



AVTEC

Alaska's Institute of Technology

Business & Office Technology

Accounting Specialist

Simulation

Teacher Answer Keys

JOURNAL

DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	GENERAL		SERVICE SALES CREDIT	CASH	
				DEBIT	CREDIT		DEBIT	CREDIT
20-- Sept.								
1	Rico Sanchez, Capital	R1	310		250000		250000	
2	Rental Expense	C1	560	68000				68000
2	Supplies — Music & Equipment	C2	160	35000				35000
3	Prepaid Insurance	C3	170	30000				30000
3	Petty Cash	C4	120	15000				15000
4	Supplies — Office	M1	150	5000				
7	Accounts Payable — Office&Home, Inc.		210		5000			
4	Rental Expense	C5	560	27500				27500
5	Rental Expense	C6	560	23500				23500
6	Accounts Receivable — JJ's Dance Club	S1	130	50000		50000		
7	✓ Advertising Expense	R2	✓			32500		
8	Advertising Expense	C7	510	11000				11000
8	✓	R3	✓			45000		
9	Accounts Payable — Office&Home, Inc.	C8	210	5000				5000
9	Rico Sanchez, Drawing	C9	320	20000				20000
10	✓	R4	✓			27500		
11	Miscellaneous Expense	C10	530	4800				4800
11	Repair & Cleaning Expense	C11	570	9200				9200
12	Accounts Receivable — JJ's Dance Club	S2	130	50000		50000		
13	Supplies — Music & Equipment	M2	160	17500				
21	Accounts Payable — Electronics Unlimited		220		17500			
13	Accounts Receivable — Funky Club	S3	140	47500		47500		
14	✓	R5	✓			45000		
14	Carried Forward		✓	419000	272500	297500	400000	249000

DATE		ACCOUNT TITLE	DOC. NO.	POST. REF.	GENERAL		SERVICE SALES CREDIT	CASH	
					DEBIT	CREDIT		DEBIT	CREDIT
20--	14	Brought Forward		✓	419000	272500	297500	400000	249000
15	15	Miscellaneous Expense	C12	530	4500				4500
15	15	Accounts Receivable — JJ's Dance Club	R6	130		100000		100000	
15	15	✓	R7	✓			62500	62500	
15	15	Accounts Receivable — Funky Club	R8	140		47500		47500	
16	16	Miscellaneous Expense	C13	530	6200				6200
16	16	Advertising Expense	C14	510	20000				20000
16	16	Supplies — Music & Equipment	M3	160	9500				
16	16	Accounts Payable — R&B Music, Inc.		230		9500			
16	16	✓	R9	✓			45000	45000	
17	17	Repair & Cleaning Expense	C15	570	7000				7000
17	17	Utilities Expense	C16	580	7500				7500
17	17	Supplies — Office	C17	150	6000				6000
17	17	✓	R10	✓			29000	29000	
18	18	Accounts Payable — Electronics Unlimited	C18	220	17500				17500
18	18	Rico Sanchez, Drawing	C19	320	25000				25000
18	18	Accounts Receivable — JJ's Dance Club	S4	130	85000		85000		
19	19	Miscellaneous Expense	C20	530	8500				8500
19	19	Accounts Receivable — JJ's Dance Club	S5	130	50000		50000		
20	20	Accounts Payable — R&B Music, Inc.	C21	230	9500				9500
20	20	Supplies — Music & Equipment	M4	160	6700				
20	20	Accounts Payable — Electronics Unlimited		220			6700		
20	20	Accounts Receivable — JJ's Dance Club	S6	130	50000		50000		
21	21	✓	R11	✓			37500	37500	
21	21	Carried Forward		✓	731900	436200	656500	721500	360700

DATE		ACCOUNT TITLE	DOC. NO.	POST. REF.	GENERAL		SALES CREDIT	CASH	
					DEBIT	CREDIT		DEBIT	CREDIT
20-- Sept.	21	Brought Forward		✓	731900	436200	656500	721500	360700
	22	Supplies — Music & Equipment	M5	160	14500				
		Accounts Payable — R&B Music, Inc.		230		14500			
	22	✓	R12	✓			40000	40000	
	23	Repair & Cleaning Expense	C22	570	8000				8000
	23	Rico Sanchez, Drawing	C23	320	22000				22000
	23	✓	R13	✓			44500	44500	
	24	Utilities Expense	C24	580	8300				8300
	24	Accounts Receivable — Funky Club	S7	140	49000		49000		
	25	Accounts Receivable — Funky Club	S8	140	115000		115000		
	26	Prepaid Insurance	C25	170	36000				36000
	26	✓	R14	✓			34500	34500	
	27	Supplies — Office	C26	150	10500				10500
	27	✓	R15	✓			30000	30000	
	27	Miscellaneous Expense	M6	530	1500				1500
	28	✓	R16	✓			40000	40000	
	29	✓	R17	✓			30000	30000	
	30	Miscellaneous Expense	C27	530	3000				4500
		Supplies — Office		150	1500				
	30	Rico Sanchez, Drawing	C28	320	25000				25000
	30	✓	R18	✓			32500	32500	
	30	Totals			1026200	450700	1072000	973000	476500
					(✓)	(✓)	(410)	(110)	(110)

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Column totals from page 1 of the journal:

Column	Debit	Credit
General	\$ <u>4,190.00</u>	\$ <u>2,725.00</u>
Service Sales.....	<u> </u>	<u>2,975.00</u>
Cash	<u>4,000.00</u>	<u>2,490.00</u>
Totals.....	\$ <u><u>8,190.00</u></u>	\$ <u><u>8,190.00</u></u>

Column totals from page 2 of the journal:

Column	Debit	Credit
General	\$ <u>7,319.00</u>	\$ <u>4,362.00</u>
Service Sales.....	<u> </u>	<u>6,565.00</u>
Cash	<u>7,215.00</u>	<u>3,607.00</u>
Totals.....	\$ <u><u>14,534.00</u></u>	\$ <u><u>14,534.00</u></u>

Column totals from page 3 of the journal:

Column	Debit	Credit
General	\$ <u>10,262.00</u>	\$ <u>4,507.00</u>
Service Sales.....	<u> </u>	<u>10,720.00</u>
Cash	<u>9,730.00</u>	<u>4,765.00</u>
Totals.....	\$ <u><u>19,992.00</u></u>	\$ <u><u>19,992.00</u></u>

Prove Cash:

Cash on hand at the beginning of the month.....	\$ <u>0.00</u>
Plus total cash received during the month.....	<u>9,730.00</u>
Equals total.....	\$ <u>9,730.00</u>
Less total cash paid during the month.....	<u>4,765.00</u>
Equals cash balance at the end of the month.....	\$ <u><u>4,965.00</u></u>
Checkbook balance on the next unused check stub.....	\$ <u><u>4,965.00</u></u>

ACCOUNT		<i>Cash</i>		ACCOUNT NO.		110	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	30	3	973 000		973 000		
	30	3		476 500	496 500		

ACCOUNT		<i>Petty Cash</i>		ACCOUNT NO.		120	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	3	1	150 000		150 000		

ACCOUNT		<i>Accounts Receivable — JJ's Dance Club</i>		ACCOUNT NO.		130	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	6	1	500 000		500 000		
	12	1	500 000		1000 000		
	15	2		1000 000			
	18	2	850 000		850 000		
	19	2	500 000		1350 000		
	20	2	500 000		1850 000		

ACCOUNT		<i>Accounts Receivable — Funky Club</i>		ACCOUNT NO.		140	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	13	1	475 000		475 000		
	15	2		475 000			
	24	3	490 000		490 000		
	25	3	1150 000		1640 000		

ACCOUNT		<i>Supplies — Office</i>		ACCOUNT NO.		150	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	4	1	500 000		500 000		
	17	2	600 000		1100 000		
	27	3	1050 000		2150 000		
	30	3	1500 000		2300 000		
	30	4		1850 000	4500 000		

ACCOUNT		<i>Supplies — Music & Equipment</i>		ACCOUNT NO.		160	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	2	1	350 000		350 000		
	13	1	175 000		525 000		
	16	2	95 000		620 000		
	20	2	67 000		687 000		
	22	3	145 000		832 000		
	30	4		462 000	370 000		

ACCOUNT		<i>Service Sales</i>		ACCOUNT NO.		410	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	30	3		10 720 00		10 720 00	
	30	4	10 720 00				

ACCOUNT		<i>Advertising Expense</i>		ACCOUNT NO.		510	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	8	1	1 100 00		1 100 00		
	16	2	2 000 00		3 100 00		
	30	4		3 100 00			

ACCOUNT		<i>Insurance Expense</i>		ACCOUNT NO.		520	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	30	4	2 800 00		2 800 00		
	30	4		2 800 00			

ACCOUNT		<i>Miscellaneous Expense</i>		ACCOUNT NO.		530	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	11	1	4 800		4 800		
	15	2	4 500		9 300		
	16	2	6 200		1 550 00		
	19	2	8 500		2 400 00		
	27	3	1 500		2 550 00		
	30	3	3 000		2 850 00		
	30	4		2 850 00			

ACCOUNT		<i>Office Supplies Expense</i>		ACCOUNT NO.		540	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	30	4	1 850 00		1 850 00		
	30	4		1 850 00			

ACCOUNT		<i>Music & Equipment Supplies Expense</i>		ACCOUNT NO.		550	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	30	4	4 620 00		4 620 00		
	30	4		4 620 00			

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ACCOUNT		<i>Rental Expense</i>		ACCOUNT NO.		560	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	2	1	680 00		680 00		
	4	1	275 00		955 00		
	5	1	235 00		1190 00		
	30	4		1190 00			

ACCOUNT		<i>Repair & Cleaning Expense</i>		ACCOUNT NO.		570	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	11	1	92 00		92 00		
	17	2	70 00		162 00		
	23	3	80 00		242 00		
	30	4		242 00			

ACCOUNT		<i>Utilities Expense</i>		ACCOUNT NO.		580	
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Sept.	17	2	75 00		75 00		
	24	3	83 00		158 00		
	30	4		158 00			

RECONCILIATION OF BANK STATEMENT

September 27, 20--
(Date)

Balance On Check Stub No. <u>27</u>	\$ 4,250 00
DEDUCT BANK CHARGES:	
Description	Amount
Sept. service chg.	\$ 15 00
Total bank charges ▶	15 00
Adjusted Check Stub Balance	\$ 4,235 00

Balance On Bank Statement	\$ 4,453 00		
ADD OUTSTANDING DEPOSITS:			
Date	Amount		
September 26, 20--	\$ 345 00		
September 27, 20--	300 00		
Total outstanding deposits ▶	645 00		
SUBTOTAL	\$ 5,098 00		
DEDUCT OUTSTANDING CHECKS:			
Ck. No.	Amount	Ck. No.	Amount
21	95 00		
23	220 00		
24	83 00		
25	360 00		
26	105 00		
Total outstanding checks ▶	863 00		
Adjusted Bank Balance	\$ 4,235 00		

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DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	GENERAL		SERVICE SALES CREDIT	CASH	
				DEBIT	CREDIT		DEBIT	CREDIT
	<i>Adjusting Entries</i>							
20-- Sept. 30	Office Supplies Expense		540	18500				
	Supplies —Office		150		18500			
30	Music & Equipment Supplies Expense		550	46200				
	Supplies —Music & Equipment		160		46200			
30	Insurance Expense		520	28000				
	Prepaid Insurance		170		28000			
	Closing Entries							
30	Service Sales		410	1072000				
	Income Summary		330		1072000			
30	Income Summary		330	311200				
	Advertising Expense		510		31000			
	Insurance Expense		520		28000			
	Miscellaneous Expense		530		28500			
	Office Supplies Expense		540		18500			
	Music & Equipment Supplies Expense		550		46200			
	Rental Expense		560		119000			
	Repair & Cleaning Expense		570		24200			
	Utilities Expense		580		15800			
30	Income Summary		330	760800				
	Rico Sanchez, Capital		310		760800			
30	Rico Sanchez, Capital		310	92000				
	Rico Sanchez, Drawing		320		92000			

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*Rico Sanchez, Disc Jockey**Post-Closing Trial Balance**September 30, 20—*

ACCOUNT TITLE	DEBIT				CREDIT			
<i>Cash</i>	4	9	6	5 00				
<i>Petty Cash</i>		1	5	0 00				
<i>Accts. Rec. —JJ's Dance Club</i>		1	8	5 00				
<i>Accts. Rec. —Funky Club</i>		1	6	4 00				
<i>Supplies —Office</i>			4	5 00				
<i>Supplies —Music & Equipment</i>			3	7 00				
<i>Prepaid Insurance</i>			3	8 00				
<i>Accts. Pay. —Electronics Unlimited</i>						6	7 00	
<i>Accts. Pay. —R&B Music, Inc.</i>						1	4 5 00	
<i>Rico Sanchez, Capital</i>						9	1 8 8 00	
<i>Totals</i>	9	4	0	0 00	9	4	0 0 00	

Solutions

Think Like an Accountant Financial Analysis Activity

- a. Rico Sanchez, Disc Jockey
Budget
For the Month Ended September 30, 20–

		% of Sales
Revenue:	10,300.00	100.0
Service Sales		
Expenses:		
Advertising Expense	20.00	
Insurance Expense	260.00	
Miscellaneous Expense	250.00	
Office Supplies Expense	165.00	
Music & Equipment Supplies Expense	450.00	
Rental Expense	1,100.00	
Repair & Cleaning Expense	230.00	
Utilities Expense	<u>155.00</u>	
Total Expenses	2,630.00	25.5
Net Income	<u><u>7,670.00</u></u>	74.

- b. Mr. Sanchez met his goal of increasing revenue. Service sales increased from \$10,300.00 to \$10,720.00. However, net income actually decreased from \$7,670.00 to \$7,608.00. In the budget, net income was 74.5% of sales. Actual net income was only 71.0% of sales. Expenses increased as a percentage of sales from 25.5% to 29.0%.
- c. Without further investigation, it would appear that Mr. Sanchez should not continue with this strategy. Another item to consider is that the increase in advertising appears to have had a positive effect on revenue. Advertising Expense increased \$290.00 while Service Sales increased \$420.00. Therefore, Mr. Sanchez's strategy worked. Net income is less than the budget because many other expenses increased. If any expense can be decreased, net income will increase.

RICO SANCHEZ, DISC JOCKEY**Audit Test**

Name _____

Perfect Score 25

To the Teacher
Before making
copies, cover
this note and
the Key column.

Directions: Use your completed business simulation, and write the correct answer to each question in the Answers column. The first question, labeled "0," is given as an example.

PART A GENERAL JOURNAL	Answers	Key
0. What is the total of the Cash Debit Column on page 1 of the journal?	0. \$4,000.00	0. \$4,000.00
1. What is the total of the Service Sales Credit column on page 1 of the journal?	1.	1. \$2,975.00
2. What is the total of the Cash Credit column on page 1 of the journal?	2.	2. \$2,490.00
3. What is the total of the General Debit column on page 2 of the journal?	3.	3. \$7,319.00
4. What is the total of the Service Sales Credit column on page 2 of the journal?	4.	4. \$6,565.00
5. What is the total of the General Credit column on page 3 of the journal?	5.	5. \$4,507.00
6. What is the amount of the first debit to Income Summary on page 4 of the journal?	6.	6. \$3,112.00
7. What is the amount of the second debit to Income Summary on page 4 of the journal?	7.	7. \$7,608.00
PART B GENERAL LEDGER		
8. What is the balance of the cash account on September 30?	8.	8. \$4,965.00
9. How many entries are recorded in the office supplies account?	9.	9. 5
10. What is the balance of the music and equipment supplies account after all entries are posted?	10.	10. \$370.00
11. What is the balance of Prepaid Insurance before the adjusting entries are posted?	11.	11. \$660.00
12. What is the balance of Prepaid Insurance after the adjusting entries are posted?	12.	12. \$380.00
13. What is the balance of the payable account for Electronics Unlimited on September 30?	13.	13. \$67.00
14. What is the owner's capital account balance after closing entries are posted?	14.	14. \$9,188.00
15. What is the balance of Income Summary after closing entries are posted? ...	15.	15. \$0.00
PART C WORK SHEET		
16. What is the total of the Trial Balance Debit column?	16.	16. \$13,432.00
17. What is the total of the Adjustments Credit column?	17.	17. \$927.00
18. What is the amount of net income shown on the work sheet?	18.	18. \$7,608.00
19. What is the final proving total of the Balance Sheet Credit column?	19.	19. \$10,320.00
PART D FINANCIAL STATEMENTS AND BANK STATEMENT RECONCILIATION		
20. What is the total amount of outstanding checks listed on the bank statement reconciliation?	20.	20. \$863.00
21. What is the adjusted bank balance shown on the bank statement reconciliation?	21.	21. \$4,235.00
22. What is the amount of total expenses on the income statement?	22.	22. \$3,112.00
23. What is the total expenses component percentage on the income statement?	23.	23. 29.0%
24. What is the amount of owner's capital on the balance sheet?	24.	24. \$9,188.00
25. What is the total of the Debit column on the post-closing trial balance?	25.	25. \$9,400.00

CHECK STUBS FOR DECEMBER

902 \$ 1,000.00
 DATE December 1, 20--
 TO Lyons Realty Co.
 FOR December Rent

BAL. BRO'T. FOR'D.....	17,723	23
AMT. DEPOSITED		
SUBTOTAL	17,723	23
BANK CHARGES:		
SUBTOTAL	17,723	23
AMT. THIS CHECK	1,000	00
BAL. CAR'D. FOR'D.....	16,723	23

903 \$ 2,403.60
 DATE December 2, 20--
 TO Pacific World Imports, Inc.
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	16,723	23
AMT. DEPOSITED		
SUBTOTAL	16,723	23
BANK CHARGES:		
SUBTOTAL	16,723	23
AMT. THIS CHECK	2,403	60
BAL. CAR'D. FOR'D.....	14,319	63

904 \$ 1,093.15
 DATE December 3, 20--
 TO Wesley Distributors, Inc.
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	14,319	63
AMT. DEPOSITED		
SUBTOTAL	14,319	63
BANK CHARGES:		
<u>Cr. Card Fee 535.65</u>		
<u>Nov. S.C. 17.90</u>	553	55
SUBTOTAL	13,766	08
AMT. THIS CHECK	1,093	15
BAL. CAR'D. FOR'D.....	12,672	93

905 \$ 484.80
 DATE December 6, 20--
 TO Islander Trading Company
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	12,672	93
AMT. DEPOSITED <u>12 3 --</u>	11,924 2,935	97 24
SUBTOTAL	27,533	14
BANK CHARGES:		
SUBTOTAL	27,533	14
AMT. THIS CHECK	484	80
BAL. CAR'D. FOR'D.....	27,048	34

906 \$ 750.00
 DATE December 7, 20--
 TO The Volunteer Times
 FOR Advertising Expense

BAL. BRO'T. FOR'D.....	27,048	34
AMT. DEPOSITED		
SUBTOTAL	27,048	34
BANK CHARGES:		
SUBTOTAL	27,048	34
AMT. THIS CHECK	750	00
BAL. CAR'D. FOR'D.....	26,298	34

907 \$ 123.65
 DATE December 10, 20--
 TO Petty Cash
 FOR Replenish Petty Cash

BAL. BRO'T. FOR'D.....	26,298	34
AMT. DEPOSITED		
SUBTOTAL	26,298	34
BANK CHARGES:		
SUBTOTAL	26,298	34
AMT. THIS CHECK	123	65
BAL. CAR'D. FOR'D.....	26,174	69

908 \$ 7,098.19
 DATE December 12, 20--
 TO Aussie Accents, Inc.
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	26,174	69
AMT. DEPOSITED <u>12 10 --</u>	12,742 6,727	30 23
SUBTOTAL	45,644	22
BANK CHARGES:		
SUBTOTAL	45,644	22
AMT. THIS CHECK	7,098	19
BAL. CAR'D. FOR'D.....	38,546	03

909 \$ 485.10
 DATE December 12, 20--
 TO Islander Trading Company
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	38,546	03
AMT. DEPOSITED		
SUBTOTAL	38,546	03
BANK CHARGES:		
SUBTOTAL	38,546	03
AMT. THIS CHECK	485	10
BAL. CAR'D. FOR'D.....	38,060	93

910 \$ 30.00
 DATE December 13, 20--
 TO Gina Mendoza
 FOR Miscellaneous Expense

BAL. BRO'T. FOR'D.....	38,060	93
AMT. DEPOSITED		
SUBTOTAL	38,060	93
BANK CHARGES:		
SUBTOTAL	38,060	93
AMT. THIS CHECK	30	00
BAL. CAR'D. FOR'D.....	38,030	93

