Practice Set ACCOUNTING SYSTEMS

Instruction: Record the following transactions, which were originally recorded in the General Journal on page A32 of **Quick Notes**, using the journals provided, post and prove your Debits and Credits with a Trial Balance.

- 1/3 Purchased merchandise for \$5,000 on credit from A. Company, invoice dated 1/1, terms 2/10,n30. 1/7 Return \$400 defective merchandise purchased 1/1 from A. Company. 1/11 Paid A. Company for purchase of 1/1 less return and discount. 1/12 Recorded Cash Sales of \$3,000. 1/14 Sold \$6,000 of merchandise to B. Company terms 2/10,n30. 1/18 B. Company returned \$200 of merchandise purchased 1/14. 1/24 B. Company paid for sale of 1/14 less return and discount.

	PUR	CHASES JOURNAL	L .	Page 1
DATE	ACCOUNT	TERMS	POST REF.	AMOUNT
1/13	A. Company	2/10,n30	1	5,000
2/2	Z. Company	1/10,n30	1	<u>3,960</u> 8,960 (51) (31)

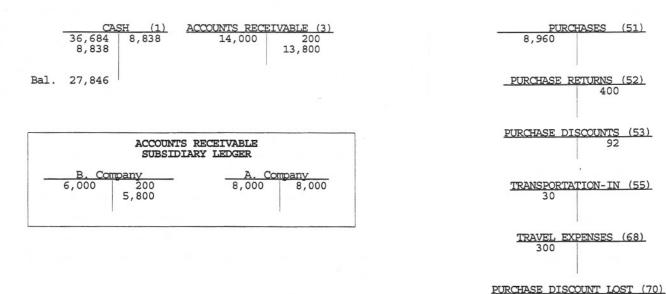
40

CASH PAYMENTS JOURNAL

Page 1

			CREDITS		DEBITS						
DATE	EXPLANATION	CHECK NO.	CASH	PURCHASE DISCOUNTS		ACCOUNTS PAYABLE	PURCHASES	TRAVEL EXPENSE	OTHER DEBITS	POST REF.	AMOUNT
1/11 2/28	Paid A. Co. Paid Z. Co.	1 2	4,508 4,000		1	4,600 3,960			Purchase Discount Lost	70	40
2/28 3/5	Paid Trans. Paid Travel	3 4	30 <u>300</u> 8,838 (1)			8,560 (31)		<u>300</u> 300 (68)	Trans-In	55	30

GENERAL LEDGER



2/2 Purchase \$4,000 of merchandise from Z. Company, terms 1/10,n30 - Net Method used. 2/28 Paid Z. Company for purchase of 2/2 plus purchase discount lost. 2/28 Paid transportation charges of \$30 for merchandise purchased 2/2.

Additional Transactions

- 3/1 Signed a \$20,000 Note Payable with First Bank Corporation, cash deposited today.
 3/2 Sold \$8,000 of merchandise to A. Company terms 2/10,n30.
 3/5 Paid Travel Expense of \$300.
 3/30 A. Company paid today.

					GENERAL JOURNAL					
-	SALES JOUR	NAL	Ra -	Page 1	DATE	EXPLANATION	PR	DR	CR	
DATE	ACCOUNT	INVOICE NUMBER	POST REF.	AMOUNT	1/7	Accounts Payable - A. Co. Purchase Returns and Allowances	1	400	400	
1/14 3/2	B. Company A. Company	1 2	1 1	6,000 <u>8,000</u> 14,000 (3) (41)	1/18	Sales Returns and Allowances Accounts Receivable - B. Co.	1	200 600	<u>200</u> 600	

CASH RECEIPTS JOURNAL

Page 1

		DEBITS		CREDITS						
DATE	EXPLANATION	CASH	SALES DISCOUNTS	POST REF.	ACCOUNTS RECEIVABLE	CASH SALES	OTHER CREDITS	POST REF.	AMOUNT	
1/12 1/24 3/1 3/10	Cash Sales B. Company Loan Proceeds A. Company	3,000 5,684 20,000 <u>8,000</u> 36,684 (1)	116 116 (43)	1	5,800 <u>8,000</u> 13,800 (3)	3,000 3,000 (40)	Notes Payable	(32)	20,000 20,000	

	CASH SALES (40) 3,000		
ACCOUNTS PAYABLE (31) 8,560 8,960 400	CREDIT_SALES (41) 14,000	Linda's Video Showcase Trial Balance	
NOTES PAYABLE (32) 20,000	SALES RETURNS <u>AND ALLOWANCES (42)</u> 200	March 31, 1996 Cash \$27,846 Purchases 8,960 Purchase Returns and Allowances Purchase Discounts	\$400 92
ACCOUNTS PAYABLE SUBSIDIARY LEDGER	SALES DISCOUNT (43) 116	Transportation-In30Travel Expense300Purchase Discount100Lost40	0,000
<u>A. Company</u> <u>Z. Company</u> 400 5,000 3,960 3,960 4,600		Cash Sales	3,000 4,000