The following events occurred during the first month of operations for XYZ Ltd., a company specialised in providing carburetors to automobile manufacturers.

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| **Date** | **Event** |
| **Jan. 1st**  | The shareholders invested £300,000 in cash, land worth £100,000 and a building worth £250,000 in exchange for common shares. |
| **Jan. 2nd** | In order to develop a research facility, XYZ acquired computer equipment for £175,000. The purchase price was paid 20% in cash and the remaining on a note. |
| **Jan. 4th** | XYZ issued an advertisement in the newspaper in order to recruit a research lab specialist. The ad will run throughout the month and will cost £1,500. The invoice was received on the 15th of the month. |
| **Jan. 31st** | The research specialist worked for the last two weeks of the month. His salary of £5,500 was paid on the last day of the month. |
| **Jan. 31st** | The company started shipping products during the last week of the month. During that period, sales amounted to £265,000, all received in cash except for £15,000 which was sold on account. |
| **Jan. 31st** | At the end of the month, XYZ received a bill from My Telecomm Ltd for its telephone, Internet and cell phone charges. The total of the invoice amounts to £750 to be paid by the end of the following month. In addition, the company paid the newspaper company for the advertisement services provided. |
| **Jan. 31st** | To ensure the survival of the company in case of an incident, the company prepaid £5,000 for an annual insurance policy with coverage starting at the beginning of the following month. |
| **Jan. 31st** | Given the success of the company, the board of directors declared and paid a dividend of £15,000. |

**Complete the following:**

Prepare the journal entries for the current month. Do not prepare any entries for transactions that relate to the following month.