911 \$ 3,406.26
 DATE December 13, 20--
 TO International Illuminations, Inc.
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	38,030	93
AMT. DEPOSITED		
SUBTOTAL	38,030	93
BANK CHARGES:		
SUBTOTAL	38,030	93
AMT. THIS CHECK	3,406	26
BAL. CAR'D. FOR'D.....	34,624	67

912 \$ 1,323.00
 DATE December 14, 20--
 TO Savannah Imports, Ltd.
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	34,624	67
AMT. DEPOSITED		
SUBTOTAL	34,624	67
BANK CHARGES:		
SUBTOTAL	34,624	67
AMT. THIS CHECK	1,323	00
BAL. CAR'D. FOR'D.....	33,301	67

913 \$ 3,716.76
 DATE December 14, 20--
 TO State National Bank
 FOR November Payroll Taxes

BAL. BRO'T. FOR'D.....	33,301	67
AMT. DEPOSITED		
SUBTOTAL	33,301	67
BANK CHARGES:		
SUBTOTAL	33,301	67
AMT. THIS CHECK	3,716	76
BAL. CAR'D. FOR'D.....	29,584	91

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CHECK STUBS FOR DECEMBER (Continued)

914 \$ 9,377.70
 DATE December 14, 20--
 TO State Tax Department
 FOR Sales Taxes

BAL. BRO'T. FOR'D.....	29,584	91
AMT. DEPOSITED		
SUBTOTAL.....	29,584	91
BANK CHARGES:		
SUBTOTAL.....	29,584	91
AMT. THIS CHECK.....	9,377	70
BAL. CAR'D. FOR'D.....	20,207	21

915 \$ 50.00
 DATE December 14, 20--
 TO Lamont's Repair Service
 FOR Miscellaneous Expense

BAL. BRO'T. FOR'D.....	20,207	21
AMT. DEPOSITED		
SUBTOTAL.....	20,207	21
BANK CHARGES:		
SUBTOTAL.....	20,207	21
AMT. THIS CHECK.....	50	00
BAL. CAR'D. FOR'D.....	20,157	21

916 \$ 7,265.68
 DATE December 15, 20--
 TO Payroll Account
 FOR Payroll for December 1-15

BAL. BRO'T. FOR'D.....	20,157	21
AMT. DEPOSITED		
SUBTOTAL.....	20,157	21
BANK CHARGES:		
SUBTOTAL.....	20,157	21
AMT. THIS CHECK.....	7,265	68
BAL. CAR'D. FOR'D.....	12,891	53

917 \$ 850.00
 DATE December 16, 20--
 TO Reed-Collins Insurance Agency
 FOR Liability Insurance

BAL. BRO'T. FOR'D.....	12,891	53
AMT. DEPOSITED		
SUBTOTAL.....	12,891	53
BANK CHARGES:		
SUBTOTAL.....	12,891	53
AMT. THIS CHECK.....	850	00
BAL. CAR'D. FOR'D.....	12,041	53

918 \$ 325.87
 DATE December 16, 20--
 TO Davidson County Electric Co.
 FOR Utilities Expense

BAL. BRO'T. FOR'D.....	12,041	53
AMT. DEPOSITED		
SUBTOTAL.....	12,041	53
BANK CHARGES:		
SUBTOTAL.....	12,041	53
AMT. THIS CHECK.....	325	87
BAL. CAR'D. FOR'D.....	11,715	66

919 \$ 66.00
 DATE December 17, 20--
 TO I-Trader's Magazine
Clearing House
 FOR Miscellaneous Expense

BAL. BRO'T. FOR'D.....	11,715	66
AMT. DEPOSITED		
SUBTOTAL.....	11,715	66
BANK CHARGES:		
SUBTOTAL.....	11,715	66
AMT. THIS CHECK.....	66	00
BAL. CAR'D. FOR'D.....	11,649	66

920 \$ 2,395.00
 DATE December 17, 20--
 TO Hoozier Imports
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	11,649	66
AMT. DEPOSITED		
SUBTOTAL.....	11,649	66
BANK CHARGES:		
SUBTOTAL.....	11,649	66
AMT. THIS CHECK.....	2,395	00
BAL. CAR'D. FOR'D.....	9,254	66

921 \$ 538.55
 DATE December 19, 20--
 TO Savannah Imports, Ltd.
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	9,254	66
AMT. DEPOSITED	12 17 --	21,835 98
		25,109 00
SUBTOTAL.....	56,199	64
BANK CHARGES:		
SUBTOTAL.....	56,199	64
AMT. THIS CHECK.....	538	55
BAL. CAR'D. FOR'D.....	55,661	09

922 \$ 2,214.78
 DATE December 21, 20--
 TO East Porcelain Importers
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	55,661	09
AMT. DEPOSITED		
SUBTOTAL.....	55,661	09
BANK CHARGES:		
SUBTOTAL.....	55,661	09
AMT. THIS CHECK.....	2,214	78
BAL. CAR'D. FOR'D.....	53,446	31

923 \$ 56.04
 DATE December 22, 20--
 TO Custom Computers
 FOR Miscellaneous Expense

BAL. BRO'T. FOR'D.....	53,446	31
AMT. DEPOSITED		
SUBTOTAL.....	53,446	31
BANK CHARGES:		
SUBTOTAL.....	53,446	31
AMT. THIS CHECK.....	56	04
BAL. CAR'D. FOR'D.....	53,390	27

924 \$ 364.54
 DATE December 24, 20--
 TO Tennessee Telephone Service
 FOR Utilities Expense

BAL. BRO'T. FOR'D.....	53,390	27
AMT. DEPOSITED		
SUBTOTAL.....	53,390	27
BANK CHARGES:		
SUBTOTAL.....	53,390	27
AMT. THIS CHECK.....	364	54
BAL. CAR'D. FOR'D.....	53,025	73

925 \$ 10,010.00
 DATE December 26, 20--
 TO Dividend Checking Account
 FOR Dividends

BAL. BRO'T. FOR'D.....	53,025	73
AMT. DEPOSITED	12 24 --	19,110 10
		24,517 02
SUBTOTAL.....	96,652	85
BANK CHARGES:		
SUBTOTAL.....	96,652	85
AMT. THIS CHECK.....	10,010	00
BAL. CAR'D. FOR'D.....	86,642	85

CHECK STUBS FOR DECEMBER (Continued)

926 \$ 2,719.50
 DATE December 28, 20--
 TO Aussie Accents, Inc.
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	86,642	85
AMT. DEPOSITED		
SUBTOTAL.....	86,642	85
BANK CHARGES:		
SUBTOTAL.....	86,642	85
AMT. THIS CHECK.....	2,719	50
BAL. CAR'D. FOR'D.....	83,923	35

927 \$ 2,854.00
 DATE December 28, 20--
 TO East Porcelain Importers
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	83,923	35
AMT. DEPOSITED		
SUBTOTAL.....	83,923	35
BANK CHARGES:		
SUBTOTAL.....	83,923	35
AMT. THIS CHECK.....	2,854	00
BAL. CAR'D. FOR'D.....	81,069	35

928 \$ 179.31
 DATE December 30, 20--
 TO Petty Cash
 FOR Replenish Petty Cash

BAL. BRO'T. FOR'D.....	81,069	35
AMT. DEPOSITED		
SUBTOTAL.....	81,069	35
BANK CHARGES:		
<u>Cr. Card Fee 889.32</u>		
<u>Dec. S.C. 18.25</u>	907	57
SUBTOTAL.....	80,161	78
AMT. THIS CHECK.....	179	31
BAL. CAR'D. FOR'D.....	79,982	47

929 \$ 6,934.71
 DATE December 31, 20--
 TO Payroll Account
 FOR Payroll for December 16-31

BAL. BRO'T. FOR'D.....	79,982	47
AMT. DEPOSITED		
SUBTOTAL.....	79,982	47
BANK CHARGES:		
SUBTOTAL.....	79,982	47
AMT. THIS CHECK.....	6,934	71
BAL. CAR'D. FOR'D.....	73,047	76

930 \$ _____
 DATE _____
 TO _____
 FOR _____

BAL. BRO'T. FOR'D.....	73,047	76
AMT. DEPOSITED	12 31 --	8,676 63
		9,533 00
SUBTOTAL.....	91,257	39
BANK CHARGES:		
SUBTOTAL.....	91,257	39
AMT. THIS CHECK.....		
BAL. CAR'D. FOR'D.....		

4 Unique Global Imports

SALES JOURNAL

PAGE 12

				1				2				3										
	DATE	ACCOUNT DEBITED (Form numbers are in parentheses)		SALE NO.	POST. REF.	ACCOUNTS RECEIVABLE DEBIT				SALES CREDIT				SALES TAX PAYABLE CREDIT								
1	20-- Dec.	1	Leon Morales	(1)	936	140	2	2	9	2	72	2	0	9	8	60	1	9	4	12	1	
2		1	Amy Zellner	(4)	937	165	1	1	4	7	13	1	0	5	0	00		9	7	13	2	
3		3	Luis T. Arroyo	(11)	938	110		5	1	1	07		4	6	7	80		4	3	27	3	
4		5	Midori Okano	(16)	939	145	1	6	7	3	27	1	5	3	1	60		1	4	1	67	4
5		8	Baymont Design Firm	(24)	940	115	2	1	2	8	00	2	1	2	8	00						5
6		9	Elena Ramos	(27)	941	150		3	1	3	55		2	8	7	00		2	6	55		6
7		13	Serio Hospitality Center	(38)	942	155	4	4	4	3	20	4	0	6	7	00		3	7	6	20	7
8		14	Mei-Yu Sun	(43)	943	160		4	2	8	26		3	9	2	00		3	6	26		8
9		15	Eric Kim	(49)	944	135		3	5	1	79		3	2	2	00		2	9	79		9
10		16	Huntington Corporation	(53)	945	130	3	1	0	7	07	2	8	4	4	00		2	6	3	07	10
11		17	Alesha Edgar	(54)	946	120	1	0	7	8	30		9	8	7	00		9	1	30		11
12		23	Grandview Conference Center	(68)	947	125	2	4	7	5	61	2	2	6	6	00		2	0	9	61	12
13		23	Amy Zellner	(69)	948	165		4	4	2	24		4	0	4	80		3	7	44		13
14		24	Baymont Design Firm	(73)	949	115	2	4	8	2	99	2	4	8	2	99						14
15		29	Leon Morales	(83)	950	140		2	1	8	49		1	9	9	99		1	8	50		15
16		31	Totals				23	0	9	3	69	21	5	2	8	78	1	5	6	4	91	16
							(1130)				(4110)				(2145)							

PURCHASES JOURNAL

PAGE 12

	DATE	ACCOUNT CREDITED		PURCH. NO.	POST. REF.	PURCHASES DR. ACCTS. PAY. CR.						
1	20-- Dec.	1	East Porcelain Importers	(2)	842	220	2	8	5	4	00	1
2		1	Pacific World Imports, Inc.	(5)	843	250		6	6	0	00	2
3		3	Islander Trading Company	(13)	844	245		4	9	5	00	3
4		5	Savannah Imports, Ltd.	(17)	845	255	1	3	5	0	00	4
5		12	Savannah Imports, Ltd.	(31)	846	255		5	4	9	54	5
6		12	Wesley Distributors, Inc.	(33)	847	260		6	9	0	00	6
7		13	Fab International Interiors	(40)	848	230		2	1	4	68	7
8		15	East Porcelain Importers	(46)	849	220		3	4	2	00	8
9		20	International Illuminations, Inc.	(63)	850	240	1	1	7	6	00	9
10		21	Aussie Accents, Inc.	(64)	851	210	3	0	7	5	00	10
11		23	Pacific World Imports, Inc.	(71)	852	250	1	6	2	6	00	11
12		31	Totals				13	0	3	2	22	12
13							(5110)	(2110)				13

GENERAL JOURNAL

	DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	DEBIT	CREDIT	
1		<i>Adjusting Entries</i>					1
2	20-- Dec. 31	Uncollectible Accounts Expense		6165	2 3 5 63		2
3		<i>Allowance for Uncollectible Accounts</i>		1135		2 3 5 63	3
4	31	Merchandise Inventory		1140	4 0 1 4 4 95		4
5		<i>Income Summary</i>		3140		4 0 1 4 4 95	5
6	31	Supplies Expense—Office		6155	4 1 0 00		6
7		<i>Supplies—Office</i>		1145		4 1 0 00	7
8	31	Supplies Expense—Store		6160	7 7 6 69		8
9		<i>Supplies—Store</i>		1150		7 7 6 69	9
10	31	Insurance Expense		6130	2 1 0 8 28		10
11		<i>Prepaid Insurance</i>		1160		2 1 0 8 28	11
12	31	Depreciation Expense—Office Equipment		6120	5 6 1 0 00		12
13		<i>Accumulated Depreciation—Office Equipment</i>		1210		5 6 1 0 00	13
14	31	Depreciation Expense—Store Equipment		6125	5 1 1 8 25		14
15		<i>Accumulated Depreciation—Store Equipment</i>		1220		5 1 1 8 25	15
16	31	Federal Income Tax Expense		7110	5 1 0 6 71		16
17		<i>Federal Income Tax Payable</i>		2120		5 1 0 6 71	17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25
26							26
27							27
28							28
29							29
30							30
31							31
32							32
33							33
34							34
35							35

CASH PAYMENTS JOURNAL

DATE	ACCOUNT TITLE	CK. NO.	POST. REF.	GENERAL		ACCOUNTS PAYABLE DEBIT	PURCHASES DISCOUNT CREDIT	CASH CREDIT
				DEBIT	CREDIT			
20-- Dec. 1	Rent Expense (3)	902	6145	1 0 0 0 00				1 0 0 0 00
2	Pacific World Imports, Inc. (6)	903	250			2 4 0 3 60		2 4 0 3 60
3	Miscellaneous Expense (7)	M786	6135					1 7 90
4	Credit Card Fee Expense (8)	M787	6115	5 3 5 65				5 3 5 65
5	Wesley Distributors, Inc. (12)	904	260			1 0 9 3 15		1 0 9 3 15
6	Islander Trading Company (21)	905	245			4 8 4 80		4 8 4 80
7	Advertising Expense (23)	906	6105	7 5 0 00				7 5 0 00
8	Supplies—Office (28)	907	1145	1 5 90				1 5 90
9	Supplies—Store		1150	7 5 40				
10	Miscellaneous Expense		6135	3 2 35				
11	Aussie Accents, Inc. (34)	908	210			7 0 9 8 19		7 0 9 8 19
12	Islander Trading Company (35)	909	245			4 9 5 00	9 90	4 8 5 10
13	Miscellaneous Expense (37)	910	6135	3 0 00				3 0 00
14	International Illuminations, Inc. (41)	911	240			3 4 0 6 26		3 4 0 6 26
15	Savannah Imports, Ltd. (42)	912	255			1 3 5 0 00	2 7 00	1 3 2 3 00
16	Employee Income Tax Payable (44)	913	2130	1 1 2 0 00				3 7 1 6 76
17	Social Security Tax Payable		2135	2 1 0 4 57				
18	Medicare Tax Payable		2140	4 9 2 19				
19	Sales Tax Payable (44)	914	2145	9 3 7 7 0				9 3 7 7 0
20	Miscellaneous Expense (45)	915	6135	5 0 00				5 0 00
21	Salary Expense (47)	916	6150	8 5 7 3 55				7 2 6 5 68
22	Employee Income Tax Payable		2130					5 7 2 00
23	Social Security Tax Payable		2135					5 3 1 55
24	Medicare Tax Payable		2140					1 2 4 32
25	U.S. Savings Bonds Payable		2165					5 5 00
26	United Way Donations Payable		2170					2 5 00
27	Carried Forward		✓	2 4 1 7 5 21	1 3 0 7 87	16 3 3 1 00	3 6 90	39 1 6 1 44

CASH PAYMENTS JOURNAL PAGE 24

DATE	ACCOUNT TITLE	CK. NO.	POST. REF.	GENERAL		ACCOUNTS PAYABLE DEBIT	PURCHASES DISCOUNT CREDIT	CASH CREDIT
				DEBIT	CREDIT			
20-- Dec 15	Brought Forward		✓	24 1 7 5 21	3 9 1 6 1 44	16 3 3 1 00	3 6 90	38 6 0 7 89
16	Prepaid Insurance (50)	917	1160	8 5 0 00				8 5 0 00
16	Utilities Expense (51)	918	6170	3 2 5 87				3 2 5 87
17	Miscellaneous Expense (55)	919	6135	6 6 00				6 6 00
17	Hoosier Imports (57)	920	235			2 3 9 5 00		2 3 9 5 00
19	Savannah Imports, Ltd. (62)	921	255			5 4 9 54	1 0 99	5 3 8 55
21	East Porcelain Importers (65)	922	220			2 2 1 4 78		2 2 1 4 78
22	Miscellaneous Expense (67)	923	6135	5 6 04				5 6 04
24	Utilities Expense (74)	924	6170	3 6 4 54				3 6 4 54
26	Dividends Payable (77)	925	2180	10 0 1 0 00				10 0 1 0 00
28	Aussie Accents, Inc. (80)	926	210			2 7 7 5 00	5 5 50	2 7 1 9 50
28	East Porcelain Importers (81)	927	220			2 8 5 4 00		2 8 5 4 00
30	Miscellaneous Expense (84)	M803	6135	1 8 2 5				1 8 2 5
30	Credit Card Fee Expense (85)	M804	6115	8 8 9 32				8 8 9 32
30	Supplies—Store (86)	928	1150	8 2 44				1 7 9 31
	Miscellaneous Expense		6135	9 6 71				
	Cash Short and Over		6110	0 16				
31	Salary Expense (87)	929	6150	8 5 1 7 30				6 9 3 4 71
	Employee Income Tax Payable		2130		5 6 3 00			
	Social Security Tax Payable		2135		5 2 8 09			
	Medicare Tax Payable		2140		1 2 3 50			
	Health Insurance Premiums Payable		2160		2 8 8 00			
	U.S. Savings Bonds Payable		2165		5 5 00			
	United Way Donations Payable		2170		2 5 00			
31	Totals			45 4 5 1 84	69 5 7 7 31	27 1 1 9 32	1 0 3 39	69 5 7 7 31
				(✓)	(✓)	(2110)	(5120)	(1110)

GENERAL LEDGER (Continued)

ACCOUNT <i>Allowance for Uncollectible Accounts</i>				ACCOUNT NO. 1135							
DATE		ITEM	POST. REF.	DEBIT		CREDIT		BALANCE			
								DEBIT		CREDIT	
20-- Dec.	1	Balance	✓								2 2 6 75
	31		G18			2 3 5 63					4 6 2 38

ACCOUNT <i>Merchandise Inventory</i>				ACCOUNT NO. 1140							
DATE		ITEM	POST. REF.	DEBIT		CREDIT		BALANCE			
								DEBIT		CREDIT	
20-- Dec.	1	Balance	✓					534	8 7 6 50		
	31		G18	40	1 4 4 95			575	0 2 1 45		

ACCOUNT <i>Supplies—Office</i>				ACCOUNT NO. 1145							
DATE		ITEM	POST. REF.	DEBIT		CREDIT		BALANCE			
								DEBIT		CREDIT	
20-- Dec.	1	Balance	✓					7 8 0 45			
	5		G17	7 8 71				8 5 9 16			
	10		CP23	1 5 90				8 7 5 06			
	31		G18			4 1 0 00		4 6 5 06			

ACCOUNT <i>Supplies—Store</i>				ACCOUNT NO. 1150							
DATE		ITEM	POST. REF.	DEBIT		CREDIT		BALANCE			
								DEBIT		CREDIT	
20-- Dec.	1	Balance	✓					2 5 5 8 90			
	8		G17	5 9 95				2 6 1 8 85			
	10		CP23	7 5 40				2 6 9 4 25			
	30		CP24	8 2 44				2 7 7 6 69			
	31		G18			7 7 6 69		2 0 0 0 00			

ACCOUNT <i>Prepaid Insurance</i>				ACCOUNT NO. 1160							
DATE		ITEM	POST. REF.	DEBIT		CREDIT		BALANCE			
								DEBIT		CREDIT	
20-- Dec.	1	Balance	✓					4 2 6 8 28			
	16		CP24	8 5 0 00				5 1 1 8 28			
	31		G18			2 1 0 8 28		3 0 1 0 00			

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GENERAL LEDGER (Continued)

ACCOUNT *Office Equipment*

ACCOUNT NO. 1205

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			46	66750

ACCOUNT *Accumulated Depreciation—Office Equipment*

ACCOUNT NO. 1210

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				1122000
	31	G18		561000		1683000

