

ACCT 100 – Test #3 Review
Chapters 7, 8 & 9

Part I - Journalize the following transactions for Fred Barron, Esq. on the attached journal form.

- Jan. 5 Sold merchandise on account for \$5,250, n30.
- Jan. 12 Received payment for the merchandise sold on Jan 5.
- Jan. 17 Purchased merchandise on account, 2/10,n30, \$1,200,
FOB Shipping Point.
- Jan. 18 Paid the freight charges for the purchase on Jan. 17 directly to Speedy Shipping,
\$75.
- Jan. 25 Paid for the purchase on Jan. 17.
- Feb. 2 Sold merchandise on account for \$3,250, plus 6% sales tax, n30.
- Mar. 4 Received payment for the sale on Feb. 2.
- Mar. 6 Purchased merchandise on account, 1/10,n30, \$2,100, FOB Shipping Point.
Freight of \$80 prepaid and added to the invoice.
- Mar. 12 Returned \$200 of the merchandise purchased on Mar. 6.
- Mar. 15 Paid the amount due on the Mar. 6 purchase.
- Mar. 21 Sold merchandise on account for \$8,000, 2/10,n45.
- Mar. 24 Issued a credit memo for \$800 for merchandise returned from the sale on March
21.
- Mar. 30 Received the balance owed on the sale on Mar. 21.
- Apr. 3 Sold merchandise on account for \$4,800, plus 6% sales tax, n30.
- Apr. 5 Issued a credit memo for \$300 for merchandise returned from the sale on Apr. 3.
- Apr. 25 Received the balance owed on the sale of Apr. 3.

Part II – Record the following transactions as the Buyer and as the Seller.

June 10, 2022, the Seller Company sold merchandise on account to the Buyer Company for \$900, terms 1/10, n/30, FOB Shipping Point.

June 11, 2022, Freight charges of \$75 were paid directly to the shipping company.

June 15, 2022, the Buyer Company returned \$50 of defective merchandise.

June 19, 2022, the Buyer Company paid the amount due to Seller Company.

PART III - Identify the normal balance of the following accounts. Use “dr” for debit and “cr” for credit.

_____Accounts Receivable	_____Freight-in
_____Sales	_____Purchases
_____Purchase Discounts	_____Sales Tax Payable
_____Accounts Payable	_____Inventory
_____Purchase Returns	_____Sales Discounts
_____Delivery Expense	_____Sales Returns and allowances

Part IV – Bank Reconciliation

The cash account for April Schauer Umbrella Co. on November 30, 2022, had a balance of \$16,325.95. The bank statement showed a balance of \$21,016.30 on November 30, 2022. Comparing the bank statement to the company records revealed the following reconciling items:

- a. Checks outstanding totaled \$5,169.75
- b. A deposit of \$4,189.40, representing receipts of November 30, had been made too late to appear on the bank statement.
- c. The bank had collected \$4,500 on a note left for collection. The face of the note was \$4,000.
- d. A check for \$2,850 returned with the statement had been incorrectly recorded by the company as \$2,580. The check was for the payment of an obligation to Kisling Co. for the purchase of supplies on account.
- e. A check drawn for \$1,375 had been erroneously charged by the bank as \$1,735
- f. A check for \$135 received from a customer was returned by the bank for non-sufficient funds.
- g. The bank charged \$25 for service charges for November.

Prepare a bank reconciliation for April Schauer Umbrella Co. for November 30, 2022.

General Journal

	DATE	DESCRIPTION	POST REF	DEBIT	CREDIT	
1						1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
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12						12
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General Journal

	DATE	DESCRIPTION	POST REF	DEBIT	CREDIT	
1						1
2						2
3						3
4						4
5						5
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April Schauer
Bank Reconciliation
November 30, 2020

Balance per bank statement

Additions:

Deductions:

Adjusted balance

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Balance per books

Additions:

Deductions:

Adjusted balance

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General Journal

	DATE	DESCRIPTION	POST REF	DEBIT	CREDIT	
1						1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10