

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

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

Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

MEMORANDUM 35

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

TO Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

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

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

TO Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

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

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

Outback Guide Service
705 Fernhill Road
Encinitas, CA 92024

RECEIPT
No. 310

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

\$ 1,400.00	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

\$ 400.00	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

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

INVOICE NO. 352
DATE: March 12, 20--

ORDER NO.: _____
SHIPPED BY: _____
TERMS: Payment due upon receipt

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

\$ 500.00	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

\$ 800.00	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

\$ 600.00	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.

ACCOUNT

ACCOUNT NO.

ACCOUNT

ACCOUNT NO.

ACCOUNT

ACCOUNT NO.

ACCOUNT

ACCOUNT NO.

Problem 7-8 (continued)

ACCOUNT _____

ACCOUNT NO. _____

DATE	DESCRIPTION	POST. REF.	DEBIT		CREDIT		BALANCE	
			DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT

ACCOUNT _____

ACCOUNT NO. _____

DATE	DESCRIPTION	POST. REF.	DEBIT		CREDIT		BALANCE	
			DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT

ACCOUNT _____

ACCOUNT NO. _____

DATE	DESCRIPTION	POST. REF.	DEBIT		CREDIT		BALANCE	
			DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT

ACCOUNT _____

ACCOUNT NO. _____

DATE	DESCRIPTION	POST. REF.	DEBIT		CREDIT		BALANCE	
			DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT

ACCOUNT _____

ACCOUNT NO. _____

DATE	DESCRIPTION	POST. REF.	DEBIT		CREDIT		BALANCE	
			DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT

ACCOUNT _____

ACCOUNT NO. _____

DATE	DESCRIPTION	POST. REF.	DEBIT		CREDIT		BALANCE	
			DEBIT	CREDIT	DEBIT	CREDIT	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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Problem 7-8 (concluded)

Analyze: _____