ACCOUNT *Store Equipment*

ACCOUNT NO. 1215

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			45	97670

ACCOUNT *Accumulated Depreciation—Store Equipment*

ACCOUNT NO. 1220

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				2047300
	31	G18		511825		2559125

ACCOUNT *Accounts Payable*

ACCOUNT NO. 2110

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			41	30103
	5	G17		7871		4137974
	24	G17	30000			4107974
	31	P12		1303222		5411196
	31	CP24	2711932			2699264

GENERAL LEDGER (Continued)

ACCOUNT <i>Federal Income Tax Payable</i>				ACCOUNT NO. 2120			
DATE		ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
						DEBIT	CREDIT
20-- Dec.	31		G18		5 1 0 6 71		5 1 0 6 71

ACCOUNT <i>Employee Income Tax Payable</i>				ACCOUNT NO. 2130			
DATE		ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
						DEBIT	CREDIT
20-- Dec.	1	Balance	✓				1 1 2 0 00
	14		CP23	1 1 2 0 00			
	15		CP23		5 7 2 00		5 7 2 00
	31		CP24		5 6 3 00		1 1 3 5 00

ACCOUNT <i>Social Security Tax Payable</i>				ACCOUNT NO. 2135			
DATE		ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
						DEBIT	CREDIT
20-- Dec.	1	Balance					2 1 0 4 57
	14		CP23	2 1 0 4 57			
	15		G17		5 3 1 55		5 3 1 55
	15		CP23		5 3 1 55		1 0 6 3 10
	31		G17		5 2 8 09		1 5 9 1 19
	31		CP24		5 2 8 09		2 1 1 9 28

ACCOUNT <i>Medicare Tax Payable</i>				ACCOUNT NO. 2140			
DATE		ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
						DEBIT	CREDIT
20-- Dec.	1	Balance					4 9 2 19
	14		CP23	4 9 2 19			
	15		G17		1 2 4 32		1 2 4 32
	15		CP23		1 2 4 32		2 4 8 64
	31		G17		1 2 3 50		3 7 2 14
	31		CP24		1 2 3 50		4 9 5 64

ACCOUNT <i>Sales Tax Payable</i>				ACCOUNT NO. 2145			
DATE		ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
						DEBIT	CREDIT
20-- Dec.	1	Balance					9 3 7 7 70
	14		CP23	9 3 7 7 70			
	27		G17	1 1 66		1 1 66	
	31		S12		1 5 6 4 91		1 5 5 3 25
	31		CR23		9 4 5 2 05		11 0 0 5 30

GENERAL LEDGER (Continued)

ACCOUNT *Unemployment Tax Payable—Federal*

ACCOUNT NO. 2150

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				3 3 82
15		G17		5 28		3 9 10
31		G17		5 64		4 4 74

ACCOUNT *Unemployment Tax Payable—State*

ACCOUNT NO. 2155

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				2 2 8 29
15		G17		3 5 64		2 6 3 93
31		G17		3 8 07		3 0 2 00

ACCOUNT *Health Insurance Premiums Payable*

ACCOUNT NO. 2160

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				6 2 4 00
31		CP24		2 8 8 00		9 1 2 00

ACCOUNT *U.S. Savings Bonds Payable*

ACCOUNT NO. 2165

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				2 2 0 00
15		CP23		5 5 00		2 7 5 00
31		CP24		5 5 00		3 3 0 00

ACCOUNT *United Way Donations Payable*

ACCOUNT NO. 2170

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				1 0 0 00
15		CP23		2 5 00		1 2 5 00
31		CP24		2 5 00		1 5 0 00

ACCOUNT *Dividends Payable*

ACCOUNT NO. 2180

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 7		G17		10 0 1 0 00		10 0 1 0 00
26		CP24	10 0 1 0 00			

GENERAL LEDGER (Continued)

ACCOUNT *Purchases*

ACCOUNT NO. 5110

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			678 6 7 0 50	
8		G17		5 9 95	678 6 1 0 55	
31		P12	13 0 3 2 22		691 6 4 2 77	
31		G19		691 6 4 2 77		

ACCOUNT *Purchases Discount*

ACCOUNT NO. 5120

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				10 8 4 5 64
31		CP24		1 0 3 39		10 9 4 9 03
31		G19	10 9 4 9 03			

ACCOUNT *Purchases Returns and Allowances*

ACCOUNT NO. 5130

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				20 1 6 2 68
24		G17		3 0 0 00		20 4 6 2 68
31		G19	20 4 6 2 68			

ACCOUNT *Advertising Expense*

ACCOUNT NO. 6105

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			10 8 7 2 40	
7		CP23	7 5 0 00		11 6 2 2 40	
31		G19		11 6 2 2 40		

ACCOUNT *Cash Short and Over*

ACCOUNT NO. 6110

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				3 76
30		CP24	0 16			3 92
31		G19		3 92		

GENERAL LEDGER (Continued)

ACCOUNT <i>Credit Card Fee Expense</i>				ACCOUNT NO. 6115			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Dec.	1	Balance	✓			9 1 9 1 80	
	2		G23	5 3 5 65		9 7 2 7 45	
	30		G24	8 8 9 32		10 6 1 6 77	
	31		G19		10 6 1 6 77		

ACCOUNT <i>Depreciation Expense—Office Equipment</i>				ACCOUNT NO. 6120			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Dec.	31		G18	5 6 1 0 00		5 6 1 0 00	
	31		G19		5 6 1 0 00		

ACCOUNT <i>Depreciation Expense—Store Equipment</i>				ACCOUNT NO. 6125			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Dec.	31		G18	5 1 1 8 25		5 1 1 8 25	
	31		G19		5 1 1 8 25		

ACCOUNT <i>Insurance Expense</i>				ACCOUNT NO. 6130			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Dec.	31		G18	2 1 0 8 28		2 1 0 8 28	
	31		G19		2 1 0 8 28		

ACCOUNT <i>Miscellaneous Expense</i>				ACCOUNT NO. 6135			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Dec.	1	Balance	✓			4 6 7 4 43	
	2		CP23	1 7 90		4 6 9 2 33	
	10		CP23	3 2 35		4 7 2 4 68	
	13		CP23	3 0 00		4 7 5 4 68	
	14		CP23	5 0 00		4 8 0 4 68	
	17		CP24	6 6 00		4 8 7 0 68	
	22		CP24	5 6 04		4 9 2 6 72	
	30		CP24	1 8 25		4 9 4 4 97	
	30		CP24	9 6 71		5 0 4 1 68	
	31		G19		5 0 4 1 68		

ACCOUNT <i>Payroll Taxes Expense</i>				ACCOUNT NO. 6140			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Dec.	1	Balance	✓			17 9 2 9 42	
	15		G17	6 9 6 79		18 6 2 6 21	
	31		G17	6 9 5 30		19 3 2 1 51	
	31		G19		19 3 2 1 51		

GENERAL LEDGER (Continued)

ACCOUNT *Rent Expense*

ACCOUNT NO. 6145

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			11 0 0 0 00	
1		CP23	1 0 0 0 00		12 0 0 0 00	
31		G19		12 0 0 0 00		

ACCOUNT *Salary Expense*

ACCOUNT NO. 6150

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			174 2 5 6 65	
15		CP23	8 5 7 3 55		182 8 3 0 20	
31		CP24	8 5 1 7 30		191 3 4 7 50	
31		G19		191 3 4 7 50		

ACCOUNT *Supplies Expense—Office*

ACCOUNT NO. 6155

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 31		G18	4 1 0 0 00		4 1 0 0 00	
31		G19		4 1 0 0 00		

ACCOUNT *Supplies Expense—Store*

ACCOUNT NO. 6160

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 31		G18	7 7 6 6 9		7 7 6 6 9	
31		G19		7 7 6 6 9		

ACCOUNT *Uncollectible Accounts Expense*

ACCOUNT NO. 6165

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 31		G18	2 3 5 6 3		2 3 5 6 3	
31		G19		2 3 5 6 3		

ACCOUNT *Utilities Expense*

ACCOUNT NO. 6170

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			8 6 2 8 07	
16		CP24	3 2 5 8 7		8 9 5 3 94	
24		CP24	3 6 4 5 4		9 3 1 8 48	
31		G19		9 3 1 8 48		

GENERAL LEDGER (Continued)

ACCOUNT <i>Federal Income Tax Expense</i>				ACCOUNT NO. 7110																	
DATE		ITEM	POST. REF.	DEBIT				CREDIT				BALANCE									
												DEBIT		CREDIT							
20-- Dec.	1	Balance	✓									32	0	0	0	00					
	31		G18	5	1	0	6	71					37	1	0	6	71				
	31		G19					37	1	0	6	71					37	1	0	6	71

22 Unique Global Imports

ACCOUNTS RECEIVABLE LEDGER

CUSTOMER *Luis T.Arroyo*

CUSTOMER NO. 110

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Dec.	1	Balance	✓			2 9 7 3 23
	3		S12	5 1 1 07		3 4 8 4 30
	12		CR23		2 9 7 3 23	5 1 1 07
	22		CR23		5 1 1 07	

CUSTOMER *Baymont Design Firm*

CUSTOMER NO. 115

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Dec.	1	Balance	✓			9 4 3 9 09
	2		CR23		9 4 3 9 09	
	8		S12	2 1 2 8 00		2 1 2 8 00
	17		CR23		2 1 2 8 00	
	24		S12	2 4 8 2 99		2 4 8 2 99

CUSTOMER *Alesha Edgar*

CUSTOMER NO. 120

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Dec.	1	Balance	✓			2 6 6 40
	9		CR23		2 6 6 40	
	17		S12	1 0 7 8 30		1 0 7 8 30

CUSTOMER *Grandview Conference Center*

CUSTOMER NO. 125

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Dec.	1	Balance	✓			5 8 7 4 75
	5		CR23		5 8 7 4 75	
	23		S12	2 4 7 5 61		2 4 7 5 61

CUSTOMER *Huntington Corporation*

CUSTOMER NO. 130

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Dec.	1	Balance	✓			1 3 1 3 50
	12		CR23		1 3 1 3 50	
	16		S12	3 1 0 7 07		3 1 0 7 07

ACCOUNTS RECEIVABLE LEDGER (Continued)

CUSTOMER *Eric Kim*

CUSTOMER NO. 135

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Dec.	1	Balance	✓			2 2 6 75
	15		S12	3 5 1 79		5 7 8 54

CUSTOMER *Leon Morales*

CUSTOMER NO. 140

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Dec.	1	Balance	✓			3 8 7 00
	1		S12	2 2 9 2 72		2 6 7 9 72
	17		CR23		3 8 7 00	2 2 9 2 72
	29		S12	2 1 8 49		2 5 1 1 21

CUSTOMER *Midori Okano*

CUSTOMER NO. 145

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Dec.	1	Balance	✓			2 6 9 20
	2		CR23		2 6 9 20	
	5		S12	1 6 7 3 27		1 6 7 3 27
	27		G17		1 3 7 66	1 5 3 5 61
	29		CR23		1 5 3 5 61	

CUSTOMER *Elena Ramos*

CUSTOMER NO. 150

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Dec.	1	Balance	✓			2 0 0 05
	9		S12	3 1 3 55		5 1 3 60
	13		CR23		2 0 0 05	3 1 3 55
	26		CR23		3 1 3 55	

CUSTOMER *Serio Hospitality Center*

CUSTOMER NO. 155

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Dec.	1	Balance	✓			4 6 3 36
	13		S12	4 4 4 3 20		4 9 0 6 56
	19		CR23		4 6 3 36	4 4 4 3 20
	23		CR23		4 4 4 3 20	

ACCOUNTS RECEIVABLE LEDGER (Continued)

CUSTOMER *Mei-Yu Sun*

CUSTOMER NO. 160

DATE		ITEM	POST. REF.	DEBIT				CREDIT				DEBIT BALANCE			
20-- Dec.	1	<i>Balance</i>	✓												
	6		CR23					3	2	3	82				
	14		S12	4	2	8	26					4	2	8	26

CUSTOMER *Amy Zellner*

CUSTOMER NO. 165

DATE		ITEM	POST. REF.	DEBIT				CREDIT				DEBIT BALANCE			
20-- Dec.	1	<i>Balance</i>	✓									1	1	6	4 67
	1		S12	1	1	4	7 13					2	3	1	1 80
	16		CR23					1	1	6	4 67	1	1	4	7 13
	23		S12	4	4	2	24					1	5	8	9 37

ACCOUNTS PAYABLE LEDGER

VENDOR <i>Aussie Accents, Inc.</i>			VENDOR NO. 210			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE	
20-- Dec. 1	Balance	✓			7 0 9 8 19	
12		CP23	7 0 9 8 19			
21		P12		3 0 7 5 00	3 0 7 5 00	
24		G17	3 0 0 00		2 7 7 5 00	
28		CP24	2 7 7 5 00			

VENDOR <i>Complete Office Supplies</i>			VENDOR NO. 215			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE	
20-- Dec. 5		G17		7 8 71	7 8 71	

VENDOR <i>East Porcelain Importers</i>			VENDOR NO. 220			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE	
20-- Dec. 1	Balance	✓			2 2 1 4 78	
1		P12		2 8 5 4 00	5 0 6 8 78	
15		P12		3 4 2 00	5 4 1 0 78	
21		CP24	2 2 1 4 78		3 1 9 6 00	
28		CP24	2 8 5 4 00		3 4 2 00	

VENDOR <i>EuroWear, Inc.</i>			VENDOR NO. 225			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE	
20-- Dec. 1	Balance	✓			14 7 6 6 80	

VENDOR <i>Fab International Interiors</i>			VENDOR NO. 230			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE	
20-- Dec. 1	Balance	✓			1 4 2 3 20	
13		P12		2 1 4 68	1 6 3 7 88	

VENDOR <i>Hoosier Imports</i>			VENDOR NO. 235			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE	
20-- Dec. 1	Balance	✓			2 3 9 5 00	
17		CP24	2 3 9 5 00			

ACCOUNTS PAYABLE LEDGER (Continued)

VENDOR *International Illuminations, Inc.*

VENDOR NO. 240

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
20-- Dec.	1	Balance	✓			3 4 0 6 26
	13		CP23	3 4 0 6 26		
	20		P12		1 1 7 6 00	1 1 7 6 00

VENDOR *Islander Trading Company*

VENDOR NO. 245

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
20-- Dec.	1	Balance	✓			4 8 4 80
	3		P12		4 9 5 00	9 7 9 80
	6		CP23	4 8 4 80		4 9 5 00
	12		CP23	4 9 5 00		

VENDOR *Pacific World Imports, Inc.*

VENDOR NO. 250

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
20-- Dec.	1	Balance	✓			8 4 1 8 85
	1		P12		6 6 0 00	9 0 7 8 85
	2		CP23	2 4 0 3 60		6 6 7 5 25
	23		P12		1 6 2 6 00	8 3 0 1 25

VENDOR *Savannah Imports, Ltd.*

VENDOR NO. 255

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
20-- Dec.	5		P12		1 3 5 0 00	1 3 5 0 00
	12		P12		5 4 9 54	1 8 9 9 54
	14		CP23	1 3 5 0 00		5 4 9 54
	19		CP24	5 4 9 54		

VENDOR *Wesley Distributors*

VENDOR NO. 260

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
20-- Dec.	1	Balance	✓			1 0 9 3 15
	3		CP23	1 0 9 3 15		
	12		P12		6 9 0 00	6 9 0 00

SEMI-MONTHLY PERIOD ENDED		December 15, 20--		DATE OF PAYMENT		December 15, 20--								
EMPL. NO.	EMPLOYEE NAME	MARITAL STATUS	NO. OF ALLOWANCES	EARNINGS		DEDUCTIONS					NET PAY	CHECK NO.		
				REGULAR	OVERTIME	TOTAL	FEDERAL INCOME TAX	SOC. SEC. TAX	MEDICARE TAX	HEALTH INSURANCE			OTHER	TOTAL
1	Medina, Julia	M	3	1650.00		1650.00	110.00	102.30	23.93		20.00	256.23	1393.77	1
2	Dawson, Anthony	M	1	1500.00		1500.00	127.00	93.00	21.75		15.00	256.75	1243.25	2
3	Tan, Chanda L.	S	1	844.80	57.60	902.40	86.00	55.95	13.08		10.00	165.03	737.37	3
4	Woodward, Jamal E.	S	1	976.80	83.25	1060.05	110.00	65.72	15.37		10.00	201.09	858.96	4
5	Seroski, Joanna D.	M	2	897.60		897.60	30.00	55.65	13.02		5.00	103.67	793.93	5
6	Davenport, Kevin B.	M	4	924.00	63.00	987.00	14.00	61.19	14.31		10.00	99.50	887.50	6
7	MacDonald, Kate S.	M	1	858.00	58.50	916.50	45.00	56.82	13.29		5.00	120.11	796.39	7
8	Student	S	1	660.00		660.00	50.00	40.92	9.57		5.00	105.49	554.51	8
9	Totals			8311.20	262.35	8573.55	572.00	531.55	124.32		80.00	1307.87	7265.68	9

SEMI-MONTHLY PERIOD ENDED		December 31, 20--		DATE OF PAYMENT		December 31, 20--								
EMPL. NO.	EMPLOYEE NAME	MARITAL STATUS	NO. OF ALLOWANCES	EARNINGS		DEDUCTIONS					NET PAY	CHECK NO.		
				REGULAR	OVERTIME	TOTAL	FEDERAL INCOME TAX	SOC. SEC. TAX	MEDICARE TAX	HEALTH INSURANCE			OTHER	TOTAL
1	Medina, Julia	M	3	1650.00		1650.00	110.00	102.30	23.93		20.00	304.23	1345.77	1
2	Dawson, Anthony	M	1	1500.00		1500.00	127.00	93.00	21.75		15.00	304.75	1195.25	2
3	Tan, Chanda L.	S	1	844.80		844.80	77.00	52.38	12.25		10.00	175.63	669.17	3
4	Woodward, Jamal E.	S	1	976.80	99.90	1076.70	110.00	66.76	15.61		10.00	226.37	850.33	4
5	Seroski, Joanna D.	M	2	897.60	61.20	958.80	36.00	59.45	13.90		5.00	162.35	796.45	5
6	Davenport, Kevin B.	M	4	924.00		924.00	8.00	57.29	13.40		10.00	136.69	787.31	6
7	MacDonald, Kate S.	M	1	858.00		858.00	39.00	53.20	12.44		5.00	133.64	724.36	7
8	Student	S	1	660.00	45.00	705.00	56.00	43.71	10.22		5.00	138.93	566.07	8
9	Totals			8311.20	206.10	8517.30	563.00	528.09	123.50		80.00	1582.59	6934.71	9

EARNINGS RECORD FOR QUARTER ENDED December 31, 20--

EMPLOYEE NO. 1 LAST NAME Medina FIRST Julia MIDDLE INITIAL C. MARITAL STATUS M WITHHOLDING ALLOWANCES 3

RATE OF PAY \$3,300.00 PER HR: MO. SOCIAL SECURITY NO. 483-33-2197 POSITION General Manager

PAY PERIOD	EARNINGS			DEDUCTIONS				TOTAL	OTHER	HEALTH INSURANCE	NET PAY	ACCUMULATED EARNINGS
	NO.	ENDED	REGULAR	OVERTIME	TOTAL	FEDERAL INCOME TAX	SOC. SEC. TAX					
1	10-15	1650.00			1650.00	110.00	102.30	23.93	20.00		1393.77	2970.00
2	10-31	1650.00			1650.00	110.00	102.30	23.93	20.00	48.00	1345.77	3135.00
3	11-15	1650.00			1650.00	110.00	102.30	23.93	20.00		1393.77	3300.00
4	11-30	1650.00			1650.00	110.00	102.30	23.93	20.00	48.00	1345.77	3465.00
5	12-15	1650.00			1650.00	110.00	102.30	23.93	20.00		1393.77	3630.00
6	12-31	1650.00			1650.00	110.00	102.30	23.93	20.00	48.00	1345.77	3795.00
7	QUARTERLY TOTALS	9900.00			9900.00	660.00	613.80	143.58	120.00	144.00	8218.62	

