

ACCT 100 – Exam #3 - Johnson
Merchandising Entities
Sales, Purchases, Cash transactions, Bank Reconciliations
Internal Controls

- Lots of New Accounts - Same three items. Type of account, Normal Balance, and Financial Statement
- Sales for cash, on account, on credit, using bank credit cards, non-bank credit cards, JE's, taxes, journalizing basic transactions including returns, discounts, trade discounts. Documents used in the sales process. **Lots of terms and definitions.**
- Purchases for cash, on account, on credit, JE's journalizing, discounts, freight terms, freight on capital assets. Documents used in the purchasing process. **LOTS of terms and definitions.**
- Bank Issues – The importance of cash, Internal controls, documents, processes, importance of bank reconciliation, what it is, how it's done. JE's for the bank reconciliation, dealing with errors, updating cash, different types of endorsements, writing checks, the parties to checks, debit memos, credit memos, adjustments, **LOTS OF TERMS and definitions.**
- Controlling Accounts and Subsidiary Ledgers for both, how to do the posting, creating schedules at month end.

30 Multiple Choice Problems @ 2 points each = 60 points
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PROBLEMS = 40 Points

- Variety of sales transactions with sales tax, returns, payments (10)
- Variety of purchase transactions with returns, payments (10)
- Bank Rec (10)
- Account Identification (10)