PROCEDURES FOR JOURNAL & LEDGER PROBLEMS

1. Read the transaction and decide on which journal it should be entered. Focus on whether cash was received (Receipts Journal) or paid out (Disbursements Journal) first and if neither is applicable decide whether it is a purchase on account (Purchase Journal) or a sale on account (Sales Journal).

2. 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.

3. Repeat steps 1 and 2 until all transactions are recorded.

4. Foot the special journals (Sales, Purchases, Receipts and Disbursements). This means sum each column in the journals.

5. Cross-foot the special journals footed in step 4. This means make sure Debits equal Credits for the totals on each journal.

6. 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.

7. 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.

8. 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.

9. Put the ending balances from the General Ledger cards on to the Worksheet.

10. Journalize the Period End Adjustments and complete the Worksheet

11. Using the Worksheet, prepare the Financial Statements

12. Using the Worksheet, journalize the Closing Entries

13. Post the Period End Adjustments and the Closing Entries to the General Ledger cards.

14. Prepare a Post Closing Trial Balance

15. 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.