

The company is called ABC Co. All of the company's accounting work has been journalized through the end of Dec, but the General Ledger balances show November 30, 2001 balances.

Required:

1. Post the column totals from the special journals (except for the "Other" column) to the General Ledger, calculate the new balance and put the account number on the journal under the column total.
2. Post the individual rows in the "Other" columns to the General Ledger, calculate the new balance and put the account number on the journal in the "PR" column on the appropriate row. When you are done all the individual rows in the "Other" column, put a check mark under the column total.
3. Post any General Journal transactions to the General Ledger, calculate the new balance and put the account number on the journal in the "PR" column.
4. Put the ending balances from the General Ledger cards on to the Worksheet.
5. Journalize the following Period End Adjustments and complete the Worksheet **(DO NOT POST THE ADJUSTMENTS TO THE GENERAL LEDGER)**
 - a) Expired insurance, \$700.
 - b) Ending store supplies inventory, \$2,400.
 - c) Ending office supplies inventory, \$300.
 - d) Estimated amortization of store equipment, \$850.
 - e) Estimated amortization of office equipment, \$500.
 - f) Ending merchandise inventory, \$212,000 (Debit Cost of Sales)

SALES JOURNAL – Page 1

Date	Account Debited	Invoice #	P.R.	A/R - DR Sales - CR	Cost of Sales – DR Inventory - CR
Dec 2	Ender Co.	901	√	8,000	4,000
Dec 16	Ender Co.	902	√	5,000	2,500
Dec 22	Oyster Co.	903	√	7,000	3,500
Dec 26	Dale Co.	904	√	14,000	7,000
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				34,000	17,000
				=====	=====

PURCHASES JOURNAL – Page 2

Date	Account Credited	Invoice #	Terms	P.R.	A/P - CR	Inventory - DR	Office Supplies - DR	Other Accounts – DR	Description
Dec 4	Tacid Co.	T28	N/10,EOM	√	40,440	40,000	40	400	Store supp.
Dec 10	Tacid Co.	T45	N/10,EOM	√	3,000			3,000	Office Equip
Dec 11	Gander Co.	G141	2/10,n/30	√	9,500	9,500			
Dec 17	Central Co.	C476	2/10,n/60	√	13,000	13,000			
Dec 24	Tacid Co.	T98	N/10,EOM	√	8,900	8,000	300	600	Store supp.
Dec 25	Panda Co.	P110	2/10,n/30	√	3,000	3,000			
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					77,840	73,500	340	4,000	
					=====	=====	=====	=====	

CASH RECEIPTS JOURNAL – Page 3

Date	Account Credited	Explanation	P.R.	Cash DR	Sales Discount DR	A/R CR	Sales CR	Other Accts. CR	Cost of Sales – DR Inventory - CR
Dec 5	Noric Co.	R330	√	3,528	72	3,600			
Dec 9	Store Supplies	Neighbour		200				200	
Dec 11	Ender Co.	R331	√	7,840	160	8,000			
Dec 15	Sales	Cash Sales		64,000			64,000		32,000
Dec 30	Oyster Co.	R332	√	6,860	140	7,000			
Dec 31	Sales	Cash Sales		60,000			60,000		30,000
				-----	-----	-----	-----	-----	-----
				142,428	372	18,600	124,000	200	62,000
				=====	=====	=====	=====	=====	=====

CASH DISBURSEMENTS JOURNAL – Page 4

Date	Chq #	Payee	Other Account Debited	P.R.	Cash CR	Inventory CR	Other Accts. DR	A/P DR
Dec 1	201	Property Management	Rent-Selling		4,000		3,200	
			Rent-Office				800	
Dec 8	202	Panda Co.		√	6,174	126		6,300
Dec 15	203	Payroll	Sales Salaries		7,000		4,500	
			Office Salaries				2,500	
Dec 19	204	Gander Co.		√	9,310	190		9,500
Dec 23	205	Central Co.		√	12,740	260		13,000
Dec 26	206	Hydro Co.	Utilities		1,000		1,000	
Dec 29	207	Tom Smith	Withdrawals		7,000		7,000	
Dec 30	208	Payroll	Sales Salaries		7,000		4,500	
			Office Salaries				2,500	
					-----	-----	-----	-----
					54,224	576	26,000	28,800
					=====	=====	=====	=====

