

CHAPTER 14 Accounting for Sales and Cash Receipts

Study Guide

Section Assessment

Section 1 *Read Section 1 on pages 383–385 and complete the following exercises on page 386.*

- ☐ Reinforce the Main Idea
- ☐ Math for Accounting
- ☐ Problem 14-1 *Recording Merchandising Transactions*

Section 2 *Read Section 2 on pages 387–394 and complete the following exercises on page 395.*

- ☐ Reinforce the Main Idea
- ☐ Math for Accounting
- ☐ Problem 14-2 *Recording Sales on Account and Sales Returns and Allowances Transactions*

Section 3 *Read Section 3 on pages 396–403 and complete the following exercises on page 404.*

- ☐ Reinforce the Main Idea
- ☐ Math for Accounting
- ☐ Problem 14-3 *Analyzing a Source Document*
- ☐ Problem 14-4 *Recording Cash Receipts*

Chapter Assessment

Summary *Review the Chapter 14 Visual Summary on page 405 in your textbook.*

- ☐ Key Concepts

Review and Activities *Complete the following questions and exercises on page 406 in your textbook.*

- ☐ After You Read: Answering the Essential Question
- ☐ Vocabulary Check
- ☐ Concept Check

Standardized Test Practice *Complete the exercises on page 407 in your textbook.*

Computerized Accounting *Read the Computerized Accounting information on page 408 in your textbook.*

- ☐ Recording Sales Transactions and Cash Receipts Transactions
- ☐ Peachtree Q&A
- ☐ QuickBooks Q&A

Problems *Complete the following End-of-Chapter Problems for Chapter 14 in your textbook.*

- ☐ Problem 14-5 *Recording Sales and Cash Receipts*
- ☐ Problem 14-6 *Posting Sales and Cash Receipts*
- ☐ Problem 14-7 *Recording Sales and Cash Receipts*
- ☐ Problem 14-8 *Recording Sales and Cash Receipt Transactions*
- ☐ Problem 14-9 *Recording and Posting Sales and Cash Receipts*

Challenge Problem

Real-World Applications and Connections *Complete the following applications on pages 414–415 in your textbook.*

- ☐ Case Study
- ☐ 21st Century Skills
- ☐ Career Wise
- ☐ Spotlight on Personal Finance
- ☐ H.O.T. Audit

Working Papers for Section Problems

Problem 14-1 Recording Merchandising Transactions (textbook p. 386)

Problem 14-2 Recording Sales on Account and Sales Returns and Allowances Transactions (textbook p. 395)

GENERAL JOURNAL

PAGE _____

	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
11													11
12													12
13													13
14													14
15													15
16													16
17													17
18													18
19													19

Problem 14-3 Analyzing a Source Document (textbook p. 404)

GENERAL JOURNAL

PAGE _____

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
11											11

Problem 14-4 Recording Cash Receipts (textbook p. 404)

GENERAL JOURNAL

PAGE _____

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
11											11
12											12
13											13
14											14
15											15

Name _____

Date _____

Class _____

Working Papers *for End-of-Chapter Problems***Problem 14-5 Recording Sales and Cash Receipts** (textbook p. 409)

GENERAL JOURNAL

PAGE _____

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
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

Problem 14-5 (concluded)

GENERAL JOURNAL

PAGE _____

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

Analyze: _____

Problem 14-6 Posting Sales and Cash Receipts (textbook p. 410)

GENERAL LEDGER

ACCOUNT Cash in Bank ACCOUNT NO. 101

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20--						
Jan. 1	Balance	✓			470000	

ACCOUNT Accounts Receivable ACCOUNT NO. 115

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20--						
Jan. 1	Balance	✓			387500	

Problem 14-6 (continued)ACCOUNT *Sales Tax Payable*ACCOUNT NO. *217*

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20--						
Jan.	1 <i>Balance</i>	✓				20000

ACCOUNT *Sales*ACCOUNT NO. *401*

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20--						
Jan.	1 <i>Balance</i>	✓				888500

ACCOUNT *Sales Discounts*ACCOUNT NO. *405*

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20--						
Jan.	1 <i>Balance</i>	✓			15000	

ACCOUNT *Sales Returns and Allowances*ACCOUNT NO. *410*

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
20--						
Jan.	1 <i>Balance</i>	✓			36000	

Problem 14-6 (concluded)

ACCOUNTS RECEIVABLE SUBSIDIARY LEDGER

Name Alvarez, Alicia

Address 610 Center Ave., Little Rock, AR 72201

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE
20--					
Jan. 1	Balance	✓			40000

