

AN ACCOUNTING CYCLE FOR A PARTNERSHIP: RECORDING AND POSTING BUSINESS TRANSACTIONS USING AN EXPANDED COMBINATION JOURNAL

[2, 5, 8, 10, 12, 14–16, 22–24]

The ledgers used in Reinforcement Activity 2, Part A, will be needed to complete Part B.

GENERAL LEDGER

ACCOUNT *Cash*

ACCOUNT NO. 1110

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 1	Balance	✓			9 4 5 0 00	
31		25	8 4 6 5 60		17 9 1 5 60	
31		25		11 1 7 5 50	6 7 4 0 10	

ACCOUNT *Accounts Receivable*

ACCOUNT NO. 1120

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 1	Balance	✓			1 0 6 6 00	
31		25	1 1 7 0 00		2 2 3 6 00	
31		25		1 0 6 6 00	1 1 7 0 00	

ACCOUNT *Allowance for Uncollectible Accounts*

ACCOUNT NO. 1130

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 1	Balance	✓				2 1 00
31		26		2 3 40		4 4 40

ACCOUNT *Merchandise Inventory*

ACCOUNT NO. 1140

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 1	Balance	✓			164 0 0 0 00	
31		26	1 0 0 0 00		165 0 0 0 00	

ACCOUNT *Supplies*

ACCOUNT NO. 1150

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 1	Balance	✓			9 2 0 00	
6		24	8 5 00		1 0 0 5 00	
11		24	1 2 0 00		1 1 2 5 00	
16		24	3 6 00		1 1 6 1 00	
26		25	8 0 00		1 2 4 1 00	
31		26		3 0 0 00	9 4 1 00	

NOTE: January 31 postings from page 26 of the combination journal are adjusting and closing entries from Part B of Reinforcement Activity 2.

REINFORCEMENT ACTIVITY 2
PART A—continued
[2, 5, 8, 10, 12, 14–16, 22–24]

GENERAL LEDGER

ACCOUNT *Prepaid Insurance*

ACCOUNT NO. 1160

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 1	Balance	✓			8 4 0 00	
26		25		8 0 00	7 6 0 00	
31		26		1 2 0 00	6 4 0 00	

ACCOUNT *Equipment*

ACCOUNT NO. 1210

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 1	Balance	✓			16 0 0 0 00	

ACCOUNT *Accumulated Depreciation—Equipment*

ACCOUNT NO. 1220

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 1	Balance	✓				9 4 0 0 00
31		26		4 0 0 00		9 8 0 0 00

ACCOUNT *Accounts Payable*

ACCOUNT NO. 2110

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 1	Balance	✓				4 3 6 0 00
31		25	4 3 6 0 00			
31		25		4 8 5 5 00		4 8 5 5 00

ACCOUNT *Sales Tax Payable*

ACCOUNT NO. 2120

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 1	Balance	✓				1 6 2 1 00
31		25		3 2 9 60		1 9 5 0 60

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GENERAL LEDGER

ACCOUNT *Judy Ellis, Capital*

ACCOUNT NO. 3110

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-- Jan. 1	Balance	✓				88 4 3 7 00
31		26	4 5 6 45			87 9 8 0 55
31		26	1 0 4 5 00			86 9 3 5 55

ACCOUNT *Judy Ellis, Drawing*

ACCOUNT NO. 3120

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-- Jan. 2		24	1 0 0 0 00			1 0 0 0 00
28		25	4 5 00			1 0 4 5 00
31		26		1 0 4 5 00		

ACCOUNT *Kevin Witte, Capital*

ACCOUNT NO. 3130

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-- Jan. 1	Balance	✓				88 4 3 7 00
31		26	4 5 6 45			87 9 8 0 55
31		26	1 0 7 5 00			86 9 0 5 55

ACCOUNT *Kevin Witte, Drawing*

ACCOUNT NO. 3140

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-- Jan. 2		24	1 0 0 0 00			1 0 0 0 00
23		25	7 5 00			1 0 7 5 00
31		26		1 0 7 5 00		

ACCOUNT *Income Summary*

ACCOUNT NO. 3150

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-- Jan. 31		26		1 0 0 0 00		1 0 0 0 00
31		26		8 2 4 0 00		9 2 4 0 00
31		26	10 1 5 2 90			9 1 2 90
31		26		9 1 2 90		

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REINFORCEMENT ACTIVITY 2
PART A—continued
[2, 5, 8, 10, 12, 14–16, 22–24]

GENERAL LEDGER

ACCOUNT *Sales*

ACCOUNT NO. 4110

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-- Jan. 31		25		8 2 4 0 00		8 2 4 0 00
		26	8 2 4 0 00			

ACCOUNT *Purchases*

ACCOUNT NO. 5110

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-- Jan. 23		25		7 5 00		7 5 00
		25		4 5 00		1 2 0 00
		25	5 0 5 5 00		4 9 3 5 00	
		26		4 9 3 5 00		

ACCOUNT *Bad Debts Expense*

ACCOUNT NO. 6110

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-- Jan. 31		26	2 3 40		2 3 40	
		26		2 3 40		

ACCOUNT *Credit Card Fee Expense*

ACCOUNT NO. 6120

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-- Jan. 28		25	1 8 4 60		1 8 4 60	
		26		1 8 4 60		

ACCOUNT *Depreciation Expense—Equipment*

ACCOUNT NO. 6130

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-- Jan. 31		26	4 0 0 00		4 0 0 00	
		26		4 0 0 00		

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GENERAL LEDGER

ACCOUNT *Insurance Expense*

ACCOUNT NO. 6140

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 31		26	1 2 0 00			1 2 0 00
31		26		1 2 0 00		

ACCOUNT *Miscellaneous Expense*

ACCOUNT NO. 6150

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 15		24	6 7 50			6 7 50
28		25	7 40			7 4 90
30		25	1 1 5 00			1 8 9 90
31		26		1 8 9 90		

ACCOUNT *Rent Expense—Store*

ACCOUNT NO. 6160

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 2		24	1 0 0 0 00			1 0 0 0 00
31		26		1 0 0 0 00		

ACCOUNT *Salary Expense*

ACCOUNT NO. 6170

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 2		24	1 5 0 0 00			1 5 0 0 00
15		24	1 5 0 0 00			3 0 0 0 00
31		26		3 0 0 0 00		

ACCOUNT *Supplies Expense*

ACCOUNT NO. 6180

DATE	ITEM	POST REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
19-Jan. 31		26	3 0 0 00			3 0 0 00
31		26		3 0 0 00		

NOTE: January 31 postings from page 26 of the combination journal are adjusting and closing entries from Part B of Reinforcement Activity 2.

REINFORCEMENT ACTIVITY 2
PART A—continued
[3, 5, 8, 10, 15]

ACCOUNTS PAYABLE LEDGER

VENDOR *Ace Nut & Bolt Company*

VENDOR NO. 210

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
19-- Jan.	1	Balance	✓			1125 40
	5		24		1050 00	2175 40
	22		25	1125 40		1050 00

VENDOR *Duncan Hardware Supply*

VENDOR NO. 220

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
19-- Jan.	1	Balance	✓			960 00
	2		24	960 00		—
	12		24		1250 00	1250 00

VENDOR *Hardware Distributing Co.*

VENDOR NO. 230

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
19-- Jan.	1	Balance	✓			1375 80
	6		24		875 00	2250 80
	11		24	1375 80		875 00

VENDOR *Jefferson Office Supply*

VENDOR NO. 240

DATE		ITEM	POST. REF.	DEBIT	CREDIT	CREDIT BALANCE
19-- Jan.	6		24		85 00	85 00

ACCOUNTS PAYABLE LEDGER

VENDOR *Pan American Hardware*

VENDOR NO. 250

DATE		ITEM	POST. REF.	DEBIT				CREDIT				CREDIT BALANCE									
19-Jan.	1	Balance	✓													8	9	8	80		
	4		24	8	9	8	80														
	25		25					1	4	7	5	00	1	4	7	5	00				

VENDOR *Taylor Office Supply*

VENDOR NO. 260

DATE		ITEM	POST. REF.	DEBIT				CREDIT				CREDIT BALANCE							
19-Jan.	11		24					1	2	0	00					1	2	0	00

[4, 5, 8, 10, 15]

