

Algorithmic Granite Bay Jet Ski, Incorporated

Level II

1st Edition

Transactions For June 24-30

TRANSACTIONS FOR JUNE 24-30

Student Analysis

June 24

Issued the following checks as payment in full for miscellaneous billings:

Payee	Amount	Check Number	Invoice Number
Edwards Auto Repair	\$363.70	31230	67676
Surfer Waves Magazine	\$1,375.00	31231	W3200
Phillips Accountancy	\$505.00	31232	PI764
San Juan Insurance	\$1,800.00	31233	66633

June 24

Merchandise with an invoice list price of \$2,150.00 was purchased on account from Kawasaki USA, who offers credit terms of 2/10, n/30. Remember that all purchases are recorded net. Invoice Number: **K5050**. Vendor Number: **24500**.

Merchandise listed on the purchase invoice:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
KW001	JS BATTERY	30	\$29.40
KW003	NOZZEL EXTENSION	10	\$122.50

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Student Analysis

June 25

A Kawasaki **Jet Ski Personal Watercraft** and a Starlight trailer were sold at an out-the-door price of **\$9,099.00 (including sales tax of \$674.00)**. The customer paid using a Bank Credit Card. Invoice Number: **G4022**. (Divide the OTD price by 1.08)

Merchandise listed on the sales invoice:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
AS888	JET SKI 800 SS	1	\$4,760.00
AL900	STARLIGHT QUAD	1	\$1,980.00

June 25

A certified check was received from customer **Charles Grubonski** as payment in full of the balance of his past-due account. **A partial payment was received from Mr. Grubonski on June 16.** Invoice Number: **G3906**. Customer Number: **11100**.

June 26

Accessory items were sold on account to customer **Christine Nelson**. All accessory items carry a markup of 100% on cost (50% on selling price). Calculate the total selling price and be sure to include the 8% sales tax (rounded to the nearest cent if necessary). Invoice Number: **G4023**. Customer Number: **11560**.

Merchandise listed on the sales invoice:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
KW001	JS BATTERY	3	\$29.40
C0300	STAINLESS IMP. 900	2	\$78.40

TRANSACTIONS FOR JUNE 24-30

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June 27

A check was issued to the State Board of Equalization for the balance of the sales tax collected through the close of the work day on June 23. The **Sales Tax Payable** ledger card or the **Check Figures** for June 23, the end of week three, lists the correct balance of this account. Check Number: **31234**. Invoice Number: **TAXES**.

June 27

A check was issued to Anderson Supply as payment in full for an invoice dated **May 28**. To verify the amount due, select Journal/Ledgers/Statements, select Subsidiary Ledgers, select Accounts Payable Ledger, click on Vendor, select the Anderson Supply account. (**20110**). Check Number: **31235**. Invoice Number: **A4435**. Vendor Number: **20110**.

June 28

A check for **\$750.00** was received from the Dobbins High School Water Ski Club for storage fees on their club watercraft and equipment. The check covers the club storage fees for six months beginning July 1. Invoice Number: **G4024**.

June 28

To fill a ski club special order, Granite Bay Jet Ski purchased, on credit, four additional personal watercraft trailers from Starlight Sports. The invoice **list price** is **\$2,000.00 each** for the trailers. Credit terms of 1/10, n/30 are offered by Starlight Sports and the total net purchase price is **\$7,920.00**. This order has been shipped FOB destination. Invoice Number: **S3488**. Vendor Number: **28600**.

Merchandise listed on the sales invoice:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
AL900	STARLIGHT QUAD	4	\$ _____

Calculate the net cost per unit and compare your answer to the amount listed by the program when the inventory data is entered.

TRANSACTIONS FOR JUNE 24-30

Student Analysis

June 28

Through a telephone order, **two** Jet Craft III personal watercraft were sold at an out-the-door selling price of **\$14,701.50** (includes sales tax of **\$1,089.00**). The customer, Bridge Marina at Lake Oroville, paid for the watercraft with a bank credit card. Invoice Number: **G4025**.

Merchandise listed on the sales invoice:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
AA003	JET CRAFT III	2	\$5,445.00

June 28

The Jet Craft III personal watercraft was shipped to the Lake Oroville address. The **\$247.00** freight costs were charged to our account with a local freight carrier, **Jacoby, Incorporated**. Invoice Number: **J1400**. Vendor Number: **24100**.

