

Problem 7-8 Journalizing and Posting Business Transactions (textbook p. 187)

Instructions: Use the following source documents to record the transactions for this problem.

MEMORANDUM 35

Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

TO: Accounting Clerk
FROM: Juanita Ortega
DATE: March 1, 20--
SUBJECT: Investment in business

I have invested \$20,000 in cash and rafting equipment valued at \$5,000 in the business. Please record the journal entry.

RECEIPT
No. 311

Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

March 2 20--

RECEIVED FROM Chad Schmidt \$ 80.00
Eighty and 00/100 DOLLARS
FOR Guide Service
RECEIVED BY Juanita Ortega

PEAK EQUIPMENT INC.
402 Industry Blvd.
San Diego, CA 92122

INVOICE NO. 101

DATE: March 3, 20--
ORDER NO.:
SHIPPED BY: Speedy Delivery
TERMS: Payable in 30 days

TO: Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

QTY.	ITEM	UNIT PRICE	TOTAL
3	Daypacks -- DP41714-0	\$100.00	\$300.00
2	Backpacks -- BP43714-1	150.00	300.00
			\$600.00

RECEIPT
No. 312

Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

March 3 20--

RECEIVED FROM Jason & Brittany Kelley \$ 135.00
One hundred thirty-five and 00/100 DOLLARS
FOR Guide Service
RECEIVED BY Juanita Ortega

Premier Processors
5775 Lemon Grove Drive
San Diego, CA 92107

INVOICE NO. 616

DATE: March 5, 20--
ORDER NO.:
SHIPPED BY: Pick up
TERMS: Payable in 60 days

TO: Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

QTY.	ITEM	UNIT PRICE	TOTAL
1	Computer system -- IEF407	\$2,800.00	\$2,800.00

RECEIPT
No. 313

Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

March 5 20--

RECEIVED FROM Clancey McMichael \$ 80.00
Eighty and 00/100 DOLLARS
FOR Guide Service
RECEIVED BY Juanita Ortega

RECEIPT
No. 310

Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

March 2 20--

RECEIVED FROM Cathy & Jonathon Smith \$ 135.00
One hundred thirty-five and 00/100 DOLLARS
FOR Guide Service
RECEIVED BY Juanita Ortega

RECEIPT
No. 314

Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

March 5 20--

RECEIVED FROM Louise Wicker & Dudley Hartel \$ 135.00
One hundred thirty-five and 00/100 DOLLARS
FOR Guide Service
RECEIVED BY Juanita Ortega

Problem 7-8 (continued)

Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

RECEIPT
No. 315

March 7 20--

RECEIVED FROM Greg & Ann Ingram \$ 135.00

One hundred thirty-five and 00/100 DOLLARS

FOR Guide Service

RECEIVED BY Juanita Ortega

\$ <u>1,400.00</u>	No. 654
Date <u>March 18</u>	20--
To <u>Premier Processors</u>	
For <u>On account</u>	
	Dollars Cents
Balance brought forward	19,500 00
Add deposits	
Total	19,500 00
Less this check	1,400 00
Balance carried forward	18,100 00

\$ <u>400.00</u>	No. 652
Date <u>March 9</u>	20--
To <u>Daily Courier</u>	
For <u>Ad</u>	
	Dollars Cents
Balance brought forward	0 00
Add deposits	2/1 20,000 00
	2/7 700 00
Total	20,700 00
Less this check	400 00
Balance carried forward	20,300 00

Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

RECEIPT
No. 316

March 22 20--

RECEIVED FROM Podaski Systems Inc. \$ 900.00

Nine hundred and 00/100 DOLLARS

FOR Payment on account

RECEIVED BY Juanita Ortega

Outback Guide Service
705 Fernhill Road, Encinitas, CA 92024

INVOICE NO. 352

DATE: March 12, 20--

ORDER NO.:

SHIPPED BY:

TERMS: Payment due upon receipt

TO Podaski Systems Inc.
115 Beach Blvd.
San Diego, CA 92103

DATE	SERVICE	AMOUNT
3/10--	Group rafting trip	\$900.00

\$ <u>500.00</u>	No. 655
Date <u>March 27</u>	20--
To <u>Live TV</u>	
For <u>Ad</u>	
	Dollars Cents
Balance brought forward	18,100 00
Add deposits	2/22 900 00
Total	19,000 00
Less this check	500 00
Balance carried forward	18,500 00

\$ <u>800.00</u>	No. 653
Date <u>March 15</u>	20--
To <u>Cash</u>	
For <u>Personal use</u>	
	Dollars Cents
Balance brought forward	20,300 00
Add deposits	
Total	
Less this check	800 00
Balance carried forward	19,500 00

\$ <u>600.00</u>	No. 656
Date <u>March 28</u>	20--
To <u>Peak Equipment Inc.</u>	
For <u>On account</u>	
	Dollars Cents
Balance brought forward	18,500 00
Add deposits	
Total	18,500 00
Less this check	600 00
Balance carried forward	17,900 00

Problem 7-8 (continued)

GENERAL LEDGER

ACCOUNT _____ ACCOUNT NO. _____

[illegible]

ACCOUNT _____ ACCOUNT NO. _____

[illegible]

ACCOUNT _____ ACCOUNT NO. _____

[illegible]

ACCOUNT _____ ACCOUNT NO. _____

[illegible]

ACCOUNT _____ ACCOUNT NO. _____

[illegible]

Problem 7-8 (continued)

ACCOUNT _____

ACCOUNT NO. _____

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT

ACCOUNT _____

ACCOUNT NO. _____

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT

ACCOUNT _____

ACCOUNT NO. _____

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT

ACCOUNT _____

ACCOUNT NO. _____

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT

ACCOUNT _____

ACCOUNT NO. _____

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT

ACCOUNT _____

ACCOUNT NO. _____

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT

Problem 7-8 (continued)

GENERAL JOURNAL

PAGE _____

	DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	
1						1
2						2
3						3
4						4
5						5
6						6
7						7
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11						11
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Problem 7-8 (concluded)

[illegible]

Analyze: