**APPLICATION EXERCISE 1 – SUGGESTED SOLUTION**

**General Journal**

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **Details** | **Debit** | **Credit** |
| 01/02 | Accounts Payable |  | 4 840 |
|  | Accounts Receivable | 8 910 |  |
|  | Bank |  | 2 080 |
|  | GST Clearing |  | 1 170 |
|  | Inventory | 24 000 |  |
|  | Loan – MNC Bank |  | 18 000 |
|  | Office Equipment | 7 200 |  |
|  | Shelving | 11 400 |  |
|  | Van | 34 000 |  |
|  | Capital |  | 59 420 |