OTHER DEDUCTIONS: B-U.S. SAVINGS BONDS; UW-UNITED WAY

EARNINGS RECORD FOR QUARTER ENDED December 31, 20--

EMPLOYEE NO. 2 LAST NAME Dawson FIRST Anthony MIDDLE INITIAL A. MARITAL STATUS M WITHHOLDING ALLOWANCES 1

RATE OF PAY \$3,000.00 PER HR: MO. SOCIAL SECURITY NO. 764-43-1242 POSITION Sales Manager

PAY PERIOD	EARNINGS			DEDUCTIONS				TOTAL	OTHER	HEALTH INSURANCE	NET PAY	ACCUMULATED EARNINGS
	NO.	ENDED	REGULAR	OVERTIME	TOTAL	FEDERAL INCOME TAX	SOC. SEC. TAX					
1	10-15	1500.00			1500.00	127.00	93.00	21.75	15.00		1243.25	2700.00
2	10-31	1500.00			1500.00	127.00	93.00	21.75	15.00	48.00	1195.25	2850.00
3	11-15	1500.00			1500.00	127.00	93.00	21.75	15.00		1243.25	3000.00
4	11-30	1500.00			1500.00	127.00	93.00	21.75	15.00	48.00	1195.25	3150.00
5	12-15	1500.00			1500.00	127.00	93.00	21.75	15.00		1243.25	3300.00
6	12-31	1500.00			1500.00	127.00	93.00	21.75	15.00	48.00	1195.25	3450.00
7	QUARTERLY TOTALS	9000.00			9000.00	762.00	558.00	130.50	90.00	144.00	7315.50	

OTHER DEDUCTIONS: B-U.S. SAVINGS BONDS; UW-UNITED WAY

EARNINGS RECORD FOR QUARTER ENDED December 31, 20--

EMPLOYEE NO. 3 LAST NAME Tan FIRST Chanda MIDDLE INITIAL L MARITAL STATUS S WITHHOLDING ALLOWANCES I
 RATE OF PAY \$9.60 PER HR. SOCIAL SECURITY NO. 487-24-2841 POSITION Sales Assistant

PAY PERIOD	EARNINGS			DEDUCTIONS				TOTAL	OTHER	HEALTH INSURANCE	NET PAY	ACCUMULATED EARNINGS
	NO.	ENDED	REGULAR	OVERTIME	TOTAL	FEDERAL INCOME TAX	SOC. SEC. TAX					
1	10-15	844.80			844.80	77.00	52.38	12.25	B 10.00		693.17	4413.60
2	10-31	844.80	86.40		931.20	89.00	57.73	13.50	B 10.00	24.00	736.97	5258.40
3	11-15	844.80	43.20		888.00	83.00	55.06	12.87	B 10.00		727.07	6189.60
4	11-30	844.80	57.60		902.40	86.00	55.95	13.08	B 10.00	24.00	713.37	7980.00
5	12-15	844.80	57.60		902.40	86.00	55.95	13.08	B 10.00		737.37	8882.40
6	12-31	844.80			844.80	77.00	52.38	12.25	B 10.00	24.00	669.17	9727.20
QUARTERLY TOTALS		5068.80	244.80		5313.60	498.00	329.45	77.03	60.00	72.00	4277.12	

OTHER DEDUCTIONS: B-U.S. SAVINGS BONDS; UW-UNITED WAY

EARNINGS RECORD FOR QUARTER ENDED December 31, 20--

EMPLOYEE NO. 4 LAST NAME Woodward FIRST Jamal MIDDLE INITIAL E. MARITAL STATUS S WITHHOLDING ALLOWANCES I
 RATE OF PAY \$11.10 PER HR. SOCIAL SECURITY NO. 428-54-7655 POSITION Sales Associate

PAY PERIOD	EARNINGS			DEDUCTIONS				TOTAL	OTHER	HEALTH INSURANCE	NET PAY	ACCUMULATED EARNINGS
	NO.	ENDED	REGULAR	OVERTIME	TOTAL	FEDERAL INCOME TAX	SOC. SEC. TAX					
1	10-15	976.80			976.80	95.00	60.56	14.16	B 10.00		797.08	21489.00
2	10-31	976.80	66.60		1043.40	107.00	64.69	15.13	B 10.00	24.00	822.58	22465.80
3	11-15	976.80			976.80	95.00	60.56	14.16	B 10.00		797.08	23509.20
4	11-30	976.80	99.90		1076.70	110.00	66.76	15.61	B 10.00	24.00	850.33	24486.00
5	12-15	976.80	83.25		1060.05	110.00	65.72	15.37	B 10.00		858.96	25562.70
6	12-31	976.80	99.90		1076.70	110.00	66.76	15.61	B 10.00	24.00	850.33	26622.75
QUARTERLY TOTALS		5860.80	349.65		6210.45	627.00	385.05	90.04	60.00	72.00	4976.36	

OTHER DEDUCTIONS: B-U.S. SAVINGS BONDS; UW-UNITED WAY

EARNINGS RECORD FOR QUARTER ENDED December 31, 20--

EMPLOYEE NO. 5 **Seroski** Joanna **D.** MIDDLE INITIAL M MARITAL STATUS M WITHHOLDING ALLOWANCES 2
 RATE OF PAY \$10.20 PER HR. SOCIAL SECURITY NO. 107-37-4831 POSITION Office Assistant

PAY PERIOD	EARNINGS			DEDUCTIONS					TOTAL	NET PAY	ACCUMULATED EARNINGS		
	NO.	ENDED	REGULAR	OVERTIME	TOTAL	FEDERAL INCOME TAX	SOC. SEC. TAX	MEDICARE TAX				HEALTH INSURANCE	OTHER
1	10-15	897.60			897.60	30.00	55.65	13.02		5.00	103.67	793.93	20644.80
2	10-31	897.60			897.60	30.00	55.65	13.02	48.00	5.00	151.67	745.93	21542.40
3	11-15	897.60			897.60	30.00	55.65	13.02		5.00	103.67	793.93	22440.00
4	11-30	897.60	30.60		928.20	34.00	57.55	13.45	48.00	5.00	158.00	770.20	23368.20
5	12-15	897.60			897.60	30.00	55.65	13.02		5.00	103.67	793.93	24265.80
6	12-31	897.60	61.20		958.80	36.00	59.45	13.90	48.00	5.00	162.35	796.45	25224.60
QUARTERLY TOTALS		5385.60	91.80		5477.40	190.00	339.60	79.43	144.00	30.00	783.03	4694.37	

OTHER DEDUCTIONS: B-U.S. SAVINGS BONDS; UW-UNITED WAY

EARNINGS RECORD FOR QUARTER ENDED December 31, 20--

EMPLOYEE NO. 6 **Davenport** Kevin **B.** MIDDLE INITIAL M MARITAL STATUS M WITHHOLDING ALLOWANCES 4
 RATE OF PAY \$10.50 PER HR. SOCIAL SECURITY NO. 153-47-1101 POSITION Sales Associate

PAY PERIOD	EARNINGS			DEDUCTIONS					TOTAL	NET PAY	ACCUMULATED EARNINGS		
	NO.	ENDED	REGULAR	OVERTIME	TOTAL	FEDERAL INCOME TAX	SOC. SEC. TAX	MEDICARE TAX				HEALTH INSURANCE	OTHER
1	10-15	924.00			924.00	8.00	57.29	13.40		B 10.00	88.69	835.31	19068.00
2	10-31	924.00			924.00	8.00	57.29	13.40	48.00	B 10.00	136.69	787.31	19992.00
3	11-15	840.00			840.00	0.00	52.08	12.18		B 10.00	74.26	765.74	20832.00
4	11-30	924.00	157.50		1081.50	24.00	67.05	15.68	48.00	B 10.00	164.73	916.77	21913.50
5	12-15	924.00	63.00		987.00	14.00	61.19	14.31		B 10.00	99.50	887.50	22900.50
6	12-31	924.00			924.00	8.00	57.29	13.40	48.00	B 10.00	136.69	787.31	23824.50
QUARTERLY TOTALS		5460.00	220.50		5680.50	62.00	352.19	82.37	144.00	60.00	700.56	4979.94	

OTHER DEDUCTIONS: B-U.S. SAVINGS BONDS; UW-UNITED WAY

EARNINGS RECORD FOR QUARTER ENDED December 31, 20--

EMPLOYEE NO. 7 **MacDonald** Kate S. M WITHHOLDING ALLOWANCES I
LAST NAME FIRST MIDDLE INITIAL
 MARITAL STATUS M
 POSITION Inventory Specialist

RATE OF PAY \$9.75 PER HR. SOCIAL SECURITY NO. 574-62-1622

PAY PERIOD	EARNINGS			DEDUCTIONS				TOTAL	OTHER	HEALTH INSURANCE	NET PAY	ACCUMULATED EARNINGS
	NO.	ENDED	RATE	FEDERAL INCOME TAX	SOC. SEC. TAX	MEDICARE TAX	OTHER					
1	10-15	8 5 8 00		3 9 00	5 3 20	1 2 44	UW	5 00		7 4 8 36	18 8 7 6 00	
2	10-31	8 5 8 00	2 9 25	4 3 00	5 5 01	1 2 87	UW	5 00	2 4 00	7 4 7 37	19 7 3 4 00	
3	11-15	8 5 8 00		3 9 00	5 3 20	1 2 44	UW	5 00		7 4 8 36	20 6 2 1 25	
4	11-30	8 5 8 00		3 9 00	5 3 20	1 2 44	UW	5 00	2 4 00	7 2 4 36	21 4 7 9 25	
5	12-15	8 5 8 00	5 8 50	4 5 00	5 6 82	1 3 29	UW	5 00		7 9 6 39	22 3 3 7 25	
6	12-31	8 5 8 00		3 9 00	5 3 20	1 2 44	UW	5 00	2 4 00	7 2 4 36	23 2 5 3 75	
7												
QUARTERLY TOTALS		5 1 4 8 00	8 7 75	2 4 4 00	3 2 4 63	7 5 92		3 0 00	7 2 00	4 4 8 9 20		

OTHER DEDUCTIONS: B-U.S. SAVINGS BONDS; UW-UNITED WAY

EARNINGS RECORD FOR QUARTER ENDED December 31, 20--

EMPLOYEE NO. 8 **Student** S I WITHHOLDING ALLOWANCES I
LAST NAME FIRST MIDDLE INITIAL
 MARITAL STATUS S
 POSITION Accounting Assistant

RATE OF PAY \$7.50 PER HR. SOCIAL SECURITY NO. 157-43-4229

PAY PERIOD	EARNINGS			DEDUCTIONS				TOTAL	OTHER	HEALTH INSURANCE	NET PAY	ACCUMULATED EARNINGS
	NO.	ENDED	RATE	FEDERAL INCOME TAX	SOC. SEC. TAX	MEDICARE TAX	OTHER					
1	10-15	6 6 0 00		5 0 00	4 0 92	9 57	B	5 00		5 5 4 51	1 0 2 0 00	
2	10-31	6 6 0 00	9 0 00	6 2 00	4 6 50	1 0 88	B	5 00	2 4 00	6 0 1 62	1 6 8 0 00	
3	11-15	6 6 0 00		5 0 00	4 0 92	9 57	B	5 00		5 5 4 51	2 4 3 0 00	
4	11-30	6 6 0 00	4 5 00	5 6 00	4 3 71	1 0 22	B	5 00	2 4 00	5 6 6 07	3 0 9 0 00	
5	12-15	6 6 0 00		5 0 00	4 0 92	9 57	B	5 00		5 5 4 51	3 7 9 5 00	
6	12-31	6 6 0 00	4 5 00	5 6 00	4 3 71	1 0 22	B	5 00	2 4 00	5 6 6 07	4 4 5 5 00	
7												
QUARTERLY TOTALS		3 9 6 0 00	1 8 0 00	3 2 4 00	2 5 6 68	6 0 03		3 0 00	7 2 00	3 3 9 7 29		

OTHER DEDUCTIONS: B-U.S. SAVINGS BONDS; UW-UNITED WAY

RECONCILIATION OF BANK STATEMENT

December 2, 20--
(Date)

Balance On Check Stub No. 903 \$ 14,319.63

DEDUCT BANK CHARGES:

Description	Amount
Nov. service chg.	\$ 17.90
Nov. credit card fee	535.65
Total bank charges ▶	
	553.55

Adjusted Check Stub Balance \$ 13,766.08

Balance On Bank Statement \$ 20,343.96

ADD OUTSTANDING DEPOSITS:

Date	Amount
November 30, 20--	\$ 2,805.32
November 30, 20--	1,269.89
Total outstanding deposits ▶	
	4,075.21

SUBTOTAL \$ 24,419.17

DEDUCT OUTSTANDING CHECKS:

Ck. No.	Amount	Ck. No.	Amount
899	31.00		
900	136.37		
901	7,082.12		
902	1,000.00		
903	2,403.60		
Total outstanding checks ▶			
		10,653.09	

Adjusted Bank Balance \$ 13,766.08

Unique Global Imports
Schedule of Accounts Payable

December 31, 20--

<i>Complete Office Supplies</i>			7	8	71
<i>East Porcelain Importers</i>		3	4	2	00
<i>EuroWear, Inc.</i>	14	7	6	6	80
<i>Fab International Interiors</i>	1	6	3	7	88
<i>International Illuminations, Inc.</i>	1	1	7	6	00
<i>Pacific World Imports, Inc.</i>	8	3	0	1	25
<i>Wesley Distributors, Inc.</i>		6	9	0	00
<i>Total Accounts Payable</i>	26	9	9	2	64

Unique Global Imports
Schedule of Accounts Receivable

December 31, 20--

<i>Baymont Design Firm</i>	2	4	8	2	99
<i>Alesha Edgar</i>	1	0	7	8	30
<i>Grandview Conference Center</i>	2	4	7	5	61
<i>Huntington Corporation</i>	3	1	0	7	07
<i>Eric Kim</i>		5	7	8	54
<i>Leon Morales</i>	2	5	1	1	21
<i>Mei-Yu Sun</i>		4	2	8	26
<i>Amy Zellner</i>	1	5	8	9	37
<i>Total Accounts Receivable</i>	14	2	5	1	35

Unique Global Imports
Work Sheet

For Year Ended December 31, 20--

ACCOUNT TITLE	1 TRIAL BALANCE		2		3		4 ADJUSTMENTS		5 INCOME STATEMENT		6		7 BALANCE SHEET		8		
	DEBIT		CREDIT		DEBIT		CREDIT		DEBIT		CREDIT		DEBIT			CREDIT	
1 Cash	91	2 5 7 39											91	2 5 7 39			
2 Petty Cash		2 0 0 00												2 0 0 00			
3 Accounts Receivable	14	2 5 1 35											14	2 5 1 35			
4 Allowance for Uncollectible Accounts			2	2 6 7 5			(a) 2 3 5 63								4 6 2 38		
5 Merchandise Inventory	534	8 7 6 50			(b) 40 1 4 4 95								575	0 2 1 45			
6 Supplies—Office		8 7 5 06					(c) 4 1 0 00							4 6 5 06			
7 Supplies—Store	2	7 6 6 9					(d) 7 7 6 6 9						2	0 0 0 00			
8 Prepaid Insurance	5	1 8 2 8					(e) 2 1 0 8 2 8						3	0 1 0 00			
9 Office Equipment	46	6 7 5 0											46	6 7 5 0			
10 Accum. Depreciation—Office Equip.			11	2 2 0 00			(f) 5 6 1 0 00								16 8 3 0 00		
11 Store Equipment	45	9 7 6 70											45	9 7 6 70			
12 Accum. Depreciation—Store Equip.			20	4 7 3 00			(g) 5 1 1 8 2 5								25 5 9 1 2 5		
13 Accounts Payable			26	9 9 2 64											26 9 9 2 64		
14 Federal Income Tax Payable							(h) 5 1 0 6 7 1								5 1 0 6 7 1		
15 Employee Income Tax Payable			1	1 3 5 00											1 1 3 5 00		
16 Social Security Tax Payable			2	1 9 2 8											2 1 1 9 2 8		
17 Medicare Tax Payable				4 9 5 64											4 9 5 64		
18 Sales Tax Payable			11	0 0 5 30											11 0 0 5 30		
19 Unemployment Tax Payable—Fed.				4 4 7 4											4 4 7 4		
20 Unemployment Tax Payable—State				3 0 2 00											3 0 2 00		
21 Health Insurance Premiums Payable				9 1 2 00											9 1 2 00		
22 U.S. Savings Bonds Payable				3 3 0 00											3 3 0 00		
23 United Way Donations Payable				1 5 0 00											1 5 0 00		
24 Dividends Payable																	
25 Capital Stock			260	0 0 0 00											260 0 0 0 00		
26 Retained Earnings			336	3 9 5 08											336 3 9 5 08		
27 Dividends	10	0 1 0 00											10	0 1 0 00			
28 Income Summary							(b) 40 1 4 4 95								(b) 40 1 4 4 95		
29 Sales			1,055	4 7 7 85											1,055 4 7 7 85		
30 Sales Discount	10	8 4 7 91											10	8 4 7 91			
31 Sales Returns and Allowances	12	9 1 8 58											12	9 1 8 58			
32 Purchases	691	6 4 2 77											691	6 4 2 77			

Unique Global Imports										
Balance Sheet (Continued)										
December 31, 20--										
	<i>Stockholders' Equity</i>									
	<i>Capital Stock</i>				260	0	0	0	00	
	<i>Retained Earnings</i>				427	3	7	2	51	
	<i>Total Stockholders' Equity</i>									687 3 7 2 51
	<i>Total Liabilities and Stockholders' Equity</i>									735 9 6 5 82

Solutions

Think Like an Accountant Financial Analysis Activity

- $(462.38 \div 14,251.35) \times 100 = 3.24\%$
- $(226.75 \div 22,901.82) \times 100 = 0.99\%$
- At the end of November, Allowance for Uncollectible Accounts was 0.99% of Accounts Receivable. At the end of December, Allowance for Uncollectible Accounts was 3.24% of Accounts Receivable. It is not possible to determine exactly what caused this increase, but some possibilities include the following:

Unique Global Imports may have purposely increased the percent it used to calculate uncollectible account expense in December. They would have done this if they had known that the economy is such that they feel a higher percentage of accounts will not be paid. They may have lowered the standards they have for determining who they allow to purchase on account, which could increase the amount of account receivables not collected.

If Unique Global Imports did not intentionally increase the estimate for uncollectible accounts, this increase could have been caused by increased success in collecting accounts receivable. A lower than normal balance in accounts receivable would cause this percentage to be higher than normal. Finally, the change in percentage could be due to the company's estimate for uncollectible accounts being too high. If the company continues to estimate uncollectible accounts at 0.2% of sales, but the actual amount of uncollectible accounts is only 0.15% of sales, the balance in the allowance account will continue to increase. The company must track these amounts in order to ensure that the Allowance for Uncollectible Accounts balance represents an accurate estimate of the amount of Accounts Receivable that will not be collected.

Unique Global Imports**Cash Proof Report**

	December 15, 20--
1. Beginning cash balance	\$ <u>17,723.23</u>
2. Plus cash receipts per journals.....	<u>38,816.52</u>
3. Total.....	\$ <u>56,539.75</u>
4. Minus cash payments per journals.....	<u>39,161.44</u>
5. Cash balance according to journals	\$ <u><u>17,378.31</u></u>
6. Cash balance according to check stub	\$ <u>12,891.53</u>
7. Plus checks received on account not yet deposited	<u>4,486.78</u>
8. Cash on account and on hand	\$ <u><u>17,378.31</u></u>

Unique Global Imports**Purchases on Account and Sales on Account Report**

	December 15, 20--
1. Purchases of merchandise on account:	
a. Number of purchases	<u>8</u>
b. Total of Purchases Debit/Accounts Payable Credit column of purchases journal	\$ <u>7,155.22</u>
2. Sales of merchandise on account:	
a. Number of sales.....	<u>9</u>
b. Total of Sales Credit column of sales journal	\$ <u>12,344.00</u>
3. Balances shown in the following accounts:	
Account	Account Balance
Midori Okano	\$ <u>1,673.27</u>
Elena Ramos	\$ <u>313.55</u>
Islander Trading Company	\$ <u>0.00</u>
Savannah Imports, Ltd.	\$ <u>549.54</u>

Unique Global Imports**Cash Proof Report****December 31, 20--**

1. Beginning cash balance	\$ <u>17,723.23</u>
2. Plus cash receipts per journals	<u>143,111.47</u>
3. Total.....	\$ <u>160,834.70</u>
4. Minus cash payments per journals	<u>69,577.31</u>
5. Cash balance according to journals	\$ <u>91,257.39</u>
6. Cash balance according to check stub	\$ <u>91,257.39</u>
7. Plus checks received on account not yet deposited	<u>0.00</u>
8. Cash on account and on hand	\$ <u>91,257.39</u>

Unique Global Imports**Purchases on Account and Sales on Account Report****December 31, 20--**

1. Purchases of merchandise on account:	
a. Number of purchases in December	<u>11</u>
b. Total of Purchases Debit/Accounts Payable Credit column of purchases journal	\$ <u>13,032.22</u>
2. Sales of merchandise on account:	
a. Number of sales in December	<u>15</u>
b. Total of Sales Credit column of sales journal	\$ <u>21,528.78</u>

Audit Test for Unique Global Imports Business Simulation

To encourage students to work independently in completing Unique Global Imports, many teachers find it desirable to announce that a test based on the simulation will be given after the work has been completed. The purpose of the audit test is to sample the accuracy and completeness of the students' work.