ACCOUNTS RECEIVABLE LEDGER

CUSTOMER *Paula Blinn*

CUSTOMER NO. 110

DATE		ITEM	POST. REF.	DEBIT				CREDIT				DEBIT BALANCE							
19-Jan.	1	Balance	✓													1	3	0	00
	14		24					1	3	0	00								
	26		25	1	5	6	00									1	5	6	00

CUSTOMER *Marie Conlon*

CUSTOMER NO. 120

DATE		ITEM	POST. REF.	DEBIT				CREDIT				DEBIT BALANCE							
19-Jan.	1	Balance	✓													1	5	6	00
	7		24					1	5	6	00								
	29		25	1	4	5	60									1	4	5	60

REINFORCEMENT ACTIVITY 2
PART A—continued
[4, 5, 8, 10, 15]

ACCOUNTS RECEIVABLE LEDGER

CUSTOMER *James Fisher*

CUSTOMER NO. 130

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
19-- Jan.	1	Balance	✓			4 6 8 00
	8		24		4 6 8 00	---

CUSTOMER *Sandra Jackson*

CUSTOMER NO. 140

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
19-- Jan.	1	Balance	✓			9 3 60
	4		24	9 8 80		1 9 2 40
	20		24		9 3 60	9 8 80

CUSTOMER *John Lockhart*

CUSTOMER NO. 150

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
19-- Jan.	1	Balance	✓			9 8 80
	9		24	5 7 20		1 5 6 00
	13		24		9 8 80	5 7 20
	23		25	4 5 7 60		5 1 4 80

CUSTOMER *Victor Vargo*

CUSTOMER NO. 160

DATE		ITEM	POST. REF.	DEBIT	CREDIT	DEBIT BALANCE
19-- Jan.	1	Balance	✓			1 1 9 60
	18		24	6 7 60		1 8 7 20
	21		25		1 1 9 60	6 7 60
	27		25	1 8 7 20		2 5 4 80

Begin using the expanded combination journal on pages 208 and 209. Use this page with page 210.

	5		6		7		8		9		10		11		
	SALES CREDIT		SALES TAX PAYABLE CREDIT		ACCOUNTS PAYABLE		PURCHASES DEBIT		CASH						
					DEBIT	CREDIT			DEBIT	CREDIT					
1	403000		16120		323460	338000		342000		491400		958310			1
2										11960					2
3					112540							112540			3
4															4
5															5
6	44000		1760												6
7	158000		6320							164320					7
8								16000				16000			8
9						147500	147500								9
10	15000		600												10
11															11
12															12
13	18000		720												13
14															14
15															15
16													740		16
17												18460			17
18	14000		560												18
19													11500		19
20	172000		6880							178880					20
21	824000		32960		436000	485500	505500			846560		1117550			21
22	(4110)		(2120)		(2110)	(2110)	(5110)			(1110)		(1110)			22
23															23
24															24
25															25
26															26
27															27
28															28
29															29
30															30

COMBINATION JOURNAL

				1				2				3				4						
DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	GENERAL				ACCOUNTS RECEIVABLE														
				DEBIT		CREDIT		DEBIT		CREDIT												
1 19-Jan.	2 Rent Expense—Store	C313	6160	1	0	0	0	0	0										1			
2	2 Salary Expense	C314	6170	1	5	0	0	0	0										2			
3	2 Judy Ellis, Drawing	C315	3120	1	0	0	0	0	0										3			
4	2 Kevin Witte, Drawing	C316	3140	1	0	0	0	0	0										4			
5	2 Duncan Hardware Supply	C317	220																5			
6	2 ✓	T2	✓																6			
7	4 Sandra Jackson	S79	140											9	8	8			7			
8	4 Pan American Hardware	C318	250																8			
9	5 Ace Nut & Bolt Company	P84	210																9			
10	6 Supplies	M53	1150			8	5	0	0										10			
11	Jefferson Office Supply		240																11			
12	6 Hardware Distributing Co.	P85	230																12			
13	7 Marie Conlon	R86	120															1	5	6	0	
14	8 James Fisher	R87	130																4	6	8	0
15	9 John Lockhart	S80	150											5	7	2			15			
16	9 ✓	T9	✓																16			
17	11 Supplies	M54	1150			1	2	0	0										17			
18	Taylor Office Supply		260																18			
19	11 Hardware Distributing Co.	C319	230																19			
20	12 Duncan Hardware Supply	P86	220																20			
21	13 John Lockhart	R88	150																9	8	8	0
22	14 Paula Blinn	R89	110																1	3	0	0
23	15 Salary Expense	C320	6170			1	5	0	0	0									23			
24	15 Miscellaneous Expense	C321	6150					6	7	5									24			
25	16 Supplies	C322	1150					3	6	0									25			
26	16 ✓	C323	✓																26			
27	16 ✓	T16	✓																27			
28	18 Victor Vargo	S81	160											6	7	6			28			
29	20 Sandra Jackson	R90	140																9	3	6	0
30	20 Carried Forward		✓			6	3	0	8	5				2	2	3	6		9	4	6	4