GENERAL LEDGER

CASH

1010

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				50,000

ACCOUNTS RECEIVABLE

1060

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				4,000

INVENTORY

1190

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				220,000

STORE SUPPLIES

1240

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				2,500

OFFICE SUPPLIES

1250

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				450

PREPAID INSURANCE

1280

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				3,000

STORE EQUIPMENT**1630**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				39,000

ACCUMULATED AMORTIZATION – STORE EQUIPMENT**1631**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				18,000

OFFICE EQUIPMENT**1650**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				23,000

ACCUMULATED AMORTIZATION – OFFICE EQUIPMENT**1651**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				9,900

ACCOUNTS PAYABLE**2010**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				7,000

TOM SMITH - CAPITAL**3020**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				307,050

TOM SMITH - WITHDRAWALS**3030**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

SALES**4130**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

SALES RETURNS & ALLOWANCES**4140**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

SALES DISCOUNTS**4150**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

COST OF SALES**5020**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

AMORTIZATION EXPENSE – STORE EQUIPMENT**5120**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

AMORTIZATION EXPENSE – OFFICE EQUIPMENT**5130**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

SALES SALARIES EXPENSE**5200**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

OFFICE SALARIES EXPENSE**5210**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

INSURANCE EXPENSE**5370**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

RENT EXPENSE – SELLING SPACE**5410**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

RENT EXPENSE – OFFICE SPACE**5420**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

STORE SUPPLIES EXPENSE**5500**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

OFFICE SUPPLIES EXPENSE**5510**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

UTILITIES EXPENSE**5900**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

INCOME SUMMARY**5998**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

ACCOUNT TITLES	TRIAL BALANCE		ADJUSTMENTS		INCOME STATEMENT		BALANCE SHEET	
	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Cash								
A/R								
Inventory								
Store Supp								
Office Supp								
Prepaid Ins								
Store Equip								
Acc Amort								
Office Equip								
Acc Amort								
A/P								
Capital								
Withdrawal								
Sale								
Sale Return								
Sale Disc.								
Cost of Sale								
Amort-Store								
Amort-Off.								
Sale Salaries								
Off. Salaries								
Insurance								
Rent Selling								
Rent Office								
Store Supp								
Off. Supp.								
Utilities								
	-----	-----	-----	-----	-----	-----	-----	-----
Totals								
Net Income	=====	=====	=====	=====				
					-----	-----	-----	-----
Totals								
					=====	=====	=====	=====

ANSWERS:**GENERAL JOURNAL (G5)**

DATE	ACCOUNT	PR	DEBIT	CREDIT
Dec 2	Sales Returns	4140	400	
	Accounts Receivable – Noric Co.	1060 / ✓		400
	Explain: Credit Memo 401			
Dec 3	Accounts Payable – Panda Co.	2010 / ✓	700	
	Inventory	1190		700
	Explain: Credit Memo P89			
Dec 12	Accounts Payable – Tacid Co.	2010 / ✓	600	
	Office Equipment	1650		600
	Explain: Credit Memo T67			

PERIOD END ADJUSTMENTS

ADJ.	ACCOUNT	PR	DEBIT	CREDIT
a)	Insurance Expense		700	
	Prepaid Insurance			700
	Explain: Record expired insurance			
b)	Store Supplies Expense		900	
	Store Supplies			900
	Explain: Record used supplies			
c)	Office Supplies Expense		490	
	Office Supplies			490
	Explain: Record used supplies			
d)	Amortization – Store Equipment		850	
	Acc. Amort. – Store Equipment			850
	Explain: Record amortization			
e)	Amortization – Office Equipment		500	
	Acc. Amort. – Office Equipment			500
	Explain: Record amortization			
f)	Cost of Sales		1,224	
	Inventory			1,224
	Explain: Adjust inventory to actual			

GENERAL LEDGER

CASH

1010

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				50,000
Dec 31		R3	142,428		192,428
Dec 31		D4		54,224	138,204