Reproducing Test Questions

A suggested test worth 100 points and the solution is given on the following pages. Cover the "Key" column on the printed test before making copies so that the solutions do not appear on the students' tests. The printed test questions and solutions should be kept for future use in making additional copies.

Using the Audit Test to Grade the Business Simulation

The test is an objective measurement of the students' work that is easy to score quickly. The test can be scored by the teacher from the key, or the test papers can be exchanged in class and the correct answers dictated by the teacher. To the grades obtained from the test, the teacher may add a grade for accuracy, neatness, and speed of completion of the business simulation.

Testing Procedure

Students must have their completed business simulations open on their desks at the time they take the audit test. Students must obtain the answers to the test questions from their completed simulations.

Alternate Test

If the teacher prefers a shorter test than the one that is presented on the following pages, the teacher can use only the odd-numbered questions or only the even-numbered questions. This cuts the audit test in half.

UNIQUE GLOBAL IMPORTS BUSINESS SIMULATION

Audit Test

Name _____

Perfect Score 100 Score _____

To the Teacher
Before making
copies, cover this
note and the Key
column.

Directions: Use your completed simulation to answer the following questions. Write your answers in the Answers column. The answer may be an amount, an account title, a name, a date, or a word or two. The first question, labeled "0," is given as an example.

PART 1 SALES JOURNAL	Answers	Key
0. What was the total amount of the sales transaction to Luis T. Arroyo on December 3?	0. \$511.07	0. \$511.07
1. What was the total amount debited to Serio Hospitality Center's account for the sale on December 13?	1.	1. \$4,443.20
2. What was the amount of sales tax on the sale to Alesha Edgar on December 17?	2.	2. \$91.30
3. To whom was sale number 948 made?	3.	3. <i>Amy Zellner</i>
4. What was the total of the Sales Credit column for December?	4.	4. \$21,528.78
5. How many sales on account were made during December?	5.	5. 15
6. What was the total of the Sales Tax Payable credit column for December?	6.	6. \$1,564.91

PART 2 PURCHASES JOURNAL	Answers	Key
7. From whom was merchandise purchased on December 15?	7.	7. <i>East Porcelain Importers</i>
8. What was the value of merchandise purchased from Aussie Accents, Inc. during December?	8.	8. \$3,075.00
9. What was the total amount of purchases of merchandise on account in December?	9.	9. \$13,032.22
10. To which general ledger account was the total of the amount column of the purchases journal posted as a credit?	10.	10. <i>Accounts Payable 2110</i>
11. What was the amount of the purchase on December 13?	11.	11. \$214.68
12. Which purchase invoice was for the largest amount of merchandise?	12.	12. <i>P851</i>

PART 3 GENERAL JOURNAL	Answers	Key
13. What was the amount of total payroll taxes for the December 15 payroll?	13.	13. \$696.79
14. What was the amount of the dividend declared on December 7?	14.	14. \$10,010.00
15. To whom was a credit memo issued during December?	15.	15. <i>Midori Okano</i>
16. What was the value of merchandise returned on December 24?	16.	16. \$300.00
17. What was the amount of total payroll taxes for the December 31 payroll?	17.	17. \$695.30
18. On what date was a purchase of office supplies made on account?	18.	18. <i>December 5</i>
19. How many adjusting entries were recorded on December 31?	19.	19. 8
20. What was the amount credited to Income Summary in the December 31 closing entries?	20.	20. \$1,086,889.56

Name _____

To the Teacher
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PART 3 GENERAL JOURNAL (Continued)	Answers	Key
21. What was the amount credited to Retained Earnings on December 31?.....	21.	21. \$100,987.43
22. What was the amount credited to Federal Income Tax Expense on December 31?.....	22.	22. \$37,106.71
23. What was the amount debited to Retained Earnings on December 31?.....	23.	23. \$10,010.00
24. Was the Merchandise Inventory account debited or credited in the adjusting entry made on December 31?.....	24.	24. Debited

PART 4 CASH RECEIPTS JOURNAL	Answers	Key
25. How much cash was received from Grandview Conference Center on December 5?.....	25.	25. \$5,874.75
26. What was the amount of store sales net of taxes deposited on December 10?.....	26.	26. \$11,903.49
27. From whom was cash received on December 29?.....	27.	27. Midori Okano
28. What was the amount of sales taxes recorded on December 24?.....	28.	28. \$3,242.65
29. What was the total amount of the sales discount granted to Baymont Design Firm on December 17?.....	29.	29. \$42.56
30. What was the total amount of cash received in December?.....	30.	30. \$143,111.47
31. From which customer was Receipt 466?.....	31.	31. Serio Hospitality Center
32. How much sales tax was charged for all cash sales in December?.....	32.	32. \$9,452.05
33. What was the total of the sales discounts granted to customers during December?.....	33.	33. \$131.42
34. How much sales discount was granted to Serio Hospitality Center on December 23?.....	34.	34. \$88.86
35. What total amount was credited to Accounts Receivable on December 31?.....	35.	35. \$31,606.50

PART 5 CASH PAYMENTS JOURNAL	Answers	Key
36. To whom was Check 920 issued?.....	36.	36. Hoosier Imports
37. How many checks were issued in December?.....	37.	37. 28
38. What was the amount of discount taken on the invoice paid to Islander Trading Company on December 12?.....	38.	38. \$9.90
39. What was the amount of Check 912?.....	39.	39. \$1,323.00
40. What was the amount of cash paid to employees for the December 15 payroll?.....	40.	40. \$7,265.68

Name _____

To the Teacher
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PART 5 CASH PAYMENTS JOURNAL (Continued)	Answers	Key
41. What was the total amount of checks issued in December?.....	41.	41. \$68,116.19
42. What was the amount of the General Credit column for December?.....	42.	42. \$2,890.46
43. What was the total amount of purchase discounts during the month of December?.....	43.	43. \$103.39
44. What was the total amount debited to Accounts Payable for December?.....	44.	44. \$27,119.32
45. Which did Check 924 pay—an expense or a liability?	45.	45. <i>Expense</i>
46. Which check was issued to Petty Cash for \$123.65?.....	46.	46. 907
47. Which did Check 914 pay—an expense or a liability?.....	47.	47. <i>Liability</i>
48. What was the amount paid to Savannah Imports on December 14?.....	48.	48. \$1,323.00

PART 6 GENERAL LEDGER	Answers	Key
49. What was the value of merchandise inventory on December 31 after adjustment?.....	49.	49. \$575,021.45
50. Was the amount owed to vendors on December 31 larger or smaller than the amount owed on December 1?.....	50.	50. <i>Smaller</i>
51. What was the value of office supplies purchased during December?.....	51.	51. \$94.61
52. What is the amount of accumulated depreciation for Store Equipment after adjustment on December 31?	52.	52. \$25,591.25
53. What amount is owed for employee income taxes on December 31?.....	53.	53. \$1,135.00
54. On what date was a check issued for payment of dividends?.....	54.	54. <i>December 26</i>
55. What was the net increase in Retained Earnings for the year?.....	55.	55. \$90,977.43
56. What were the total sales returns and allowances for the year?	56.	56. \$12,918.58
57. What were the total sales for December?.....	57.	57. \$123,713.12
58. How much money was saved during the year by paying for purchases promptly to take advantage of discounts?	58.	58. \$10,949.03
59. How much were Credit Card Fee Expenses for the year?	59.	59. \$10,616.77
60. How much was charged to Miscellaneous Expense during the month of December?	60.	60. \$367.25
61. How much of the insurance premiums prepaid expired during the year?.....	61.	61. \$2,108.28

Name _____

To the Teacher
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PART 6 GENERAL LEDGER (Continued)	Answers	Key
62. What was the total amount of utilities expense during the year?	62.	62. \$9,318.48
63. What is the total amount of federal income tax expense for the fiscal period?.....	63.	63. \$37,106.71
64. What is the total amount of rent expense for the year?	64.	64. \$12,000.00
65. What is the total amount of payroll taxes for December?	65.	65. \$1,392.09
66. Does Unique Global Imports owe any health insurance premiums at the end of the fiscal period?.....	66.	66. <i>Yes</i>
67. Which is larger at the end of the fiscal period—the amount owed for Employee Income Taxes or the amount owed for Social Security Taxes?	67.	67. <i>Social Security Taxes</i>
68. Is the amount of cash available at the end of December more or less than was available at the beginning of December?	68.	68. <i>More</i>
69. Is the amount of cash available at the end of December sufficient to pay off all liabilities?	69.	69. <i>Yes</i>
70. How will the balance of the Cash Short and Over account be reported on the December 31 financial statements—as revenue or as expense?	70.	70. <i>Expense</i>
71. What was the original cost value of store equipment?	71.	71. \$45,976.70
72. What is the balance of the Income Summary account after all adjusting and closing entries have been posted on December 31?	72.	72. <i>-0-</i>

PART 7 ACCOUNTS RECEIVABLE LEDGER	Answers	Key
73. How much was credited to Luis T. Arroyo's account in December?	73.	73. \$3,484.30
74. What was the amount of the credit memo to Midori Okano in December?.....	74.	74. \$137.66
75. What is the amount owed by Huntington Corporation on December 31?	75.	75. \$3,107.07
76. How many customers owed money on December 31?	76.	76. <i>8</i>
77. What was the amount of the sale to Grandview Conference Center in December?.....	77.	77. \$2,475.61
78. On what date was merchandise sold to Alesha Edgar in December?.....	78.	78. <i>December 17</i>
79. Does Amy Zellner owe more money or less money on account on December 31 than she did on December 1?.....	79.	79. <i>More</i>

Name _____

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note and the Key
column.

PART 8 ACCOUNTS PAYABLE LEDGER	Answers	Key
80. To how many vendors was money owed on December 1?	80.	80. 9
81. What was the date of a purchase in December from Hoosier Imports?.....	81.	81. <i>December 17</i>
82. How much money was owed to Savannah Imports, Ltd. on December 15?.....	82.	82. \$549.54
83. On what date was money paid to Pacific World Imports?.....	83.	83. <i>December 2</i>
84. What was the amount paid to Islander Trading Company on December 12?.....	84.	84. \$495.00
85. Were any purchases made on account from EuroWear, Inc. during December?.....	85.	85. <i>No</i>
86. How much money was paid to East Porcelain Importers during December?.....	86.	86. \$5,068.78

PART 9 FINANCIAL REPORTS	Answers	Key
87. What was the amount of the proving totals of the Trial Balance columns of the work sheet?	87.	87. \$1,758,690.99
88. What was the amount of the federal income tax adjustment on the work sheet?	88.	88. \$5,106.71
89. What was the amount of the proving totals of the Balance Sheet columns of the work sheet?	89.	89. \$788,859.45
90. What were the net sales for the year?	90.	90. \$1,031,711.36
91. What was the cost of merchandise available for sale for the year?	91.	91. \$1,195,107.56
92. What were the total expenses for the year?	92.	92. \$273,531.11
93. What was the net income after federal income tax for the year? ...	93.	93. \$100,987.43
94. What was the amount of total stockholders' equity on December 31?	94.	94. \$687,372.51
95. What were total current assets on December 31?	95.	95. \$685,742.87
96. What was the amount of retained earnings on the December 31 balance sheet?	96.	96. \$427,372.51
97. What was the book value of plant assets on the December 31 balance sheet?	97.	97. \$50,222.95
98. What was the amount of the proving totals on the December 31 post-closing trial balance?	98.	98. \$778,849.45
99. What was the amount of total liabilities on December 31?.....	99.	99. \$48,593.31
100. What is the amount of depreciation on office equipment for the year?	100.	100. \$5,610.00

CHECK STUBS FOR DECEMBER

297 \$ 3,500.00
 DATE December 1 20 --
 TO Manatee Realtors
 FOR December Rent

BAL. BRO'T. FOR'D.....	17,224	62
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	17,224	62
BANK CHARGES:		
SUBTOTAL	17,224	62
AMT. THIS CHECK	3,500	00
BAL. CAR'D. FOR'D.....	13,724	62

298 \$ 623.82
 DATE December 2 20 --
 TO Bond Manufacturing
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	13,724	62
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	13,724	62
BANK CHARGES:		
SUBTOTAL	13,724	62
AMT. THIS CHECK	623	82
BAL. CAR'D. FOR'D.....	13,100	80

299 \$ 1,914.91
 DATE December 2 20 --
 TO Liang's Computer Accessories
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	13,100	80
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	13,100	80
BANK CHARGES:		
SUBTOTAL	13,100	80
AMT. THIS CHECK	1,914	91
BAL. CAR'D. FOR'D.....	11,185	89

300 \$ 1,431.44
 DATE December 2 20 --
 TO Lisa's Discount Electronics Warehouse
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	11,185	89
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	11,185	89
BANK CHARGES:		
SUBTOTAL	11,185	89
AMT. THIS CHECK	1,431	44
BAL. CAR'D. FOR'D.....	9,754	45

301 \$ 1,025.25
 DATE December 5 20 --
 TO On-the-Go Connectivity Co.
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	9,754	45
AMT. DEPOSITED 12 3 --	18,319	40
AMT. DEPOSITED 12 3 --	6,031	07
SUBTOTAL	34,104	92
BANK CHARGES:		
SUBTOTAL	34,104	92
AMT. THIS CHECK	1,025	25
BAL. CAR'D. FOR'D.....	33,079	67

302 \$ 2,080.49
 DATE December 5 20 --
 TO Matsutronics, Inc.
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	33,079	67
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	33,079	67
BANK CHARGES:		
SUBTOTAL	33,079	67
AMT. THIS CHECK	2,080	49
BAL. CAR'D. FOR'D.....	30,999	18

303 \$ 740.56
 DATE December 5 20 --
 TO Garcia's Electronic Gadgets
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	30,999	18
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	30,999	18
BANK CHARGES:		
SUBTOTAL	30,999	18
AMT. THIS CHECK	740	56
BAL. CAR'D. FOR'D.....	30,258	62

304 \$ 3,728.98
 DATE December 9 20 --
 TO Byte-by-Byte, Inc.
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	30,258	62
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	30,258	62
BANK CHARGES:		
SUBTOTAL	30,258	62
AMT. THIS CHECK	3,728	98
BAL. CAR'D. FOR'D.....	26,529	64

305 \$ 27,614.58
 DATE December 12 20 --
 TO Gulf Coast State Bank
 FOR Note Payable No. 15

BAL. BRO'T. FOR'D.....	26,529	64
AMT. DEPOSITED 12 10 --	19,400	87
AMT. DEPOSITED 12 10 --	14,341	20
SUBTOTAL	60,271	71
BANK CHARGES:		
SUBTOTAL	60,271	71
AMT. THIS CHECK	27,614	58
BAL. CAR'D. FOR'D.....	32,657	13

306 \$ 139.96
 DATE December 12 20 --
 TO Wiley Office Products
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	32,657	13
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	32,657	13
BANK CHARGES:		
SUBTOTAL	32,657	13
AMT. THIS CHECK	139	96
BAL. CAR'D. FOR'D.....	32,517	17

307 \$ 3,819.02
 DATE December 12 20 --
 TO Mouse & Man Electronics, Inc.
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	32,517	17
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	32,517	17
BANK CHARGES:		
SUBTOTAL	32,517	17
AMT. THIS CHECK	3,819	02
BAL. CAR'D. FOR'D.....	28,698	15

308 \$ 2,415.77
 DATE December 14 20 --
 TO Digital Diva Sound Systems
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	28,698	15
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	28,698	15
BANK CHARGES:		
SUBTOTAL	28,698	15
AMT. THIS CHECK	2,415	77
BAL. CAR'D. FOR'D.....	26,282	38

2 Electro, Inc.

CHECK STUBS FOR DECEMBER (Continued)

309 \$ 2,414.14
 DATE December 14 20 --
 TO Gulf Coast State Bank
 FOR November Tax Liability

BAL. BRO'T. FOR'D.....	26,282	38
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL.....	26,282	38
BANK CHARGES:		
SUBTOTAL.....	26,282	38
AMT. THIS CHECK.....	2,414	14
BAL. CAR'D. FOR'D.....	23,868	24

310 \$ 5,753.09
 DATE December 14 20 --
 TO State Tax Department
 FOR Sales Tax Liability

BAL. BRO'T. FOR'D.....	23,868	24
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL.....	23,868	24
BANK CHARGES:		
SUBTOTAL.....	23,868	24
AMT. THIS CHECK.....	5,753	09
BAL. CAR'D. FOR'D.....	18,115	15

311 \$ 13,405.00
 DATE December 14 20 --
 TO Gulf Coast State Bank
 FOR Estimated Quarterly Federal Income Tax

BAL. BRO'T. FOR'D.....	18,115	15
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL.....	18,115	15
BANK CHARGES:		
SUBTOTAL.....	18,115	15
AMT. THIS CHECK.....	13,405	00
BAL. CAR'D. FOR'D.....	4,710	15

312 \$ 5,558.73
 DATE December 15 20 --
 TO Payroll
 FOR Payroll for December 1-15

BAL. BRO'T. FOR'D.....	4,710	15
AMT. DEPOSITED <u>12 15 --</u>	5,500	00
AMT. DEPOSITED		
SUBTOTAL.....	10,210	15
BANK CHARGES:		
SUBTOTAL.....	10,210	15
AMT. THIS CHECK.....	5,558	73
BAL. CAR'D. FOR'D.....	4,651	42

313 \$ 220.73
 DATE December 16 20 --
 TO Telephone Company
 FOR Utilities Expense

BAL. BRO'T. FOR'D.....	4,651	42
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL.....	4,651	42
BANK CHARGES:		
SUBTOTAL.....	4,651	42
AMT. THIS CHECK.....	220	73
BAL. CAR'D. FOR'D.....	4,430	69

314 \$ 251.03
 DATE December 16 20 --
 TO South-East Electric Co.
 FOR Utilities Expense

BAL. BRO'T. FOR'D.....	4,430	69
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL.....	4,430	69
BANK CHARGES:		
SUBTOTAL.....	4,430	69
AMT. THIS CHECK.....	251	03
BAL. CAR'D. FOR'D.....	4,179	66

315 \$ 540.96
 DATE December 16 20 --
 TO Seri-Us-Fun Electronic Games
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	4,179	66
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL.....	4,179	66
BANK CHARGES:		
SUBTOTAL.....	4,179	66
AMT. THIS CHECK.....	540	96
BAL. CAR'D. FOR'D.....	3,638	70

316 \$ 247.50
 DATE December 17 20 --
 TO Commercial Cleaners
 FOR Miscellaneous Expense

BAL. BRO'T. FOR'D.....	3,638	70
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL.....	3,638	70
BANK CHARGES:		
SUBTOTAL.....	3,638	70
AMT. THIS CHECK.....	247	50
BAL. CAR'D. FOR'D.....	3,391	20

317 \$ 6,056.11
 DATE December 19 20 --
 TO Lisa's Discount Electronics Warehouse
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	3,391	20
AMT. DEPOSITED <u>12 17 --</u>	30,634	15
AMT. DEPOSITED <u>12 17 --</u>	13,221	34
SUBTOTAL.....	47,246	69
BANK CHARGES:		
SUBTOTAL.....	47,246	69
AMT. THIS CHECK.....	6,056	11
BAL. CAR'D. FOR'D.....	41,190	58

318 \$ 20.98
 DATE December 20 20 --
 TO Chris M. Booth
 FOR Reimbursement for Office Supplies

BAL. BRO'T. FOR'D.....	41,190	58
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL.....	41,190	58
BANK CHARGES:		
SUBTOTAL.....	41,190	58
AMT. THIS CHECK.....	20	98
BAL. CAR'D. FOR'D.....	41,169	60

319 \$ 1,450.00
 DATE December 21 20 --
 TO Pinellas Publishing
 FOR Advertising Expense

BAL. BRO'T. FOR'D.....	41,169	60
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL.....	41,169	60
BANK CHARGES:		
SUBTOTAL.....	41,169	60
AMT. THIS CHECK.....	1,450	00
BAL. CAR'D. FOR'D.....	39,719	60

