SL| 500| Nov 30| Tranfer to Salesa/c| | GL| 500| GENERAL LEDGER
Capital a/c \$\$ Nov 30 Balc/d 10800 Nov 9 Cash 10800 Dec 1 Balb/d 10800
Purchasesa/c Nov 9 Cash 9500 Nov 30 Balc/d 55200 10 Cash 10200 11 Cash
11500 12 Cash 12000 13 Cash 12000 55200 55200 Dec 1 Balb/d 55200
Salesa/c

Nov 30 Balc/d 79850 Nov 9 Cash 12200 10 Cash 15000 11 Cash 14500 12
Cash 17250 12 Cash 500 13 Cash 20400 79850 79850 Dec 1Balb/d 79850

Transportationa/c Nov 10 Cash 350 Nov 30 Balc/d 1050 11 Cash 350 12 Cash
350 1050 1050 Dec 1 Balb/d 1050 SALES LEDGER C. Radcliffea/c Nov 11
Sales 500 Nov 12 Cash 500 CASH BOOK Date| Details| folio| Cash \$| Bank\$|
Nov 9| Capital| GL| 10800| | 9| Sales| GL| 12200| | 10| Sales| GL| 15000| | 11|
Sales| GL| 14500| | 12| C. Radcliffe| SL| 500| | 12| Sales| GL| 17250| | 3|
Sales| GL| 20400| | 16| Cash| C| | 34400| 27| Bank| C| 34400| | | | 125050|

34400| Dec 1| Balb/d | 34400| | Date| Details| folio| Cash\$| Bank\$| Nov 9|
Purchases| GL| 9500| | 10| Purchases| GL| 10200| | 10| Transportation| GL|
350| | 11| Purchases| GL| 11500| | 11| Transportation| GL| 350| | 12|
Purchases| GL| 12000| | 12| Transportation| GL| 350| | 13| Purchases| GL|
12000| | 16| Bank| C| 34400| | 27| Cash| C| | 34400| 30| Balc/d| | 34400| | |
125050| 34400| Cola Red Enterprise Ltd Trial Balance as at Nov 30 2009 |
\$DR| \$CR| Capital| | 10800| Cash| 34400| | Sales| | 79850| Purchases| 55200|
| Transportation| 1050| | | 90650| 90650| Cola Red Enterprise Ltd Trading
Profit&Lossa/c for year ended 30 Nov 2009 Sales Less COGS Purchases Gross
Profit Less expenses: Transportation Net Profit| \$| \$| \$7985055200 24650-
105023600| Balance Sheet as at 30 Nov 2009

Current Assets Cash Less Current liabilities Proposed dividends Net Assets
Financed by: Ordinary shared capital Issued shared capital| \$ | \$34400-
2360010800| \$1080010800| PERFORMANCE OF THE BUSINESS During the
duration of the business Cola Red Enterprise performed well. On the first day
of the business, sales figures were \$12, 200. On the second day, figures
continued on their height to \$15, 000.

But on the third day however, sales figures were \$500 less than the day
before. This we concluded was the due to the products we sold and we would
change our marketing strategies. It was decided that on the next day we
would change the products we sold to keep the sales figures rising. This was
a success as figures were \$ 17, 250. The final day of the business, figures
were as high as \$20, 400. ACCOUNTING RATIOS 1. Net Profit as a percentage
of net Sales $N. P \times 100 = \frac{23600}{79850} \times 100 = 29.6\%$ 2. Return on
Capital Invested $N. P \times 100 = \frac{23600}{23600} \times 100 = 100\%$

Capital at start 10800 3. Gross profit as a percentage of sales $G. P \times 100 =$
 $24650 \times 100 = 30.9\%$ Sales 79850

COMPARISON OF THE BUSINESS

SUGGESTIONS AND RECOMMENDATIONS It was suggested that the business should improve its customer service and have a wider variety of goods. Work harder to improve its loyalty to customers and have better workmanship to

get more work done. CONCLUSION Exposure of what happened in the

business world was achieved by each member of the business. We learnt

how to operate a business how to achieve customer satisfaction and finally

we ascertained profit.