Use this page with page 208.

5		6		7		8		9		10		11	
SALES CREDIT		SALES TAX PAYABLE CREDIT		ACCOUNTS PAYABLE		PURCHASES DEBIT		CASH		DEBIT		CREDIT	
				DEBIT		CREDIT				DEBIT		CREDIT	
1												100000	1
2												150000	2
3												100000	3
4												100000	4
5				96000								96000	5
6	32500	1300								33800			6
7	9500	380											7
8				89880								89880	8
9						105000	105000						9
10													10
11						8500							11
12						87500	87500						12
13										15600			13
14										46800			14
15	5500	220											15
16	187000	7480								194480			16
17													17
18						12000							18
19				137580								137580	19
20						125000	125000						20
21										9880			21
22										13000			22
23												150000	23
24												6750	24
25												3600	25
26								24500				24500	26
27	162000	6480								168480			27
28	6500	260											28
29										9360			29
30	403000	16120	323460	338000	342000	491400	958310						30

COMBINATION JOURNAL

1	DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	GENERAL		ACCOUNTS RECEIVABLE		1
					DEBIT	CREDIT	DEBIT	CREDIT	
1	19-- Jan. 20	Brought Forward		✓	630850		22360	94640	1
2	21	Victor Vargo	R91	160				11960	2
3	22	Ace Nut & Bolt Company	C324	210					3
4	23	Kevin Witte, Drawing	M55	3140	7500				4
5		Purchases		5110		7500			5
6	23	John Lockhart	S82	150			45760		6
7	23	✓	T23	✓					7
8	25	✓	C325	✓					8
9	25	Pan American Hardware	P87	250					9
10	26	Paula Blinn	S83	110			15600		10
11	26	Supplies	M56	1150	8000				11
12		Prepaid Insurance		1160		8000			12
13	27	Victor Vargo	S84	160			18720		13
14	28	Judy Ellis, Drawing	M57	3120	4500				14
15		Purchases		5110		4500			15
16	28	Miscellaneous Expense	M58	6150	740				16
17	28	Credit Card Fee Expense	M59	6120	18460				17
18	29	Marie Conlon	S85	120			14560		18
19	30	Miscellaneous Expense	C326	6150	11500				19
20	30	✓	T30	✓					20
21	31	Totals			681550	20000	117000	106600	21
22					(✓)	(✓)	(1120)	(1120)	22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30

Hardware Plus

Schedule of Accounts Payable

January 31, 19--

<i>Ace Nut & Bolt Company</i>	1	0	5	0	00
<i>Duncan Hardware Supply</i>	1	2	5	0	00
<i>Hardware Distributing Co.</i>			8	7	5 00
<i>Jefferson Office Supply</i>				8	5 00
<i>Pan American Hardware</i>	1	4	7	5	00
<i>Taylor Office Supply</i>			1	2	0 00
<i>Total Accounts Payable</i>	4	8	5	5	00

Hardware Plus

Schedule of Accounts Receivable

January 31, 19--

<i>Paula Blinn</i>	1	5	6	00
<i>Marie Conlon</i>	1	4	5	60
<i>Sandra Jackson</i>			9	8 80
<i>John Lockhart</i>	5	1	4	80
<i>Victor Vargo</i>	2	5	4	80
<i>Total Accounts Receivable</i>	1	1	7	0 00