320 \$ 1,146.48
 DATE December 23 20 --
 TO On-the-Go Connectivity Co.
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	39,719	60
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL.....	39,719	60
BANK CHARGES:		
SUBTOTAL.....	39,719	60
AMT. THIS CHECK.....	1,146	48
BAL. CAR'D. FOR'D.....	38,573	12

CHECK STUBS FOR DECEMBER (Concluded)

321 \$ 382.91
 DATE December 23 20 --
 TO Liang's Computer Accessories
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	38,573	12
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	38,573	12
BANK CHARGES:		
.....		
SUBTOTAL	38,573	12
AMT. THIS CHECK	382	91
BAL. CAR'D. FOR'D.....	38,190	21

322 \$ 409.00
 DATE December 23 20 --
 TO National Alliance Insurance Company
 FOR Employee Health Insurance Premiums

BAL. BRO'T. FOR'D.....	38,190	21
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	38,190	21
BANK CHARGES:		
.....		
SUBTOTAL	38,190	21
AMT. THIS CHECK	409	00
BAL. CAR'D. FOR'D.....	37,781	21

323 \$ 3,233.80
 DATE December 26 20 --
 TO Garcia's Electronic Gadgets
 FOR Payment on Account

BAL. BRO'T. FOR'D.....	37,781	21
AMT. DEPOSITED <u>12 24</u> --	37,021	66
AMT. DEPOSITED <u>12 24</u> --	14,501	56
SUBTOTAL	89,304	43
BANK CHARGES:		
.....		
SUBTOTAL	89,304	43
AMT. THIS CHECK	3,233	80
BAL. CAR'D. FOR'D.....	86,070	63

324 \$ 8,470.00
 DATE December 29 20 --
 TO Dividend Checking Account
 FOR Dividend Declared December 12

BAL. BRO'T. FOR'D.....	86,070	63
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	86,070	63
BANK CHARGES:		
.....		
SUBTOTAL	86,070	63
AMT. THIS CHECK	8,470	00
BAL. CAR'D. FOR'D.....	77,600	63

325 \$ 168.63
 DATE December 31 20 --
 TO Petty Cash
 FOR Replenish Petty Cash

BAL. BRO'T. FOR'D.....	77,600	63
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	77,600	63
BANK CHARGES:		
.....		
SUBTOTAL	77,600	63
AMT. THIS CHECK	168	63
BAL. CAR'D. FOR'D.....	77,432	00

326 \$ 5,823.06
 DATE December 31 20 --
 TO Payroll
 FOR Payment for December 16-31

BAL. BRO'T. FOR'D.....	77,432	00
AMT. DEPOSITED		
AMT. DEPOSITED		
SUBTOTAL	77,432	00
BANK CHARGES:		
<u>Service Chg.</u> 14.00		
<u>Cr. Card Fee</u> 459.70	473	70
SUBTOTAL	76,958	30
AMT. THIS CHECK	5,823	06
BAL. CAR'D. FOR'D.....	71,135	24

\$ _____
 DATE _____ 20 ____
 TO _____
 FOR _____

BAL. BRO'T. FOR'D.....	71,135	24
AMT. DEPOSITED <u>12 31</u> --	27,103	12
AMT. DEPOSITED <u>12 31</u> --	11,026	02
SUBTOTAL	109,264	38
BANK CHARGES:		
.....		
SUBTOTAL		
AMT. THIS CHECK		
BAL. CAR'D. FOR'D.....		

4 Electro, Inc.

SALES JOURNAL

PAGE 12

DATE	ACCOUNT DEBITED (Form numbers are in parentheses)	SALE NO.	POST. REF.	1					2					3						
				ACCOUNTS RECEIVABLE DEBIT					SALES CREDIT					SALES TAX PAYABLE CREDIT						
1 20-- Dec.	2 Gator Gameworks, Sports Grill (6)	925	130	9	3	5	0	48	8	7	7	9	79	5	7	0	69	1		
2	3 Antonio B. Nassano (11)	926	160	2	1	0	3	36	1	9	7	4	99	1	2	8	37	2		
3	3 Suncoast Community Center (12)	927	180	5	6	4	0	16	5	6	4	0	16					3		
4	7 Janet R. Barton (22)	928	105		7	2	3	11		6	7	8	98		4	4	13	4		
5	8 Four Seasons Resort (25)	929	125	5	1	2	2	07	4	8	0	9	46	3	1	2	61	5		
6	12 Reily's Marketing Services (32)	930	170	13	3	9	9	97	12	5	8	2	13	8	1	7	84	6		
7	12 Magnolia Sports Training Center (34)	931	155	6	7	5	1	56	6	3	3	9	49	4	1	2	07	7		
8	13 David T. Reece (38)	932	165		8	8	0	79		8	2	7	03		5	3	76	8		
9	13 Connie Brewer (39)	933	115	1	7	2	9	25	1	6	2	3	71	1	0	5	54	9		
10	15 Cypress Landscaping Services (48)	934	120		7	4	5	46		6	9	9	96		4	5	50	10		
11	17 Braden River Real Estate Services (56)	935	110	9	7	2	0	05	9	1	2	6	81	5	9	3	24	11		
12	20 Antonio B. Nassano (63)	936	160		2	1	2	98		1	9	9	98		1	3	00	12		
13	27 Li'l Osprey Day Care (79)	937	150	1	0	3	8	45		9	7	5	07		6	3	38	13		
14	31 Totals				57	4	1	7	69	54	2	5	7	56	3	1	6	0	13	14
15					(1125)					(4105)					(2140)				15	
16																			16	

PURCHASES JOURNAL

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DATE	ACCOUNT CREDITED	PURCH. NO.	POST. REF.	PURCHASES DR.					ACCTS. PAY. CR.							
				ACCTS.					PAY.							
1 20-- Dec.	1 Louisi-Sounds Electronics (5)	717	245	1	3	8	7	65	1	3	8	7	65	1		
2	5 Mouse & Man Electronics, Inc. (19)	718	255	3	8	9	6	96	3	8	9	6	96	2		
3	6 Digital Diva Sound Systems (21)	719	220	2	4	6	5	07	2	4	6	5	07	3		
4	9 Seri-Us-Fun Electronic Games (27)	720	270		6	4	8	00		6	4	8	00	4		
5	12 Lisa's Discount Electronics Warehouse (33)	721	240	6	1	7	9	70	6	1	7	9	70	5		
6	16 On-the-Go Connectivity Co. (49)	722	265	1	1	6	9	88	1	1	6	9	88	6		
7	16 Liang's Computer Accessories (50)	723	235		3	9	0	72		3	9	0	72	7		
8	17 Garcia's Electronic Gadgets (55)	724	225	3	2	9	9	80	3	2	9	9	80	8		
9	22 Graczyk Electronics Company (68)	725	230	4	7	1	5	00	4	7	1	5	00	9		
10	28 Lisa's Discount Electronics Warehouse (80)	726	240	3	3	3	7	20	3	3	3	7	20	10		
11	31 Total				27	4	8	9	98		27	4	8	9	98	11
12					(5105)					(2115)					12	
13															13	

GENERAL JOURNAL

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	DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	DEBIT	CREDIT	
1	20-- Dec. 2	Notes Receivable (10)	NR28	1115	2 6 9 3 40		1
2		Accounts Receivable/Juanita R. Shepherd		1125/ 175		2 6 9 3 40	2
3	6	Sales Returns and Allowances (20)	CM60	4115	2 9 9 99		3
4		Accts. Receivable/Suncoast Community Center		1125/ 180		2 9 9 99	4
5	7	Store Equipment (23)	M935	1215	1 1 3 5 50		5
6		Accounts Payable/Wiley Offic Products		2115/ 275		1 1 3 5 50	6
7	12	Dividends (31)	M937	3115	8 4 7 0 00		7
8		Dividends Payable		2165		8 4 7 0 00	8
9	13	Supplies (40)	M939	1140	3 1 9 86		9
10		Accounts Payable/Nickell's Gift Specialties		2115/ 260		3 1 9 86	10
11	13	Accounts Payable/Seri-Uz-Fun Electronic Games (42)	DM22	2115/ 270	9 6 00		11
12		Purchases Returns and Allowances		5115		9 6 00	12
13	15	Payroll Taxes Expense (47)	M942	6140	6 0 5 32		13
14		Social Security Tax Payable		2130		4 4 3 35	14
15		Medicare Tax Payable		2135		1 0 3 69	15
16		Unemployment Tax Payable—Federal		2145		7 52	16
17		Unemployment Tax Payable—State		2150		5 0 76	17
18	16	Allowance for Uncollectible Accounts (51)	M943	1130	2 0 3 97		18
19		Accounts Receivable/Anita Gupta		1125/ 135		2 0 3 97	19
20	21	Accts. Receivable/Four Seasons Resort (65)	M947	1125/ 125	1 8 5 2 42		20
21		Notes Receivable		1115		1 8 3 4 08	21
22		Interest Income		7110		1 8 34	22
23	24	Accts. Payable/Graczyk Electronics Company (73)	DM23	2115/ 230	1 1 8 00		23
24		Purchases Returns and Allowances		5115		1 1 8 00	24
25	26	Supplies (77)	M949	1140	2 3 7 25		25
26		Purchases		5105		2 3 7 25	26
27	28	Accounts Receivable/Anita Gupta (81)	M951	1125/ 135	2 0 3 97		27
28		Allowance for Uncollectible Accounts		1130		2 0 3 97	28
29	31	Payroll Taxes Expense (88)	M954	6140	6 2 7 44		29
30		Social Security Tax Payable		2130		4 6 1 08	30
31		Medicare Tax Payable		2135		1 0 7 83	31
32		Unemployment Tax Payable—Federal		2145		7 55	32
33		Unemployment Tax Payable—State		2150		5 0 98	33
34							34
35							35

GENERAL JOURNAL

DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	DEBIT	CREDIT	
1	<i>Adjusting Entries</i>					1
20-- Dec. 31	Interest Receivable		1120	1 2 25		2
	Interest Income		7110		1 2 25	3
	31 Uncollectible Accounts Expense		6160	4 6 8 77		4
	Allowance for Uncollectible Accounts		1130		4 6 8 77	5
	31 Income Summary		3120	11 1 9 7 39		6
	Merchandise Inventory		1135		11 1 9 7 39	7
	31 Supplies Expense		6155	2 2 9 3 73		8
	Supplies		1140		2 2 9 3 73	9
	31 Insurance Expense		6130	1 1 0 6 10		10
	Prepaid Insurance		1145		1 1 0 6 10	11
	31 Depreciation Expense—Office Equipment		6120	5 0 5 0 00		12
	Accumulated Depreciation—Office Equipment		1210		5 0 5 0 00	13
	31 Depreciation Expense—Store Equipment		6125	4 4 6 6 00		14
	Accumulated Depreciation—Store Equipment		1220		4 4 6 6 00	15
	31 Interest Expense		8105	1 4 67		16
	Interest Payable		2110		1 4 67	17
	31 Federal Income Tax Expense		9105	8 2 0 2 81		18
	Federal Income Tax Payable		2125		8 2 0 2 81	19
20						20
21						21
22						22
23						23
24						24
25						25
26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35

GENERAL JOURNAL

DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	DEBIT	CREDIT	
1	<i>Reversing Entries</i>					1
20-- Jan. 1	Interest Income		7110	1 2 25		2
	Interest Receivable		1120		1 2 25	3
	Interest Payable		2110	1 4 67		4
	Interest Expense		8105		1 4 67	5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25						25
26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35

CASH RECEIPTS JOURNAL

DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	GENERAL		ACCOUNTS RECEIVABLE CREDIT	SALES CREDIT	SALES TAX PAYABLE CREDIT	SALES DISCOUNT DEBIT	CASH	
				DEBIT	CREDIT					DEBIT	CREDIT
20-- Dec.											
2	Adam B. Kaplan (7)	R480	145			3 3 0 5 80			6 6 12	3 2 3 9 68	1
2	Magnolia Sports Training Center (8)	R481	155			8 2 5 6 70			1 6 5 13	8 0 9 1 57	2
3	Suncoast Community Center (13)	R482	180			2 8 5 8 05			5 7 16	2 8 0 0 89	3
3	✓	TS55	✓				9 5 9 4 67	6 2 3 66		10 2 1 8 33	4
5	Bradem River Real Estate Services (16)	R483	110			1 4 4 3 06			2 8 86	1 4 1 4 20	5
5	David T. Reece (18)	R484	165			4 1 6 4 93			8 3 30	4 0 8 1 63	6
8	Accum. Depr. - Office Equipment (24)	R485	1210		6 2 0 00					8 0 00	7
	Office Equipment		1205		7 0 0 00						8
10	Notes Receivable (28)	R486	1115		6 5 7 42					6 6 3 99	9
	Interest Income (29)		7110		6 57						10
10	✓	TS56	✓				25 8 2 3 70	1 6 7 8 55		27 5 0 2 25	11
12	Suncoast Community Center (36)	R487	180			5 3 4 0 17			1 0 6 80	5 2 3 3 37	12
12	Gator Gameworks, Sports Grill (37)	R488	130			9 3 5 0 48			1 8 7 01	9 1 6 3 47	13
13	Antonio B. Nassano (41)	R489	160			2 1 0 3 36			4 2 07	2 0 6 1 29	14
14	Accum. Depr. - Store Equipment (45)	R490	1220		1 4 6 5 00					1 4 0 00	15
	Loss on Plant Assets		8110		4 5 00						16
	Store Equipment		1215		1 6 5 0 00						17
15	Notes Payable (46)	NP16	2105		5 5 0 0 00					5 5 0 0 00	18
17	Janet R. Barton (58)	R491	105			7 2 3 11			1 4 46	7 0 8 65	19
17	✓	TS57	✓				24 9 2 8 36	1 6 2 0 35		26 5 4 8 71	20
22	Reily's Marketing Services (66)	R492	170			13 3 9 9 97			2 6 8 00	13 1 3 1 97	21
22	Magnolia Sports Training Center (67)	R493	155			6 7 5 1 56			1 3 5 03	6 6 1 6 53	22
23	David T. Reece (69)	R494	165			8 8 0 79			1 7 62	8 6 3 17	23
23	Connie S. Brewer (70)	R495	115			1 7 2 9 25			3 4 59	1 6 9 4 66	24
23	Carried Forward		✓		2 1 3 0 00	60 3 0 7 23	60 3 4 6 73	3 9 2 2 56	1 2 0 6 15	1297 5 4 36	25

CASH PAYMENTS JOURNAL

DATE	ACCOUNT TITLE	CK. NO.	POST. REF.	GENERAL		ACCOUNTS PAYABLE DEBIT	PURCHASES DISCOUNT CREDIT	CASH CREDIT
				DEBIT	CREDIT			
20-- Dec: 1	Rent Expense (4)	297	6145	350000				350000
2	Bond Manufacturing (9)	298	205			63655	1273	62382
3	Liang's Computer Accessories (9)	299	235			195399	3908	191491
4	Lisa's Discount Electronics Warehouse (9)	300	240			146065	2921	143144
5	On-the-Go Connectivity Co. (17)	301	265			104617	2092	102525
6	Matsutronics, Inc. (17)	302	250			212295	4246	208049
7	Garcia's Electronic Gadgets (17)	303	225			75567	1511	74056
8	Byte-by-Byte, Inc. (26)	304	210			380508	7610	372898
9	Notes Payable (35)	305	2105	2750000				2761458
10	Interest Expense (35)		8105	11458				
11	Wiley Office Products (35)	306	275			13996		13996
12	Mouse & Man Electronics, Inc. (43)	307	255			389696	7794	381902
13	Digital Diva Sound Systems (44)	308	220			246507	4930	241577
14	Employee Income Tax Payable	309	2120	76773				241414
15	Social Security Tax Payable		2130	133348				
16	Medicare Tax Payable (44)		2135	31293				
17	Sales Tax Payable (44)	310	2140	575309				575309
18	Federal Income Tax Expense (47)	311	9105	1340500				1340500
19	Salary Expense	312	6150	715082				555873
20	Employee Income Tax Payable		2120		80805			
21	Social Security Tax Payable		2130		44335			
22	Medicare Tax Payable		2135		10369			
23	Health Insurance Premiums Payable		2155		20450			
24	United Way Donations Payable		2160		3250			
25	Carried Forward		✓	5983763	159209	1828305	36285	7616574

CASH PAYMENTS JOURNAL

DATE	ACCOUNT TITLE	CK. NO.	POST. REF.	GENERAL		ACCOUNTS PAYABLE DEBIT	PURCHASES DISCOUNT CREDIT	CASH CREDIT
				DEBIT	CREDIT			
20-- Dec. 15	Brought Forward		✓	59 837 63	1 592 09	18 283 05	3 628 5	76 165 74
16	Utilities Expense (52)	313	6165	2 207 3				2 207 3
16	Utilities Expense (53)	314	6165	2 510 3				2 510 3
16	Seri-Us-Fun Electronic Games (54)	315	270			5 520 0	1 104	5 409 6
17	Miscellaneous Expense (57)	316	6135	2 475 0				2 475 0
19	Lisa's Discount Electronics Warehouse (61)	317	240			6 179 70	1 235 9	6 056 11
20	Supplies (62)	318	1140	2 098				2 098
21	Advertising Expense (64)	319	6105	1 450 00				1 450 00
23	On-the-Go Connectivity Co. (71)	320	265			1 169 88	2 340	1 146 48
23	Liang's Computer Accessories (71)	321	235			3 907 2	7 81	3 829 1
23	Health Insurance Premiums Payable (71)	322	2155	4 090 0				4 090 0
26	Garcia's Electronic Gadgets (78)	323	225			3 299 80	6 600	3 233 80
29	Dividends Payable (83)	324	2165	8 470 00				8 470 00
31	Supplies (86)	325	1140	6 349				1 686 3
	Advertising Expense		6105	3 500				
	Miscellaneous Expense		6135	6 914				
	Cash Short and Over		6110	1 00				
31	Miscellaneous Expense (87)	M953	6135	1 400				1 400
31	Credit Card Fee Expense (87)	M953	6115	4 597 0				4 597 0
31	Salary Expense (88)	326	6150	7 436 84				5 823 06
	Employee Income Tax Payable		2120		8 403 7			
	Social Security Tax Payable		2130		4 610 8			
	Medicare Tax Payable		2135		1 078 3			
	Health Insurance Premiums Payable		2155		2 045 0			
31	Totals			78 986 04	3 205 87	29 875 15	5 946 9	105 060 63
				(✓)	(✓)	(2115)	(5110)	(1105)

GENERAL LEDGER

ACCOUNT <i>Cash</i>				ACCOUNT NO. <i>1105</i>			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Dec. 1	<i>Balance</i>	✓			17 2 2 4 62		
31		CR24	197 1 0 0 39		214 3 2 5 01		
31		CP24		105 0 6 0 63	109 2 6 4 38		

ACCOUNT <i>Petty Cash</i>				ACCOUNT NO. <i>1110</i>			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Dec. 1	<i>Balance</i>	✓			2 0 0 00		

ACCOUNT <i>Notes Receivable</i>				ACCOUNT NO. <i>1115</i>			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Dec. 1	<i>Balance</i>	✓			2 4 9 1 50		
2		G17	2 6 9 3 40		5 1 8 4 90		
10		CR23		6 5 7 42	4 5 2 7 48		
21		G17		1 8 3 4 08	2 6 9 3 40		

ACCOUNT <i>Interest Receivable</i>				ACCOUNT NO. <i>1120</i>			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Dec. 31		G18	1 2 25		1 2 25		
20-- Jan. 1		G20		1 2 25	—	—	

ACCOUNT <i>Accounts Receivable</i>				ACCOUNT NO. <i>1125</i>			
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE		
					DEBIT	CREDIT	
20-- Dec. 1	<i>Balance</i>	✓			23 4 1 4 79		
2		G17		2 6 9 3 40	20 7 2 1 39		
6		G17		2 9 9 99	20 4 2 1 40		
16		G17		2 0 3 97	20 2 1 7 43		
21		G17	1 8 5 2 42		22 0 6 9 85		
28		G17	2 0 3 97		22 2 7 3 82		
31		S12	57 4 1 7 69		79 6 9 1 51		
31		CR24		78 1 6 4 18	1 5 2 7 33		

GENERAL LEDGER (Continued)ACCOUNT *Allowance for Uncollectible Accounts*

ACCOUNT NO. 1130

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				2 2 4 39
16		G17	2 0 3 97			2 0 42
28		G17		2 0 3 97		2 2 4 39
31		G18		4 6 8 77		6 9 3 16

