

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, \$500.
 - b) Ending store supplies inventory, \$2,600.
 - c) Ending office supplies inventory, \$500.
 - d) Estimated amortization of store equipment, \$560.
 - e) Estimated amortization of office equipment, \$330.
 - f) Ending merchandise inventory, \$210,000 (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.	7601	√	6,000	3,000
Dec 16	Ender Co.	7602	√	4,000	2,000
Dec 22	Oyster Co.	7603	√	7,000	3,500
Dec 26	Dale Co.	7604	√	14,000	7,000
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				31,000	15,500
				=====	=====

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.	T64	N/10,EOM	√	38,580	38,000	80	500	Store supp.
Dec 10	Tacid Co.	T73	N/10,EOM	√	4,000			4,000	Office Equip
Dec 11	Gander Co.	G93	2/10,n/30	√	9,000	9,000			
Dec 17	Central Co.	C926	2/10,n/60	√	14,000	14,000			
Dec 24	Tacid Co.	T126	N/10,EOM	√	8,900	8,000	300	600	Store supp.
Dec 25	Panda Co.	P984	2/10,n/30	√	3,000	3,000			
					-----	-----	-----	-----	
					77,480	72,000	380	5,100	
					=====	=====	=====	=====	

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.	R220	√	3,724	76	3,800			
Dec 9	Store Supplies	Neighbour		300				300	
Dec 11	Ender Co.	R221	√	5,880	120	6,000			
Dec 15	Sales	Cash Sales		60,000			60,000		30,000
Dec 30	Oyster Co.	R222	√	6,860	140	7,000			
Dec 31	Sales	Cash Sales		66,000			66,000		33,000
				-----	-----	-----	-----	-----	-----
				142,764	336	16,800	126,000	300	63,000
				=====	=====	=====	=====	=====	=====

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	501	Property Management	Rent-Selling		3,700		2,960	
			Rent-Office				740	
Dec 8	502	Panda Co.		√	6,076	124		6,200
Dec 15	503	Payroll	Sales Salaries		8,000		5,000	
			Office Salaries				3,000	
Dec 19	504	Gander Co.		√	8,820	180		9,000
Dec 23	505	Central Co.		√	13,720	280		14,000
Dec 26	506	Hydro Co.	Utilities		1,200		1,200	
Dec 29	507	Tom Smith	Withdrawals		8,000		8,000	
Dec 30	508	Payroll	Sales Salaries		8,000		5,000	
			Office Salaries				3,000	
					-----	-----	-----	-----
					57,516	584	28,900	29,200
					=====	=====	=====	=====

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	200	
	Accounts Receivable – Noric Co.	1060 / √		200
	Explain: Credit Memo 201			
Dec 3	Accounts Payable – Panda Co.	2010 / √	800	
	Inventory	1190		800
	Explain: Credit Memo P720			
Dec 12	Accounts Payable – Tacid Co.	2010 / √	800	
	Office Equipment	1650		800
	Explain: Credit Memo T104			

PERIOD END ADJUSTMENTS

ADJ.	ACCOUNT	PR	DEBIT	CREDIT
a)	Insurance Expense		500	
	Prepaid Insurance			500
	Explain: Record expired insurance			
b)	Store Supplies Expense		700	
	Store Supplies			700
	Explain: Record used supplies			
c)	Office Supplies Expense		330	
	Office Supplies			330
	Explain: Record used supplies			
d)	Amortization – Store Equipment		560	
	Acc. Amort. – Store Equipment			560
	Explain: Record amortization			
e)	Amortization – Office Equipment		330	
	Acc. Amort. – Office Equipment			330
	Explain: Record amortization			
f)	Cost of Sales		2,116	
	Inventory			2,116
	Explain: Adjust inventory to actual			

GENERAL LEDGER

CASH

1010

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				50,000
Dec 31		R3	142,764		192,764
Dec 31		D4		57,516	135,248

ACCOUNTS RECEIVABLE

1060

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				4,000
Dec 31		S1	31,000		35,000
Dec 31		R3		16,800	18,200
Dec 31		G5		200	18,000

INVENTORY

1190

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				220,000
Dec 31		S1		15,500	204,500
Dec 31		P2	72,000		276,500
Dec 31		R3		63,000	213,500
Dec 31		D4		584	212,916
Dec 31		G5		800	212,116

STORE SUPPLIES

1240

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				2,500
Dec 31		P2	500		3,000
Dec 31		P2	600		3,600
Dec 31		R3		300	3,300

OFFICE SUPPLIES

1250

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Nov 30	Balance forward				450
Dec 31		P2	380		830

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	4,000		27,000
Dec 31		G5		800	26,200

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		77,480	84,480
Dec 31		D4	29,200		55,280
Dec 31		G5	800		54,480
Dec 31		G5	800		53,680

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	8,000		8,000

SALES**4130**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		S1		31,000	31,000
Dec 31		R3		126,000	157,000

SALES RETURNS & ALLOWANCES**4140**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		G5	200		200

SALES DISCOUNTS**4150**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		R3	336		336

COST OF SALES**5020**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		S1	15,500		15,500
Dec 31		R3	63,000		78,500

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	5,000		5,000
Dec 31		D4	5,000		10,000

OFFICE SALARIES EXPENSE**5210**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		D4	3,000		3,000
Dec 31		D4	3,000		6,000

INSURANCE EXPENSE**5370**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

RENT EXPENSE – SELLING SPACE**5410**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		D4	2,960		2,960

RENT EXPENSE – OFFICE SPACE**5420**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE
Dec 31		D4	740		740

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	1,200		1,200

INCOME SUMMARY**5998**

DATE	EXPLANATION	PR	DEBIT	CREDIT	BALANCE

COMPREHENSIVE PROBLEM - B1

Page 15 of 15

ACCOUNT TITLES	TRIAL BALANCE		ADJUSTMENTS		INCOME STATEMENT		BALANCE SHEET	
	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Cash	135,248						135,248	
A/R	18,000						18,000	
Inventory	212,116		f)	2,116			210,000	
Store Supp	3,300		b)	700			2,600	
Office Supp	830		c)	330			500	
Prepaid Ins	3,000		a)	500			2,500	
Store Equip	39,000						39,000	
Acc Amort		18,000	d)	560				18,560
Office Equip	26,200						26,200	
Acc Amort		9,900	e)	330				10,230
A/P		53,680						53,680
Capital		307,050						307,050
Withdrawal	8,000						8,000	
Sale		157,000				157,000		
Sale Return	200				200			
Sale Disc.	336				336			
Cost of Sale	78,500		2,116	f)	80,616			
Amort-Store			560	d)	560			
Amort-Off.			330	e)	330			
Sale Salaries	10,000				10,000			
Off. Salaries	6,000				6,000			
Insurance			500	a)	500			
Rent Selling	2,960				2,960			
Rent Office	740				740			
Store Supp			700	b)	700			
Off. Supp.			330	c)	330			
Utilities	1,200				1,200			
	-----	-----	-----	-----	-----	-----	-----	-----
Totals	545,630	545,630	4,536	4,536	104,472	157,000	442,048	389,520
Net Income	=====	=====	=====	=====	52,528			52,528
Totals					157,000	157,000	442,048	442,048