

PROCEDURES FOR PRE-EXAM EXERCISES

1. Enter the transaction on the appropriate journal (if the transaction affects a Customer or Supplier you post to the appropriate card, calculate the new balance and put a check mark in the journal in the "PR" column.). If you are receiving a payment on account from a customer or are making a payment on account to a supplier, you must first check their card to see how much they owe you or how much you owe them.
2. Repeat steps 1 and 2 until all transactions are recorded.
3. Foot the special journals (Sales, Purchases, Receipts and Disbursements). This means sum each column in the journals.
4. Cross-foot the special journals footed in step 3. This means make sure Debits equal Credits for the totals on each journal.
5. 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.
6. 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.
7. Prepare a Unadjusted Trial Balance from the last amounts on the General Ledger cards.
8. Journalize the Period End Adjustments and post to the General Ledger
9. Use the ending balances on the General Ledger cards to prepare the Financial Statements
10. Use the ending balances on the General Ledger cards to journalize the Closing Entries
11. Post the Closing Entries to the General Ledger cards.
12. Prepare a Post Closing Trial Balance
13. Create an Accounts Receivable Schedule that lists each customer and then the total. Compare the total to the Trial Balance. When complete, create an Accounts Payable Schedule that lists each supplier and then the total. Compare the total to the Trial Balance.