ACCOUNT *Merchandise Inventory*

ACCOUNT NO. 1135

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Jan. 1	Balance	✓			506 2 4 5 32	
Dec. 31		G18		11 1 9 7 39	495 0 4 7 93	

ACCOUNT *Supplies*

ACCOUNT NO. 1140

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			4 3 1 2 23	
13		G17	3 1 9 86		4 6 3 2 09	
20		CP24	2 0 98		4 6 5 3 07	
26		G17	2 3 7 25		4 8 9 0 32	
31		CP24	6 3 49		4 9 5 3 81	
31		G18		2 2 9 3 73	2 6 6 0 08	

ACCOUNT *Prepaid Insurance*

ACCOUNT NO. 1145

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			2 5 8 3 30	
31		G18		1 1 0 6 10	1 4 7 7 20	

ACCOUNT *Office Equipment*

ACCOUNT NO. 1205

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			46 6 6 7 50	
8		CR23		7 0 0 00	45 9 6 7 50	

ACCOUNT *Accumulated Depreciation—Office Equipment*

ACCOUNT NO. 1210

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			11 2 2 0 00	
8		CR23	6 2 0 00		10 6 0 0 00	
31		G18		5 0 5 0 00	15 6 5 0 00	

GENERAL LEDGER (Continued)

ACCOUNT <i>Store Equipment</i>				ACCOUNT NO. 1215																	
DATE		ITEM	POST. REF.	DEBIT				CREDIT				BALANCE									
												DEBIT		CREDIT							
20-- Dec.	1	<i>Balance</i>	✓									45	9	7	6	70					
	7		G17	1	1	3	5	50					47	1	1	2	20				
	14		CR23					1	6	5	0	00	45	4	6	2	20				

ACCOUNT <i>Accumulated Depreciation—Store Equipment</i>				ACCOUNT NO. 1220																	
DATE		ITEM	POST. REF.	DEBIT				CREDIT				BALANCE									
												DEBIT		CREDIT							
20-- Dec.	1	<i>Balance</i>	✓													20	4	7	3	00	
	14		CR23	1	4	6	5	00									19	0	0	8	00
	31		G18					4	4	6	6	00					23	4	7	4	00

ACCOUNT <i>Notes Payable</i>				ACCOUNT NO. 2105																	
DATE		ITEM	POST. REF.	DEBIT				CREDIT				BALANCE									
												DEBIT		CREDIT							
20-- Dec.	1	<i>Balance</i>	✓													27	5	0	0	00	
	15		CR23					5	5	0	0	00					33	0	0	0	00
	12		CP23	27	5	0	0	00									5	5	0	0	00

ACCOUNT <i>Interest Payable</i>				ACCOUNT NO. 2110																	
DATE		ITEM	POST. REF.	DEBIT				CREDIT				BALANCE									
												DEBIT		CREDIT							
20-- Dec.	31		G18						1	4	67								1	4	67
20-- Jan.	1		G20		1	4	67														

ACCOUNT <i>Accounts Payable</i>				ACCOUNT NO. 2115																	
DATE		ITEM	POST. REF.	DEBIT				CREDIT				BALANCE									
												DEBIT		CREDIT							
20-- Dec.	1	<i>Balance</i>	✓													11	9	2	1	02	
	7		G17					1	1	3	5	50					13	0	5	6	52
	13		G17						3	1	9	86					13	3	7	6	38
	13		G17		9	6	00									13	2	8	0	38	
	24		G17	1	1	8	00									13	1	6	2	38	
	31		P12					27	4	8	9	98					40	6	5	2	36
	31		CP24	29	8	7	5	15									10	7	7	7	21

GENERAL LEDGER (Continued)

ACCOUNT *Employee Income Tax Payable*

ACCOUNT NO. 2120

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	<i>Balance</i>	✓				7 6 7 73
14		CP23	7 6 7 73			
15		CP23		8 0 8 05		8 0 8 05
31		CP24		8 4 0 37		1 6 4 8 42

ACCOUNT *Federal Income Tax Payable*

ACCOUNT NO. 2125

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 31		G18		8 2 0 2 81		8 2 0 2 81

ACCOUNT *Social Security Tax Payable*

ACCOUNT NO. 2130

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	<i>Balance</i>	✓				1 3 3 3 48
15		G17		4 4 3 35		1 7 7 6 83
14		CP23	1 3 3 3 48			4 4 3 35
15		CP23		4 4 3 35		8 8 6 70
31		G17		4 6 1 08		1 3 4 7 78
31		CP24		4 6 1 08		1 8 0 8 86

ACCOUNT *Medicare Tax Payable*

ACCOUNT NO. 2135

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	<i>Balance</i>	✓				3 1 2 93
15		G17		1 0 3 69		4 1 6 62
14		CP23	3 1 2 93			1 0 3 69
15		CP23		1 0 3 69		2 0 7 38
31		G17		1 0 7 83		3 1 5 21
31		CP24		1 0 7 83		4 2 3 04

ACCOUNT *Sales Tax Payable*

ACCOUNT NO. 2140

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	<i>Balance</i>	✓				5 7 5 3 09
14		CP23	5 7 5 3 09			
31		S12		3 1 6 0 13		3 1 6 0 13
31		CR24		6 9 5 5 90		10 1 1 6 03

GENERAL LEDGER (Continued)

ACCOUNT <i>Unemployment Tax Payable—Federal</i>				ACCOUNT NO. 2145			
DATE		ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
						DEBIT	CREDIT
20-- Dec.	1	Balance	✓				1 9 93
	15		G17		7 52		2 7 45
	31		G17		7 55		3 5 00

ACCOUNT <i>Unemployment Tax Payable—State</i>				ACCOUNT NO. 2150			
DATE		ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
						DEBIT	CREDIT
20-- Dec.	1	Balance	✓				1 3 4 55
	15		G17		5 0 76		1 8 5 31
	31		G17		5 0 98		2 3 6 29

ACCOUNT <i>Health Insurance Premiums Payable</i>				ACCOUNT NO. 2155			
DATE		ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
						DEBIT	CREDIT
20-- Dec.	1	Balance	✓				2 0 4 50
	15		CP23		2 0 4 50		4 0 9 00
	23		CP24	4 0 9 00			
	31		CP24		2 0 4 50		2 0 4 50

ACCOUNT <i>United Way Donations Payable</i>				ACCOUNT NO. 2160			
DATE		ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
						DEBIT	CREDIT
20-- Dec.	1	Balance	✓				1 3 0 00
	15		CP23		3 2 50		1 6 2 50

ACCOUNT <i>Dividends Payable</i>				ACCOUNT NO. 2165			
DATE		ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
						DEBIT	CREDIT
20-- Dec.	12		G17		8 4 7 0 00		8 4 7 0 00
	29		CP24	8 4 7 0 00			

ACCOUNT <i>Capital Stock</i>				ACCOUNT NO. 3105			
DATE		ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
						DEBIT	CREDIT
20-- Jan.	1	Balance	✓				220 0 0 0 00

GENERAL LEDGER (Continued)

ACCOUNT *Retained Earnings*

ACCOUNT NO. 3110

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Jan. 1	Balance	✓				274 1 8 9 85
Dec. 31		G19		139 6 4 5 93		413 8 3 5 78
	31	G19	8 4 7 0 00			405 3 6 5 78

ACCOUNT *Dividends*

ACCOUNT NO. 3115

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 12		G17	8 4 7 0 00			8 4 7 0 00
	31	G19		8 4 7 0 00		

ACCOUNT *Income Summary*

ACCOUNT NO. 3120

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 31		G18	11 1 9 7 39			11 1 9 7 39
	31	G19		1,153 5 8 5 32		1,142 3 8 7 93
	31	G19	1,002 7 4 2 00			139 6 4 5 93
	31	G19	139 6 4 5 93			

ACCOUNT *Sales*

ACCOUNT NO. 4105

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				958 8 9 7 58
	31	S12		54 2 5 7 56		1,013 1 5 5 14
	31	CR24		107 0 1 3 54		1,120 1 6 8 68
	31	G19	1,120 1 6 8 68			

ACCOUNT *Sales Discount*

ACCOUNT NO. 4110

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				11 8 3 3 60
	31	CR24	1 4 1 9 72			13 2 5 3 32
	31	G19		13 2 5 3 32		

ACCOUNT *Sales Returns and Allowances*

ACCOUNT NO. 4115

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓				13 8 9 2 58
	6	G17	2 9 9 99			14 1 9 2 57
	31	G19		14 1 9 2 57		

GENERAL LEDGER (Continued)

ACCOUNT *Credit Card Fee Expense*

ACCOUNT NO. 6115

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			7 1 4 0 70	
31		CP24	4 5 9 70		7 6 0 0 40	
31		G19		7 6 0 0 40		

ACCOUNT *Depreciation Expense—Office Equipment*

ACCOUNT NO. 6120

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 31		G18	5 0 5 0 00		5 0 5 0 00	
31		G19		5 0 5 0 00		

ACCOUNT *Depreciation Expense—Store Equipment*

ACCOUNT NO. 6125

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 31		G18	4 4 6 6 00		4 4 6 6 00	
31		G19		4 4 6 6 00		

ACCOUNT *Insurance Expense*

ACCOUNT NO. 6130

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 31		G18	1 1 0 6 10		1 1 0 6 10	
31		G19		1 1 0 6 10		

ACCOUNT *Miscellaneous Expense*

ACCOUNT NO. 6135

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			7 6 7 2 57	
17		CP24	2 4 7 50		7 9 2 0 07	
31		CP24	6 9 14		7 9 8 9 21	
31		CP24	1 4 00		8 0 0 3 21	
31		G19		8 0 0 3 21		

ACCOUNT *Payroll Taxes Expense*

ACCOUNT NO. 6140

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	Balance	✓			16 4 2 9 95	
15		G17	6 0 5 32		17 0 3 5 27	
31		G17	6 2 7 44		17 6 6 2 71	
31		G19		17 6 6 2 71		

GENERAL LEDGER (Concluded)ACCOUNT *Interest Income*

ACCOUNT NO. 7110

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	<i>Balance</i>	✓				5 6 7 70
	10	CR23		6 57		5 7 4 27
	21	G17		1 8 34		5 9 2 61
	30	CR24		2 50		5 9 5 11
	31	G18		1 2 25		6 0 7 36
	31	G19	6 0 7 36			
20-- Jan. 1		G20	1 2 25		1 2 25	

ACCOUNT *Interest Expense*

ACCOUNT NO. 8105

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	<i>Balance</i>	✓			1 4 2 8 81	
	12	CP23	1 1 4 58		1 5 4 3 39	
	31	G18	1 4 67		1 5 5 8 06	
	31	G19		1 5 5 8 06		
20-- Jan. 1		G20		1 4 67		1 4 67

ACCOUNT *Loss on Plant Assets*

ACCOUNT NO. 8110

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 14		CR23	4 5 00		4 5 00	
	31	G19		4 5 00		

ACCOUNT *Federal Income Tax Expense*

ACCOUNT NO. 9105

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20-- Dec. 1	<i>Balance</i>	✓			40 2 1 5 00	
	14	CP23	13 4 0 5 00		53 6 2 0 00	
	31	G18	8 2 0 2 81		61 8 2 2 81	
	31	G19		61 8 2 2 81		

ACCOUNTS RECEIVABLE LEDGER

CUSTOMER <i>Janet R. Barton</i>		CUSTOMER NO. 105						
DATE		ITEM	POST. REF.	DEBIT		CREDIT		DEBIT BALANCE
20-- Dec.	7		S12	7	2	3	11	7 2 3 11
	17		CR23			7	2 3 11	—

CUSTOMER <i>Braden River Real Estate Services</i>		CUSTOMER NO. 110						
DATE		ITEM	POST. REF.	DEBIT		CREDIT		DEBIT BALANCE
20-- Nov.	25	<i>Balance</i>	✓					1 4 4 3 06
Dec.	5		CR23			1	4 4 3 06	—
	17		S12	9	7	2	0 05	9 7 2 0 05
	26		CR24			9	7 2 0 05	—

CUSTOMER <i>Connie S. Brewer</i>		CUSTOMER NO. 115						
DATE		ITEM	POST. REF.	DEBIT		CREDIT		DEBIT BALANCE
20-- Dec.	13		S12	1	7	2	9 25	1 7 2 9 25
	23		CR23			1	7 2 9 25	—

CUSTOMER <i>Cypress Landscaping Services</i>		CUSTOMER NO. 120						
DATE		ITEM	POST. REF.	DEBIT		CREDIT		DEBIT BALANCE
20-- Dec.	15		S12	7	4	5	46	7 4 5 46
	24		CR24			7	4 5 46	—

CUSTOMER <i>Four Seasons Resort</i>		CUSTOMER NO. 125						
DATE		ITEM	POST. REF.	DEBIT		CREDIT		DEBIT BALANCE
20-- Dec.	8		S12	5	1	2	2 07	5 1 2 2 07
	21		G17	1	8	5	2 42	6 9 7 4 49
	29		CR24			5	1 2 2 07	1 8 5 2 42
	30		CR24			1	8 5 2 42	—

CUSTOMER <i>Gator Gameworks, Sports Bar & Grill</i>		CUSTOMER NO. 130						
DATE		ITEM	POST. REF.	DEBIT		CREDIT		DEBIT BALANCE
20-- Dec.	2		S12	9	3	5	0 48	9 3 5 0 48
	12		CR23			9	3 5 0 48	—

ACCOUNTS RECEIVABLE LEDGER (Continued)CUSTOMER *Anita Gupta*

CUSTOMER NO. 135

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- June	6	<i>Balance</i>	✓			2 0 3 97
Dec.	16	<i>Written off</i>	G17		2 0 3 97	
	28	<i>Reopen account</i>	G17	2 0 3 97		2 0 3 97
	28		CR24		2 0 3 97	

CUSTOMER *Allison M. Huggins*

CUSTOMER NO. 140

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Nov.	20	<i>Balance</i>	✓			4 8 8 88

CUSTOMER *Adam B. Kaplan*

CUSTOMER NO. 145

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Nov.	23	<i>Balance</i>	✓			3 3 0 5 80
Dec.	2		CR23		3 3 0 5 80	

CUSTOMER *Li'l Osprey Day Care*

CUSTOMER NO. 150

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Dec.	27		S12	1 0 3 8 45		1 0 3 8 45

CUSTOMER *Magnolia Sports Training Center*

CUSTOMER NO. 155

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Nov.	24	<i>Balance</i>	✓			8 2 5 6 70
Dec.	2		CR23		8 2 5 6 70	
	12		S12	6 7 5 1 56		6 7 5 1 56
	22		CR23		6 7 5 1 56	

CUSTOMER *Antonio B. Nassano*

CUSTOMER NO. 160

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Dec.	3		S12	2 1 0 3 36		2 1 0 3 36
	13		CR23		2 1 0 3 36	
	20		S12	2 1 2 98		2 1 2 98
	30		CR24		2 1 2 98	

ACCOUNTS RECEIVABLE LEDGER (Concluded)

CUSTOMER *David T. Reece*

CUSTOMER NO. 165

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Nov.	25	<i>Balance</i>	✓			4 1 6 4 93
Dec.	5		CR23		4 1 6 4 93	
	13		S12	8 8 0 79		8 8 0 79
	23		CR23		8 8 0 79	

CUSTOMER *Reily's Marketing Services*

CUSTOMER NO. 170

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Dec.	12		S12	13 3 9 9 97		13 3 9 9 97
	22		CR23		13 3 9 9 97	

CUSTOMER *Juanita R. Shepherd*

CUSTOMER NO. 175

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Oct.	15	<i>Balance</i>	✓			2 6 9 3 40
Dec.	2		G17		2 6 9 3 40	

CUSTOMER *Suncoast Community Center*

CUSTOMER NO. 180

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
20-- Nov.	24	<i>Balance</i>	✓			2 8 5 8 05
Dec.	3		S12	5 6 4 0 16		8 4 9 8 21
	3		CR23		2 8 5 8 05	5 6 4 0 16
	6		G17		2 9 9 99	5 3 4 0 17
	12		CR23		5 3 4 0 17	

ACCOUNTS PAYABLE LEDGER**VENDOR *Bond Manufacturing*****VENDOR NO. 205**

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
20-- Nov.	25	<i>Balance</i>	✓			6 3 6 55
Dec.	2		CP23	6 3 6 55		

VENDOR *Byte-by-Byte, Inc.***VENDOR NO. 210**

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
20-- Nov.	30	<i>Balance</i>	✓			3 8 0 5 08
Dec.	9		CP23	3 8 0 5 08		

VENDOR *Caswell Co., Inc.***VENDOR NO. 215**

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE

VENDOR *Digital Diva Sound Systems***VENDOR NO. 220**

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
20-- Dec.	6		P12		2 4 6 5 07	2 4 6 5 07
	14		CP23	2 4 6 5 07		

VENDOR *Garcia's Electronic Gadgets***VENDOR NO. 225**

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
20-- Nov.	26	<i>Balance</i>	✓			7 5 5 67
Dec.	5		CP23	7 5 5 67		
	17		P12		3 2 9 9 80	3 2 9 9 80
	26		CP24	3 2 9 9 80		

VENDOR *Graczyk Electronics Company***VENDOR NO. 230**

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
20-- Dec.	22		P12		4 7 1 5 00	4 7 1 5 00
	24		G17	1 1 8 00		4 5 9 7 00

VENDOR *Liang's Computer Accessories***VENDOR NO. 235**

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
20-- Nov.	25	<i>Balance</i>	✓			1 9 5 3 99
Dec.	2		CP23	1 9 5 3 99		
	16		P12		3 9 0 72	3 9 0 72
	23		CP24	3 9 0 72		

ACCOUNTS PAYABLE LEDGER (Continued)

VENDOR *Lisa's Discount Electronics Warehouse*

VENDOR NO. 240

DATE		ITEM	POST. REF.	DEBIT				CREDIT				CREDIT BALANCE							
20-- Nov.	25	<i>Balance</i>	✓									1	4	6	0	65			
Dec.	2		CP23	1	4	6	0	65											
	12		P12					6	1	7	9	70				6	1	7	9
	19		CP24	6	1	7	9	70											
	28		P12					3	3	3	7	20				3	3	3	7

VENDOR *Louisi-Sounds Electronics*

VENDOR NO. 245

DATE		ITEM	POST. REF.	DEBIT				CREDIT				CREDIT BALANCE							
20-- Dec.	1		P12					1	3	8	7	65				1	3	8	7

VENDOR *Matsutronics, Inc.*

VENDOR NO. 250

DATE		ITEM	POST. REF.	DEBIT				CREDIT				CREDIT BALANCE							
20-- Nov.	26	<i>Balance</i>	✓									2	1	2	2	95			
Dec.	5		CP23	2	1	2	2	95											

VENDOR *Mouse & Man Electronics, Inc.*

VENDOR NO. 255

DATE		ITEM	POST. REF.	DEBIT				CREDIT				CREDIT BALANCE							
20-- Dec.	5		P12					3	8	9	6	96				3	8	9	6
	12		CP23	3	8	9	6	96											

VENDOR *Nickell's Gift Specialties*

VENDOR NO. 260

DATE		ITEM	POST. REF.	DEBIT				CREDIT				CREDIT BALANCE							
20-- Dec.	13		G17					3	1	9	8	86				3	1	9	8

VENDOR *On-the-Go Connectivity Co.*

VENDOR NO. 265

DATE		ITEM	POST. REF.	DEBIT				CREDIT				CREDIT BALANCE							
20-- Nov.	26	<i>Balance</i>	✓									1	0	4	6	17			
Dec.	5		CP23	1	0	4	6	17											
	16		P12					1	1	6	9	88				1	1	6	9
	23		CP24	1	1	6	9	88											

28 *Electro, Inc.***ACCOUNTS PAYABLE LEDGER (Concluded)****VENDOR** *Seri-Us-Fun Electronic Games***VENDOR NO.** 270

DATE		ITEM	POST. REF.	DEBIT				CREDIT				CREDIT BALANCE			
20-- Dec.	9		P12					6	4	8	00	6	4	8	00
	13		G17		9	6	00					5	5	2	00
	16		CP24		5	5	2 00								

VENDOR *Wiley Office Products***VENDOR NO.** 275

DATE		ITEM	POST. REF.	DEBIT				CREDIT				CREDIT BALANCE			
20-- Nov.	15	<i>Balance</i>	✓									1	3	9	96
Dec.	7		G17					1	1	3	5 50	1	2	7	46
	12		CP23		1	3	9 96					1	1	3	50