Name Greenburg, Dena

Address 103 Third Ave., Pine Bluff, AR 71601

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE
20--					
Jan. 1	Balance	✓			50000

Name Montoya, Joe

Address 527 Madison Ave., Ft. Smith, AR 72901

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE
20--					
Jan. 1	Balance	✓			140000

Name Wright, Chelsea

Address 479 Cleveland St., Fayetteville, AR 72701

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE
20--					
Jan. 1	Balance	✓			157500

Analyze: _____

Name _____

Date _____

Class _____

Problem 14-7 Recording Sales and Cash Receipts (textbook p. 411)

GENERAL JOURNAL

PAGE _____

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
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
36									36
37									37

Name _____

Date _____

Class _____

Problem 14-7 (concluded)

GENERAL JOURNAL

PAGE _____

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
11					11
12					12
13					13
14					14
15					15
16					16
17					17

Analyze: _____

Name _____

Date _____

Class _____

Problem 14-8 Recording Sales and Cash Receipts Transactions (textbook p. 412)

GENERAL JOURNAL

PAGE _____

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
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
36											36
37											37

Name _____

Date _____

Class _____

Problem 14-8 (concluded)

GENERAL JOURNAL

PAGE _____

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
11											11
12											12
13											13
14											14
15											15
16											16
17											17

Analyze: _____

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

Jan. 15
Tape 25

2,000.00 BCS
120.00 ST

Problem 14-9 (continued)



BUZZ
NEWSSTAND
Union Terminal Building, #101
Tacoma, WA 98402

RECEIPT

No. 77

January 20 20--

RECEIVED FROM Janson Lee \$ 40.00

Forty and 00/100 DOLLARS

FOR supplies

RECEIVED BY Kathy Harper



BUZZ
NEWSSTAND
Union Terminal Building, #101
Tacoma, WA 98402

RECEIPT

No. 78

January 25 20--

RECEIVED FROM Lee Adkins \$ 636.00

Six hundred thirty-six and 00/100 DOLLARS

FOR on account

RECEIVED BY Kathy Harper



BUZZ
NEWSSTAND
Union Terminal Building, #101
Tacoma, WA 98402

DATE: January 31, 20-- NO. 114

SOLD TO Rolling Hills Pharmacies
16 Meadow Lane
Tacoma, WA 98402

CLERK: BA CASH ☐ CHARGE ☒ TERMS 2/10, n/30

QTY	DESCRIPTION	UNIT PRICE	AMOUNT
30 cs	Magazines	100/cs	3,000.00

COPY
Thank You!

SUBTOTAL	3,000.00
SALES TAX	180.00
TOTAL	3,180.00

Name _____

Date _____

Class _____

Problem 14-9 (continued)

(1)

GENERAL JOURNAL

PAGE _____

	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
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
36													36

(2)

ACCOUNT *Cash in Bank*

ACCOUNT NO. **101**

ACCOUNT Accounts Receivable

ACCOUNT NO. 115

ACCOUNT *Supplies*

ACCOUNT NO. 135

Copyright © by The McGraw-Hill Companies. All rights reserved.

Problem 14-9 (continued)

ACCOUNT Sales Tax Payable

ACCOUNT NO. 215

[illegible]

ACCOUNT	<i>Sales</i>
101 Sales	100,000
102 Sales Tax	10,000
103 Sales Discounts	5,000
104 Sales Returns	2,000
105 Sales Allowances	1,000
106 Sales Commissions	3,000
107 Sales Freight	1,000
108 Sales Interest	1,000
109 Sales Other	1,000
110 Sales Total	134,000

ACCOUNT NO. 401

[illegible]