ACCOUNTS RECEIVABLE

1060

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				4,000
Dec 31		S1	34,000		38,000
Dec 31		R3		18,600	19,400
Dec 31		G5		400	19,000

INVENTORY

1190

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				220,000
Dec 31		S1		17,000	203,000
Dec 31		P2	73,500		276,500
Dec 31		R3		62,000	214,500
Dec 31		D4		576	213,924
Dec 31		G5		700	213,224

STORE SUPPLIES

1240

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				2,500
Dec 31		P2	400		2,900
Dec 31		P2	600		3,500
Dec 31		R3		200	3,300

OFFICE SUPPLIES

1250

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				450
Dec 31		P2	340		790

PREPAID INSURANCE

1280

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				3,000

STORE EQUIPMENT**1630**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				39,000

ACCUMULATED AMORTIZATION – STORE EQUIPMENT**1631**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				18,000

OFFICE EQUIPMENT**1650**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				23,000
Dec 31		P2	3,000		26,000
Dec 31		G5		600	25,400

ACCUMULATED AMORTIZATION – OFFICE EQUIPMENT**1651**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				9,900

ACCOUNTS PAYABLE**2010**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				7,000
Dec 31		P2		77,840	84,840
Dec 31		D4	28,800		56,040
Dec 31		G5	700		55,340
Dec 31		G5	600		54,740

TOM SMITH - CAPITAL**3020**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				307,050

TOM SMITH - WITHDRAWALS**3030**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		D4	7,000		7,000

SALES**4130**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		S1		34,000	34,000
Dec 31		R3		124,000	158,000

SALES RETURNS & ALLOWANCES**4140**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		G5	400		400

SALES DISCOUNTS**4150**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		R3	372		372

COST OF SALES**5020**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		S1	17,000		17,000
Dec 31		R3	62,000		79,000

AMORTIZATION EXPENSE – STORE EQUIPMENT**5120**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

AMORTIZATION EXPENSE – OFFICE EQUIPMENT**5130**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

SALES SALARIES EXPENSE**5200**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		D4	4,500		4,500
Dec 31		D4	4,500		9,000

OFFICE SALARIES EXPENSE**5210**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		D4	2,500		2,500
Dec 31		D4	2,500		5,000

INSURANCE EXPENSE**5370**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

RENT EXPENSE – SELLING SPACE**5410**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		D4	3,200		3,200

RENT EXPENSE – OFFICE SPACE**5420**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		D4	800		800

STORE SUPPLIES EXPENSE**5500**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

OFFICE SUPPLIES EXPENSE**5510**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

UTILITIES EXPENSE**5900**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		D4	1,000		1,000

INCOME SUMMARY**5998**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

COMPREHENSIVE PROBLEM - B2

Page 15 of 15

ACCOUNT TITLES	TRIAL BALANCE		ADJUSTMENTS		INCOME STATEMENT		BALANCE SHEET	
	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Cash	138,204						138,204	
A/R	19,000						19,000	
Inventory	213,224		f)	1,224			212,000	
Store Supp	3,300		b)	900			2,400	
Office Supp	790		c)	490			300	
Prepaid Ins	3,000		a)	700			2,300	
Store Equip	39,000						39,000	
Acc Amort		18,000	d)	850				18,850
Office Equip	25,400						25,400	
Acc Amort		9,900	e)	500				10,400
A/P		54,740						54,740
Capital		307,050						307,050
Withdrawal	7,000						7,000	
Sale		158,000				158,000		
Sale Return	400				400			
Sale Disc.	372				372			
Cost of Sale	79,000		1,224	f)	80,224			
Amort-Store			850	d)	850			
Amort-Off.			500	e)	500			
Sale Salaries	9,000				9,000			
Off. Salaries	5,000				5,000			
Insurance			700	a)	700			
Rent Selling	3,200				3,200			
Rent Office	800				800			
Store Supp			900	b)	900			
Off. Supp.			490	c)	490			
Utilities	1,000				1,000			
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Totals	547,690	547,690	4,664	4,664	103,436	158,000	445,604	391,040
Net Income	=====	=====	=====	=====	54,564			54,564
Totals					158,000	158,000	445,604	445,604