Electro, Inc.**Cash Proof Report**

		December 17, 20--
1. Beginning cash balance	\$	<u>17,224.62</u>
2. Plus cash receipts		<u>107,448.03</u>
3. Total.....	\$	<u>124,672.65</u>
4. Minus cash payments		<u>77,425.96</u>
5. Cash balance according to journals	\$	<u><u>47,246.69</u></u>
6. Cash balance according to check stub	\$	<u><u>47,246.69</u></u>

Electro, Inc.**Purchases on Account and Sales on Account Report**

		December 17, 20--
1. Purchases of merchandise on account:		
a. Number of purchases		<u>8</u>
b. Total of Purchases Debit/Accounts Payable Credit column of purchases journal	\$	<u>19,437.78</u>
2. Sales of merchandise on account:		
a. Number of sales		<u>11</u>
b. Total of Sales Credit column of sales journal	\$	<u>53,082.51</u>
3. Balances shown in the following accounts:		
Account		Account Balance
On-the-Go Connectivity Co.	\$	<u>1,169.88</u>
Wiley Office Products	\$	<u>1,135.50</u>
Magnolia Sports Training Center	\$	<u>6,751.56</u>
Reily's Marketing Services	\$	<u>13,399.97</u>

30 *Electro, Inc.***Electro, Inc.****Cash Proof Report****December 31, 20--**

1. Beginning cash balance	\$ <u>17,224.62</u>
2. Plus cash receipts	<u>197,100.39</u>
3. Total.....	\$ <u>214,325.01</u>
4. Minus cash payments	<u>105,060.63</u>
5. Cash balance according to journals	\$ <u><u>109,264.38</u></u>
6. Cash balance according to check stub	\$ <u><u>109,264.38</u></u>

Electro, Inc.**Purchases on Account and Sales on Account Report****December 31, 20--**

1. Purchases of merchandise on account:	
a. Number of purchases in December	<u>10</u>
b. Total of Purchases Debit/Accounts Payable Credit column of purchases journal	\$ <u>27,489.98</u>
2. Sales of merchandise on account:	
a. Number of sales in December	<u>13</u>
b. Total of Sales Credit column of sales journal	\$ <u>54,257.56</u>

Electro, Inc.
Work Sheet

For Year Ended December 31, 20--

ACCOUNT TITLE	1 TRIAL BALANCE		2		3 ADJUSTMENTS		4		5 INCOME STATEMENT		6		7 BALANCE SHEET		8			
	DEBIT		CREDIT		DEBIT		CREDIT		DEBIT		CREDIT		DEBIT			CREDIT		
1 Cash	109	264	38										109	264	38			
2 Petty Cash		200	00											200	00			
3 Notes Receivable		269	340											269	340			
4 Interest Receivable					(a)	12	25								12	25		
5 Accounts Receivable		152	733											152	733			
6 Allowance for Uncollectible Accounts				22	439			(b)	46	877						69	316	
7 Merchandise Inventory	506	245	32					(c)	119	739			495	047	93			
8 Supplies		49	381					(d)	229	373				26	008			
9 Prepaid Insurance		25	830					(e)	110	610				14	720			
10 Office Equipment		45	967	50										45	967	50		
11 Accum. Depreciation—Office Equip.				10	600	00		(f)	50	500	00					15	650	
12 Store Equipment		45	462	20										45	462	20		
13 Accum. Depreciation—Store Equip.				19	080	00		(g)	44	600						23	474	
14 Notes Payable				5	500	00										5	500	
15 Interest Payable								(h)	14	67							14	67
16 Accounts Payable				10	77	21										10	77	21
17 Employee Income Tax Payable				1	64	842										1	64	842
18 Federal Income Tax Payable								(v)	82	0281						82	0281	
19 Social Security Tax Payable				1	80	886										1	80	886
20 Medicare Tax Payable					4	2304											4	2304
21 Sales Tax Payable				10	116	03										10	116	03
22 Unemployment Tax Payable—Fed.					3	500											3	500
23 Unemployment Tax Payable—State					2	3629											2	3629
24 Health Insurance Premiums Payable					2	0450											2	0450
25 United Way Donations Payable					1	6250											1	6250
26 Dividends Payable																		
27 Capital Stock				220	000	00										220	000	00
28 Retained Earnings				274	189	85										274	189	85
29 Dividends				8	470	00										8	470	00
30 Income Summary								(w)	119	739								
31 Sales				1,120	168	68										1,120	168	68
32 Sales Discount				13	253	32										13	253	32

Electro, Inc.

Income Statement (Concluded)

For Year Ended December 31, 20--

																	% OF NET SALES	
<i>Other Revenue:</i>																		
<i>Interest Income</i>								6	0	7	36							
<i>Other Expenses:</i>																		
<i>Interest Expense</i>				1	5	8	06											
<i>Loss on Plant Assets</i>					4	5	00											
<i>Total Other Expenses</i>								1	6	0	3	06						
<i>Net Deduction</i>													9	9	5	70	0.1	
<i>Net Income before Fed. Income Tax</i>													201	4	6	8	74	18.4
<i>Less Federal Income Tax Expense</i>													61	8	2	2	81	
<i>Net Income after Fed. Income Tax</i>													139	6	4	5	93	

Electro, Inc.
Balance Sheet (Concluded)
 December 31, 20--

<i>Liabilities</i>										
<i>Current Liabilities:</i>										
<i>Notes Payable</i>										5 5 0 0 00
<i>Interest Payable</i>										1 4 67
<i>Accounts Payable</i>										10 7 7 7 21
<i>Employee Income Tax Payable</i>										1 6 4 8 42
<i>Federal Income Tax Payable</i>										8 2 0 2 81
<i>Social Security Tax Payable</i>										1 8 0 8 86
<i>Medicare Tax Payable</i>										4 2 3 04
<i>Sales Tax Payable</i>										10 1 1 6 03
<i>Unemployment Tax Payable—Federal</i>										3 5 00
<i>Unemployment Tax Payable—State</i>										2 3 6 29
<i>Health Insurance Premiums Payable</i>										2 0 4 50
<i>United Way Donations Payable</i>										1 6 2 50
<i>Total Liabilities</i>										39 1 2 9 33
<i>Stockholders' Equity</i>										
<i>Capital Stock</i>										220 0 0 0 00
<i>Retained Earnings</i>										405 3 6 5 78
<i>Total Stockholders' Equity</i>										625 3 6 5 78
<i>Total Liabilities and Stockholders' Equity</i>										664 4 9 5 11

Balance Sheet Analysis

	Acceptable	Actual	Positive Result		Recommended Action If Needed
			Yes	No	
Working capital	Not less than \$50,000.00	\$573,060.08	✓		None
Current ratio	Between 2.0 to 1 and 2.5 to 1	15.6 to 1		✓	<i>Evaluate current assets for excessive amounts. Cash could be issued as a dividend, inventory levels could be reduced.</i>

Audit Test for Electro, Inc., Business Simulation

To encourage students to work independently in completing *Electro, Inc.*, many teachers find it desirable to announce that a test based on the simulation will be given after the work has been completed. The purpose of the audit test is to sample the accuracy and completeness of the students' work.

Reproducing Test Questions

A suggested test worth 100 points and the solution is given on the following pages. Cover the "Key" column on the printed test before making copies so that the solutions do not appear on the students' tests. The printed test questions and solutions should be kept for future use in making additional copies.

Using the Audit Test to Grade the Business Simulation

The test is an objective measurement of the students' work that is easy to score quickly. The test can be scored by the teacher from the key, or the test papers can be exchanged in class and the correct answers dictated by the teacher. To the grades obtained from the test, the teacher may add a grade for accuracy, neatness, and speed of completion of the business simulation.

Testing Procedure

Students must have their completed business simulations open on their desks at the time they take the audit test. Students must obtain the answers to the test questions from their completed simulations.

Alternate Test

If the teacher prefers a shorter test than the one that is presented on the following pages, the teacher can use only the odd-numbered questions or only the even-numbered questions. This cuts the audit test in half.

ELECTRO, INC. BUSINESS SIMULATION

Audit Test

Name _____

Perfect Score 100 Score _____

To the Teacher
Before making
copies, cover this
note and the Key
column.

Directions: Use your completed simulation to answer the following questions. Write your answers in the Answers column. The answer may be an amount, an account title, a name, a date, or a word or two. The first question, labeled "0," is given as an example.

PART 1 SALES JOURNAL	Answers	Key
0. What was the total amount of the sales transaction to Antonio B. Nassano on December 3?.....	0. \$2,103.36	0. \$2,103.36
1. What was the total amount debited to Connie S. Brewer's account for the sale on December 13?.....	1.	1. \$1,729.25
2. What was the amount of sales tax on the sale to Janet R. Barton on December 7?	2.	2. \$44.13
3. To whom was sale number 932 made?	3.	3. <i>David T. Reece</i>
4. What was the total of the Sales Credit column for December?.....	4.	4. \$54,257.56
5. How many sales on account were made during December?.....	5.	5. 13
6. What was the total of the Sales Tax Payable credit column for December?.....	6.	6. \$3,160.13

PART 2 PURCHASES JOURNAL	Answers	Key
7. From whom was merchandise purchased on December 17?.....	7.	7. <i>Garcia's Electronic Gadgets</i>
8. What was the value of merchandise purchased from Lisa's Discount Electronics Warehouse during December?.....	8.	8. \$9,516.90
9. What was the total amount of purchases of merchandise on account in December?.....	9.	9. \$27,489.98
10. To which general ledger account was the total of the amount column of the purchases journal posted as a credit?.....	10.	10. <i>Accounts Payable 2115</i>
11. What was the amount of the purchase on December 22?	11.	11. \$4,715.00
12. Which purchase invoice was for the largest amount of merchandise?.....	12.	12. 721

PART 3 GENERAL JOURNAL	Answers	Key
13. Whose account was written off as a bad debt during December?	13.	13. <i>Anita Gupta</i>
14. What was the amount of the dividend declared on December 12?	14.	14. \$8,470.00
15. From whom was a note received during December?.....	15.	15. <i>Juanita R. Shepherd</i>
16. What was the value of merchandise returned on December 13?	16.	16. \$96.00
17. What was the amount of total payroll taxes for the December 31 payroll?.....	17.	17. \$627.44
18. On what date was an entry made for a dishonored note receivable?	18.	18. <i>December 21</i>
19. How many adjusting entries were recorded on December 31?.....	19.	19. 9
20. What was the amount credited to Income Summary in the December 31 closing entries?	20.	20. 1,153,585.32

Name _____

To the Teacher
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column.

PART 3 GENERAL JOURNAL (Continued)	Answers	Key
21. What was the amount credited to Retained Earnings on December 31?.....	21.	21. \$139,645.93
22. What was the amount debited to Federal Income Tax Expense on December 31?.....	22.	22. \$8,202.81
23. What was the total amount of interest income reported for the fiscal period?.....	23.	23. \$607.36
24. Was the interest expense account debited or credited in the reversing entry made on January 1 of the next fiscal period?	24.	24. <i>Credited</i>

PART 4 CASH RECEIPTS JOURNAL	Answers	Key
25. How much cash was received from Braden River Real Estate Services on December 5?	25.	25. \$1,414.20
26. What was the original cost of the office equipment sold on December 8?	26.	26. \$700.00
27. From whom was cash received on December 29?.....	27.	27. <i>Four Seasons Resort</i>
28. What was the amount of interest received on December 10?	28.	28. \$6.57
29. What was the total amount of the sales discount granted to Magnolia Sports Training Center on December 2?	29.	29. \$165.13
30. What was the total amount of cash received in December?.....	30.	30. \$197,100.39
31. To which customer was Receipt 496 issued?	31.	31. <i>Cypress Landscaping Services</i>
32. How much sales tax was charged for all cash sales in December?	32.	32. \$6,955.90
33. What was the total of the sales discounts granted to customers during December?.....	33.	33. \$1,419.72
34. How much sales discount was granted to David T. Reece on December 23?.....	34.	34. \$17.62
35. What amount was credited to Accounts Receivable on December 31?.....	35.	35. \$78,164.18

PART 5 CASH PAYMENTS JOURNAL	Answers	Key
36. To whom was Check 301 issued?	36.	36. <i>On-the-Go Connectivity Co.</i>
37. How many checks were issued in December?	37.	37. 30
38. What was the amount of discount taken on the invoice paid to Seri-Us-Fun Electronic Games on December 16?	38.	38. \$11.04
39. What was the amount of Check 321?	39.	39. \$382.91
40. What was the amount of cash paid to employees for the December 15 payroll?	40.	40. \$5,558.73

Name _____

To the Teacher
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PART 5 CASH PAYMENTS JOURNAL (Continued)	Answers	Key
41. What was the total amount of cash paid in December?	41.	41. \$105,060.63
42. What was the amount of the credit card fee expense for December?.....	42.	42. \$459.70
43. What was the total amount of purchase discounts during the month of December?.....	43.	43. \$594.69
44. What was the total amount debited to Accounts Payable for December?.....	44.	44. \$29,875.15
45. Which was the amount of interest paid on December 12?	45.	45. \$114.58
46. What was the number of the check used to replenish petty cash?	46.	46. 325
47. Which did Check 322 pay—an expense or a liability?	47.	47. <i>Liability</i>
48. What was the total amount paid to Matsutronics, Inc., on December 5?	48.	48. \$2,080.49

PART 6 GENERAL LEDGER	Answers	Key
49. What was the value of merchandise inventory on December 31 after adjustment?.....	49.	49. \$495,047.93
50. Was the amount owed to vendors on December 31 larger or smaller than the amount owed on December 1?.....	50.	50. <i>Smaller</i>
51. What was the value of supplies purchased during December?	51.	51. \$641.58
52. What is the amount of accumulated depreciation for Store Equipment after adjustment on December 31?	52.	52. \$23,474.00
53. What amount is owed for employee income taxes on December 31?.....	53.	53. \$1,648.42
54. On what date was a check issued for payment of dividends?.....	54.	54. <i>December 29</i>
55. What was the net increase in Retained Earnings for the year?.....	55.	55. \$131,175.93
56. What were the total sales returns and allowances for the year?.....	56.	56. \$14,192.57
57. What were the total sales for December?.....	57.	57. \$161,271.10
58. How much money was saved during the year by paying for purchases promptly to take advantage of discounts?.....	58.	58. \$11,787.39
59. How much were Credit Card Fee Expenses for the year?.....	59.	59. \$7,600.40
60. How much was charged to Miscellaneous Expense during the month of December?	60.	60. \$330.64
61. How much of the insurance premiums prepaid expired during the year?.....	61.	61. \$1,106.10

Name _____

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column.

PART 6 GENERAL LEDGER (Continued)	Answers	Key
62. What was the total amount of interest earned during the year?	62.	62. \$607.36
63. What is the total amount of federal income tax for the fiscal period?	63.	63. \$61,822.81
64. What is the total amount of rent expense for the year?	64.	64. \$42,000.00
65. What is the total amount of payroll taxes for December?	65.	65. \$1,232.76
66. Does Electro, Inc., owe any health insurance premiums at the end of the fiscal period?	66.	66. <i>Yes</i>
67. Which is larger at the end of the fiscal period—the amount owed for Employee Income Taxes or the amount owed for Social Security Taxes?	67.	67. <i>Social Security Taxes</i>
68. Is the amount of cash available at the end of December more or less than was available at the beginning of December?	68.	68. <i>More</i>
69. Is the amount of cash available at the end of December sufficient to pay off all liabilities?	69.	69. <i>Yes</i>
70. How will the balance of the Cash Short and Over account be reported on the December 31 financial statements—as revenue or as expense?	70.	70. <i>Expense</i>
71. What was the original cost value of store equipment that was sold in December?	71.	71. \$1,650.00
72. What is the balance of the Income Summary account after all adjusting and closing entries have been posted on December 31?	72.	72. <i>-0-</i>

PART 7 ACCOUNTS RECEIVABLE LEDGER	Answers	Key
73. How much was credited to Suncoast Community Center's account in December?	73.	73. \$8,498.21
74. What was the amount written off as uncollectible from Anita Gupta in December?	74.	74. \$203.97
75. What is the amount owed by Allison M. Huggins on December 31?	75.	75. \$488.88
76. How many customers owed money on December 1?	76.	76. <i>8</i>
77. What was the amount of the sale to Braden River Real Estate Services in December?	77.	77. \$9,720.05
78. On what date was merchandise sold to Janet R. Barton in December?	78.	78. <i>December 7</i>
79. Does Adam B. Kaplan owe more money or less money on account on December 31 than he did on December 1?	79.	79. <i>Less</i>

Name _____

To the Teacher
Before making
copies, cover this
note and the Key
column.

PART 8 ACCOUNTS PAYABLE LEDGER	Answers	Key
80. To how many vendors is money owed on December 31?	80.	80. 5
81. What was the date of a purchase in December from Seri-Us-Fun Electronic Games?	81.	81. December 9
82. How much money was owed to Lisa's Discount Electronics Warehouse on December 15?	82.	82. \$6,179.70
83. On what date was money paid to Mouse & Man Electronics, Inc.?	83.	83. December 12
84. What was the amount paid to Byte-by-Byte, Inc., on December 9?	84.	84. \$3,805.08
85. Were any purchases made on account from Matsutronics, Inc., during December?	85.	85. No
86. How much money was paid to Liang's Computer Accessories during December?	86.	86. 2,344.71

PART 9 FINANCIAL REPORTS	Answers	Key
87. What was the amount of the proving totals of the Trial Balance columns of the work sheet?	87.	87. \$1,708,507.16
88. What was the amount of the federal income tax adjustment on the work sheet?	88.	88. \$8,202.81
89. What was the amount of the proving totals of the Balance Sheet columns of the work sheet?	89.	89. \$712,782.27
90. What were the net sales for the year?	90.	90. \$1,092,722.79
91. What was the cost of merchandise available for sale for the year?	91.	91. \$1,136,722.32
92. What were the total operating expenses for the year?	92.	92. \$248,583.96
93. What was the net income after federal income tax for the year?...	93.	93. \$139,645.93
94. What was the amount of total stockholders' equity on December 31?	94.	94. \$625,365.78
95. What were total current assets on December 31?	95.	95. \$612,189.41
96. What was the amount of retained earnings after closing on December 31?	96.	96. \$405,365.78
97. What was the book value of plant assets on the December 31 balance sheet?	97.	97. \$52,305.70
98. What was the amount of the proving totals on the December 31 post-closing trial balance?	98.	98. \$704,312.27
99. What was the amount of the adjustment for the accrued interest on notes payable on December 31?	99.	99. \$14.67
100. What is the amount of depreciation on office equipment for the current fiscal period?	100.	100. \$5,050.00

Solutions

Think Like an Accountant Financial Analysis Activity

1.

	Acceptable%	Prior Year		2 Years Prior	
			% of Sales		% of Sales
Sales		1,020,850	100.0	998,714	100.0
Cost of Merchandise Sold	Not more than 56.0%	575,000	56.3	550,000	55.1
Gross Profit on Operations	Not less than 44.0%	445,850	43.7	448,714	44.9
Total Operating Expenses	Not more than 27.0%	287,500	28.2	295,500	29.6
Income from Operations	Not less than 17.0%	158,350	15.5	153,214	15.3
Net Deduction from Other Revenue and Expenses	Not more than 0.5%	3,000	0.3	4,500	0.5
Net Income before Federal Income Tax	Not less than 16.0%	155,350	15.2	148,714	14.9

2.

Cost of Merchandise Sold: *This measure has gone from 55.1% to 56.3% to 58.7%. This is an unfavorable trend. Two years ago, this component percentage was within the acceptable range. For the current year, it is not acceptable.*

Gross Profit on Operations: *This measure has gone from 44.9% to 43.7% to 41.3%. This is an unfavorable trend. As above, the component percentage was within the acceptable range two years ago. The percentage has decreased each year and is now not acceptable.*

Total Operating Expenses: *This measure has gone from 29.6% to 28.2% to 22.7%. This is a favorable trend and has improved much from the prior year to the current year. The current years percentage is within the acceptable range, while the two prior years' percentages are not within the acceptable range.*

Income from Operations: *This measure has gone from 15.3% to 15.5% to 18.5%. This is a favorable trend and, like Total Operating Expenses, improved greatly in the current year. The percentages for the two previous years were not within the acceptable range, but the current year's percentage has moved into the acceptable range.*

Net Deduction from Other Revenue and Expenses: *This measure has gone from 0.5% to 0.3% to 0.1%. This is a favorable trend. This component percentage has remained within the acceptable range all three years, but the trend is still considered to be favorable.*

Net Income before Federal Income Tax: *This measure has gone from 14.9% to 15.2% to 18.4%. This is a favorable trend. Only the current year's component percentage is within the acceptable range. The two prior years' component percentages were not within the acceptable range.*