ACCOUNT	<i>Sales Discounts</i>
101 Sales	100.00
102 Sales Discounts	10.00
103 Sales Tax Payable	10.00
104 Accounts Receivable	10.00
105 Inventory	10.00
106 Cash	10.00
107 Accounts Payable	10.00
108 Sales Tax Payable	10.00
109 Sales Discounts	10.00
110 Sales Tax Payable	10.00
111 Accounts Receivable	10.00
112 Inventory	10.00
113 Cash	10.00
114 Accounts Payable	10.00
115 Sales Tax Payable	10.00
116 Sales Discounts	10.00
117 Sales Tax Payable	10.00
118 Accounts Receivable	10.00
119 Inventory	10.00
120 Cash	10.00
121 Accounts Payable	10.00
122 Sales Tax Payable	10.00
123 Sales Discounts	10.00
124 Sales Tax Payable	10.00
125 Accounts Receivable	10.00
126 Inventory	10.00
127 Cash	10.00
128 Accounts Payable	10.00
129 Sales Tax Payable	10.00
130 Sales Discounts	10.00
131 Sales Tax Payable	10.00
132 Accounts Receivable	10.00
133 Inventory	10.00
134 Cash	10.00
135 Accounts Payable	10.00
136 Sales Tax Payable	10.00
137 Sales Discounts	10.00
138 Sales Tax Payable	10.00
139 Accounts Receivable	10.00
140 Inventory	10.00
141 Cash	10.00
142 Accounts Payable	10.00
143 Sales Tax Payable	10.00
144 Sales Discounts	10.00
145 Sales Tax Payable	10.00
146 Accounts Receivable	10.00
147 Inventory	10.00
148 Cash	10.00
149 Accounts Payable	10.00
150 Sales Tax Payable	10.00
151 Sales Discounts	10.00
152 Sales Tax Payable	10.00
153 Accounts Receivable	10.00
154 Inventory	10.00
155 Cash	10.00
156 Accounts Payable	10.00
157 Sales Tax Payable	10.00
158 Sales Discounts	10.00
159 Sales Tax Payable	10.00
160 Accounts Receivable	10.00
161 Inventory	10.00
162 Cash	10.00
163 Accounts Payable	10.00
164 Sales Tax Payable	10.00
165 Sales Discounts	10.00
166 Sales Tax Payable	10.00
167 Accounts Receivable	10.00
168 Inventory	10.00
169 Cash	10.00
170 Accounts Payable	10.00
171 Sales Tax Payable	10.00
172 Sales Discounts	10.00
173 Sales Tax Payable	10.00
174 Accounts Receivable	10.00
175 Inventory	10.00
176 Cash	10.00
177 Accounts Payable	10.00
178 Sales Tax Payable	10.00
179 Sales Discounts	10.00
180 Sales Tax Payable	10.00
181 Accounts Receivable	10.00
182 Inventory	10.00
183 Cash	10.00
184 Accounts Payable	10.00
185 Sales Tax Payable	10.00
186 Sales Discounts	10.00
187 Sales Tax Payable	10.00
188 Accounts Receivable	10.00
189 Inventory	10.00
190 Cash	10.00
191 Accounts Payable	10.00
192 Sales Tax Payable	10.00
193 Sales Discounts	10.00
194 Sales Tax Payable	10.00
195 Accounts Receivable	10.00
196 Inventory	10.00
197 Cash	10.00
198 Accounts Payable	10.00
199 Sales Tax Payable	10.00
200 Sales Discounts	10.00
201 Sales Tax Payable	10.00
202 Accounts Receivable	10.00
203 Inventory	10.00
204 Cash	10.00
205 Accounts Payable	10.00
206 Sales Tax Payable	10.00
207 Sales Discounts	10.00
208 Sales Tax Payable	10.00
209 Accounts Receivable	10.00
210 Inventory	10.00
211 Cash	10.00
212 Accounts Payable	10.00
213 Sales Tax Payable	10.00
214 Sales Discounts	10.00
215 Sales Tax Payable	10.00
216 Accounts Receivable	10.00
217 Inventory	10.00
218 Cash	10.00
219 Accounts Payable	10.00
220 Sales Tax Payable	10.00
221 Sales Discounts	10.00
222 Sales Tax Payable	10.00
223 Accounts Receivable	10.00
224 Inventory	10.00
225 Cash	10.00
226 Accounts Payable	10.00
227 Sales Tax Payable	10.00
228 Sales Discounts	10.00
229 Sales Tax Payable	10.00
230 Accounts Receivable	10.00
231 Inventory	10.00
232 Cash	10.00
233 Accounts Payable	10.00
234 Sales Tax Payable	10.00
235 Sales Discounts	10.00
236 Sales Tax Payable	10.00
237 Accounts Receivable	10.00

ACCOUNT NO. 405

[illegible]

ACCOUNT Sales Returns and Allowances

ACCOUNT NO. 410

[illegible]

Name

Date

Class

Problem 14-9 (concluded)

ACCOUNTS RECEIVABLE SUBSIDIARY LEDGER

Name Adkins, LeeAddress 720 Dogwood Lane, Seattle, WA 98101

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE
20--					
Jan. 1	Balance	✓			84800

Name Java Shops Inc.Address 492 Country Place, Auburn, WA 98002

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE
20--					
Jan. 1	Balance	✓			150000

Name Nadal, SabaAddress 943 Peachtree Drive, Spokane, WA 99210

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE
20--					
Jan. 1	Balance	✓			160000

Name Rolling Hills PharmaciesAddress 16 Meadow Lane, Tacoma, WA 98402

DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT	BALANCE
20--					
Jan. 1	Balance	✓			230000

Analyze:

Notes