

1. The books have been closed for the first year of business for Sanchez Computer Center. The company ended up with a marginal profit for the first three months in operation. Tony expects faster growth as he enters a busy season.

Following is a list of transactions for the month of October, 201X. Petty Cash account #1010 and Miscellaneous Expense account #5100 have been added to the chart of accounts.

- Oct. 1 Paid rent for November, December, and January, \$1,200 (check no. 8108).
- Oct. 2 Established a petty cash fund for \$100.
- Oct. 4 Collected \$3,600 from a cash customer for building five systems.
- Oct. 5 Collected \$2,600, the amount due from A. Pitale's invoice no. 12674, customer on account.
- Oct. 6 Purchased \$25 worth of stamps using petty cash voucher no. 101.
- Oct. 7 Withdrew \$2,000 (check no. 8109) for personal use.
- Oct. 8 Purchased \$22 worth of supplies using petty cash voucher no. 102.
- Oct. 12 Paid the newspaper carrier \$10 using petty cash voucher no. 103.
- Oct. 16 Paid the amount due on the September phone bill, \$65 (check no. 8110).
- Oct. 17 Paid the amount due on the September electric bill, \$95 (check no. 8111).
- Oct. 22 Performed computer services for Taylor Golf; billed the client \$4,200 (invoice no. 12675).
- Oct. 23 Paid \$20 for computer paper using petty cash voucher no. 104.
- Oct. 30 Took \$15 out of petty cash for lunch, voucher no. 105.
- Oct. 31 Replenished the petty cash. Coin and currency in drawer total \$8.

Because Tony was so busy trying to close his books, he forgot to reconcile his last three months of bank statements. A list of all deposits and checks written for the past three months (each entry is identified by chapter, transaction date, or transaction letter) and the bank statements for July through September are provided. The statement for October won't arrive until the first week of November.

Task

- a. Record the transactions in general journal or petty cash format.
- b. Post the transactions to the general ledger accounts.
- c. Prepare a trial balance.
- d. Compare the Computer Center's deposits and checks with the bank statements and complete a bank reconciliation as of September 30, 201X.

Chapter	Transaction	Payor/Payee	Amount
Deposits			
1	a	Tony Freedman	\$4,500
1	f	Cash customer	250
1	i	Taylor Golf	1,200
1	g	Cash Customer	200
2	p	Cash Customer	900
3	Sept. 2	Tonya Parker Jones	325
3	Sept. 6	Summer Lipe	220
3	Sept. 12	Jeannine Sparks	850
3	Sept. 26	Mike Hammer	140

Chapter	Transaction	Check #	Payor/Payee	Amount
Checks				
1	b	8095	Multi Systems, Inc.	\$1,200
1	c	8096	Office Furniture, Inc.	600
1	e	8097	Capital Management	400
1	j	8098	Tony Freedman	100
2	l	8099	Insurance Protection, Inc.	150
2	m	8100	Office Depot	200
2	n	8101	Computer Edge Magazine	1,400
2	q	8102	San Diego Electric	85
2	r	8103	U.S. Postmaster	50
3	Sept. 1	8104	Capital Management	1,200
3	Sept. 8	8105	Pacific Bell USA	155
3	Sept. 15	8106	Computer Connection	200
3	Sept. 16	8107	Multi Systems, Inc.	1,200

Bank Statement

First Union Bank 322 Glen Ave. Escondido, CA 92025				
Sanchez Computer Center		Statement Date: July 22, 201X		
Checks Paid:			Deposits and Credits:	
Date paid	Number	Amount	Date received	Amount
7-4	8095	1,200.00	7-1	4,500.00
7-7	8096	600.00	7-10	250.00
7-15	8097	400.00	7-20	1,200.00
			7-21	200.00
Total 3 checks paid: \$2,200.00			Total Deposits	\$6,150.00
Ending balance on July 22: \$3,950.00				
Received statement: July 29, 201X.				

Bank Statement				
First Union Bank 322 Glen Ave. Escondido, CA 92025				
Sanchez Computer Center		Statement Date: August 21, 201X		
Checks Paid:			Deposits and Credits:	
Date paid	Number	Amount	Date received	Amount
8-2	8098	100.00	8-12	900.00
8-3	8099	150.00		
8-10	8100	200.00		
8-15	8101	1,400.00		
8-20	8102	85.00		
Total 3 checks paid: \$1,935.00			Total Deposits	\$900.00
Beginning balance on July 22: \$3,950.00			Ending balance on August 21: \$2,915.00	
Received statement: August 27, 201X.				

Bank Statement				
First Union Bank 322 Glen Ave. Escondido, CA 92025				
Sanchez Computer Center		Statement Date: July 22, 201X		

Center				
Checks Paid:			Deposits and Credits:	
Date paid	Number	Amount	Date received	Amount
9-2	8098	50.00	9-4	325.00
9-6	8099	1,200.00	9-7	220.00
9-12	8100	155.00	9-14	850.00
Total 3 checks paid: \$1,405.00			Total Deposits	\$1,395.00
Beginning balance on August 21: \$2,915.00			Ending balance on September 21: \$2,905.00	
Received statement: September 29, 201X.				

2. From the following in 201X, record the transactions in Burbanks's auxiliary petty cash record and general journal as needed:

Oct. 1 A check was drawn (no. 444) payable to Jane Janiak, petty cashier, to establish a \$180 petty cash fund.

Oct. 5 Paid \$26 for postage stamps, voucher no. 1.

Oct. 9 Paid \$10 for delivery charges on goods for resale, voucher no. 2.

Oct. 12 Paid \$18 for donation to a church (miscellaneous expense), voucher no. 3.

Oct. 14 Paid \$12 for postage stamps, voucher no. 4.

Oct. 17 Paid \$21 for delivery charges on goods for resale, voucher no. 5.

Oct. 27 Purchased computer supplies from petty cash for \$18; voucher no. 6.

Oct. 28 Paid \$20 for postage, voucher no. 7.

Oct. 29 Drew check no. 592 to replenish petty cash and a \$12 shortage.

3. Slacks.com received a bank statement from French Bank indicating a balance of \$8,200. Based on Slacks.com's check stubs, the ending checkbook balance was \$9,000. Your task is to prepare a bank reconciliation for Slacks.com as of July 31, 201X, from the following information (journalize as needed):

a. Checks outstanding: no. 122, \$850; no. 130, \$720.

b. Deposits in transit, \$2,100.

c. Slacks.com forgot to record a \$1,300 equipment purchase made with a debit card.

d. Bank service charges, \$55.

e. French bank collected a note for Slacks.com, \$1,090, less a \$5 collection fee.

4. From the following in 201X, record the transactions in Burbank's auxiliary petty cash record and general journal as needed:

Oct. 1 A check was drawn (no. 444) payable to Eileen Cooper, petty cashier, to establish a \$200 petty cash fund.

Oct. 5 Paid \$20 for postage stamps, voucher no. 1.

Oct. 9 Paid \$11 for delivery charges on goods for resale, voucher no. 2.

Oct. 12 Paid \$16 for donation to a church (miscellaneous expense), voucher no. 3.

Oct. 14 Paid \$10 for postage stamps, voucher no. 4.

Oct. 17 Paid \$20 for delivery charges on goods for resale, voucher no. 5.

Oct. 27 Purchased computer supplies from petty cash for \$25, voucher no. 6.

Oct. 28 Paid \$13 for postage, voucher no. 7.

Oct. 29 Drew check no. 715 to replenish petty cash and a \$5 shortage.