

Comprehensive Double Entry Accounting Practice Worksheet

This expanded worksheet includes more exercises for O Level, A Level, AP, and IB students. It covers ledger posting, trial balances, adjustments, suspense accounts, control accounts, and conceptual questions. Use these to practice and strengthen your understanding of what is double entry accounting.

O Level Practice Questions

1. Record the following transactions in ledger accounts: a) Bought goods for cash \$500 b) Sold goods on credit to Ali \$300 c) Paid rent \$100 d) Received \$200 from Ali
2. Post the transactions to T-accounts and balance them off.
3. Prepare a trial balance using the following balances: Cash \$1,000, Purchases \$500, Sales \$700, Capital \$800, Rent \$100, Ali \$300 (Dr).
4. Correct the following errors using journal entries: a) \$150 received from Ahmed was posted to Ali's account. b) Purchases of \$250 were recorded in Sales account.

A Level Practice Questions

1. Journalize the following: a) Accrued electricity bill \$400 b) Depreciation on machinery 10% on cost (\$10,000) c) Bad debts \$200 and create a new provision 5% on remaining debtors (\$4,000).
2. Prepare a suspense account to correct: a) Sales account overcast by \$500 b) Discount allowed of \$50 posted to discount received account.
3. From the following balances, prepare a Trading and Profit & Loss Account: Sales \$10,000, Purchases \$6,000, Closing Stock \$2,000, Wages \$1,000, Rent \$500.
4. Prepare Control Accounts: Debtors opening balance \$5,000, credit sales \$8,000, receipts \$6,000, bad debts \$200, closing balance ?

AP Accounting Practice Questions

1. Journalize and post these transactions: a) Owner invests \$5,000 b) Buy equipment \$2,000 cash c) Take a bank loan \$3,000 d) Pay salaries \$800.
2. Prepare an adjusted trial balance with given adjustments: Accrued salaries \$100, Prepaid insurance \$200.
3. Prepare closing entries for revenues \$4,000, expenses \$2,500, drawings \$1,000.
4. Discuss how double entry accounting ensures transparency for external stakeholders.

IB Business & Management Practice Questions

1. Discuss the ethical importance of accurate financial recordkeeping in global corporations.
2. Analyze the impact of double entry accounting on strategic decision-making.
3. Evaluate the consequences of poor bookkeeping practices on investors' trust and shareholder value.
4. Write a short report on how double entry accounting supports corporate governance and transparency.