June 28

Customer Barbara Bettencourt paid **\$280.80** cash (sales tax included) for **4.0** hours of **service work** on her Jet Ski personal watercraft. Barbara paid in full using her **bank credit card**. Invoice Number: **G4026**.

June 28

A check for **\$12,100.00** was received from customer Christine Nelson as payment in full for an invoice of May 29. Invoice Number: **G3995**. Customer Number: **11560**.

TRANSACTIONS FOR JUNE 24-30

Student Analysis

June 29

A check was issued to Kim Booker, the part-time repair and sales person for the business. Kim earned **\$397.76** during the past two-week period ended June 28. Check Number: **31236**. Invoice Number: **WAGES** (for wages).

June 30

A check was issued for **\$98.05** to replenish the \$100 Petty Cash Fund. A total of **\$1.95** is all that remains in the petty cash box at this time. Be sure to account for the overage or shortage. All of the receipts have been accounted for and the summary below shows the following expenditures have been made from the fund: Check Number: **31237**. Invoice Number: **PCASH**

Store & Shop Supplies	\$87.50
Miscellaneous Expense	\$7.50

June 30

Customer Christine Nelson returned one of the batteries which she **purchased on credit** June 26 for a retail price of **\$58.80** plus sales tax. The returned battery **inventory stock number is KW001** and has a **wholesale cost** of **\$29.40**. Issued a credit memorandum and credited Christine's account, returning the item to inventory. Invoice Number: **G4023**. Credit Memo: **CM601**. Customer Number: **11560**.

This completes the daily transactions for June 24 to June 30.

Now that you have completed entering the transactions for the last seven days of the internship program, June 24-30, it is time to check the accuracy of your work before you complete the Bank Reconciliation on the following page. Click on Check Figures and verify the accuracy of your work for Week 4, before the bank reconciliation. If any of your account balances do not agree with the check figures, apply the necessary audit procedures used in this accounting system and make the necessary correction/s.

BANK RECONCILIATION

Move the cursor to Support and select Bank Reconciliation Information. Print the Bank Reconciliation Information page. Using the information, complete the Bank Reconciliation Form.

BANK RECONCILIATION		
GRANITE BAY JET SKI INCORPORATED		
JUNE 30		
Bank Balance:		\$ _____
Add:	DIT: _____	\$ _____
	Sub Total	\$ _____
Deduct:	Check No. _____ \$ _____	
	Check No. _____ \$ _____	\$ _____
	Check No. _____ \$ _____	\$ _____
Adjusted Balance per Bank		\$ _____
		=====
Book Balance:		\$ _____
Add:	_____	_____
	Sub total	\$ _____
Deduct:	_____ \$ _____	
	_____ \$ _____	
		\$ _____
Adjusted Balance per Books		\$ _____

Use the **Journalize Daily Entries** option and record the required transactions resulting from the bank reconciliation. Enter reconciliation journal entries individually or as two compound entries (preferred).

Since the entries are updating the balance of the cash account and **no check is being issued**, when the system asks for a check number, enter **BKR06**. When an invoice number is requested for the interest earned, or bank service charge, also enter **BKR06** (Bank Statement for June).

Check the Accuracy of Your Work

- 1) Print a copy of the Trial Balance.

This is the trial balance that will be used when recording the adjusting entries for the business.

- 2) Print a copy of the Check Figures (after Bank Reconciliation).

If your balances match all of the check figures, access Module 5 and record the adjusting entries and closing entries for June 30, the end of the quarter. If any of your account balances do not agree with the check figures, apply the necessary audit procedures used in this accounting system and make the necessary correction/s.

If any of your account balances do not match the check figures, you have one or more errors that must be corrected before you continue! Refer to Correcting Journal Entries under Support in the Menu Bar. Print and follow those Correction Procedures. When all of the corrections have been made and you match the check figures for the trial balance and the ending inventory, backup your data files.

It is recommended that you backup your data files at the end of each data entry session. This is common practice for all accounting and tax work. To backup your data files, do the following: Click on **Administration**, select **Files: Reset and Back Up**. Select **Backup Data Files**. At the **Granite Bay Jet Ski – II - Backup Data Files** screen, read the instructions carefully. Press **Start Backup**.