

Algorithmic Gold Run Snowmobile

1st Algorithmic Edition

**Transactions For
December 18-24**

TRANSACTIONS FOR DECEMBER 18-24

December 18

A check was issued **\$214.00** to Loomis Repair Service for emergency repairs on the shop equipment. Check Number: **30101**. Invoice Number: **LR554**

December 18

Discovered that invoice **N3302** from Norton America for **\$15,900.00 list (\$15,741 net)**, with cash terms of 1/10, n/30, and dated November 18, was filed incorrectly and the cash discount has been lost. **Record the discount lost entry.** Then issue check number **30102** and pay the total amount due today on this invoice. **Two separate entries must be entered to properly record this transaction.** Vendor Number: **26500**.

December 18

Received a **\$1,100.00** check from the Downieville Dusters as a partial payment on their past due account. Invoice Number: **G2768**. Customer Number: **10930**

December 18

On October 19 of this year Gold Run Snowmobile borrowed cash by discounting a **\$11,000.00**, 60-day, note payable. The lender charged Gold Run Snowmobile a 12% discount fee, and the Interest Expense account was debited for **\$220.00**. Proceeds of **\$10,780.00** were received and deposited in the Cash account. This **\$11,000.00** note is **due today** and is **paid in full**. Check Number: **30103**. Invoice Number: **NTPAY**.

December 19

One Trail-Tracker Enduro snowmobile was sold to a cash customer for the cost of **\$6,860.00** plus a markup on selling price of **20%**. Sales tax on the retail price increases the out-the-door cash price to **\$9,175.25**. Sales Invoice Number: **G3016**.

Merchandise listed on the sales invoice:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
T3300	TR.-TRACKER ENDURO	1	\$6,860.00

December 19

A check was issued to Swift, Incorporated as payment in full for an invoice of **December 9**. Check the accounting records to determine the exact amount of the invoice. Check Number: **30104**. Invoice Number: **S4234**. Vendor Number: **27000**.

December 19

Sold a racing helmet and accessory items to a local snowmobile club and received a check for the balance. The merchandise items list at **\$3,386.00** in addition to 7% sales tax totaling **\$237.02**. Sales Invoice Number: **G3017**,

Merchandise listed on the sales invoice:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
B3000	CUSTOM DECAL KIT	5	\$32.00
RR404	CRUZE HELMET	6	\$65.50
RR555	DELUXE RACING HELMET	12	\$95.00

December 20

Purchased a special order Swift Arrow and three additional Quad Hauler trailers from Swift, Incorporated. The gross invoice total from Swift, Inc. (including freight charges), is **\$13,774.00**. **The total net cost of the merchandise is \$13,464.00 with an additional freight charge of \$310.00 that will be charged to the Transportation-In account.** The credit terms are 1/10, n/30. This special order is being shipped **FOB shipping point**. Invoice Number: **S4385**. Vendor Number: **27000**.

Merchandise listed on the purchase invoice:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
SW999	SWIFT ARROW	1	\$9,900.00
SSS30	QUAD HAULER	3	\$1,188.00

Freight charges added to the invoice:

Freight Charges	\$310.00
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December 20

Received a check for **\$1,350.00** from the Colfax Sno Katts as payment for six months rent (January-June) on their club's storage space. Sales Invoice Number: **G3018**.

December 21

A check was issued for **\$135.00** to the Highlander Freight Company for charges on the shipment of merchandise items to the cash customer of December 19. Check Number: **30105**. Invoice Number: **H3200**.

December 21

A damaged steering mechanism was repaired for customer Ruth Yates. Ruth was billed for **1.75** hours of labor (**\$58.00** per hour), and **\$70.00** for accessories, plus sales tax. Ruth charged this repair to her account. Sales Invoice Number: **G3019**. Customer Number: **11950**.

Merchandise listed on the sales invoice:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
CC100	STANDARD SHOCK	2	\$17.50

December 21

Accessories with a total cost of **\$1,185.00** were purchased from Morelli Sports Equipment. The merchandise was delivered by Morelli. Credit terms are **net 30**. Invoice Number: **M4577**.

Merchandise listed on the purchase invoice:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
LL466	COMPETITION GLOVES	15	\$79.00

December 22

A company truck was traded for a new truck, which was paid for in cash. The old used truck cost **\$3,800.00**, and on September 30 (the end of the quarter) had depreciated **\$2,200.00**. Straight-line depreciation on the old truck is **\$40.00** per month (**DEPRE**). The new truck listed for **\$19,950.00** (taxes and destination charges included), and Kinder Auto Sales allowed a **\$3,000.00** trade-in allowance on the purchase of the new vehicle. **This trade has no commercial value and no gain or loss will be recognized on this transaction.** Check Number **30106**. Invoice Number: **R2567**.

Two entries are required for the trade-in.

December 22

A check for **\$540.00** was issued to the Department of Motor Vehicles for the vehicle license fees. Check Number: **30107**. Invoice Number: **DMV12**.

December 22

A check was issued in payment of a purchase invoice from Fastwinn, Inc. Check the purchase invoice of **December 13** and the merchandise return of **December 17** for the information needed to record this transaction. Check Number: **30108**. Invoice Number: **44777**. Vendor Number: **22500**.

December 23

A check was issued to purchase additional store fixtures for better security and display of merchandise. The equipment lists for **\$4,200.00**, with **trade discounts** of **40%** and **10%**, and sales tax of 7% on the net amount. Check Number: **30109**. Invoice Number: **X5001**.

December 23

Additional store and shop supplies were purchased on account from Buster Supply. Credit terms are net 10 and the balance due is **\$385.50**. Invoice Number: **B6016**. Vendor Number: **20300**.

December 23

The special order Swift Arrow snowmobile and a Quad Hauler trailer were sold to cash customers Roy, Bryant, and Kristin Cobb. The total sales price, including tax, is **\$14,857.59**. The Cobb family paid **\$4,857.59** as a cash down payment, and Gold Run Snowmobile accepted a short-term, **\$10,000.00**, 14%, 90-day note receivable for the balance. To calculate the amount of the sale before sales tax was added, divide the total sales price by 1.07. Sales Invoice Number: **G3020**.

Merchandise listed on the sales invoice:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
SW999	SWIFT ARROW	1	\$9,900.00
SSS30	QUAD HAULER	1	\$1,188.00
EE222	FUEL TANK 6 GALLON	2	\$6.40

December 23

Accessories for **\$152.00** plus sales tax were sold to customer Alice Cordero, who charged the entire amount to her account. Sales Invoice Number: **G3021**. Customer Number: **10750**.

Merchandise listed on the sales invoice:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
B7777	LUGGAGE CARRIER	2	\$38.00

December 24

Accessories costing **\$158.00** that were purchased on December 21 were returned to Morelli Sports Equipment. Invoice Number: **M4577**. Debit Memo Number: **DM212**. Vendor Number: **24850**.

Items returned with the debit memo:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
LL466	COMPETITION GLOVES	2	\$79.00

December 24

Two Trail-Tracker 1500 snowmobiles and a Norton Duo trailer were sold at an out-the-door price of **\$11,937.19 (sales tax included)**. The customer paid using a Bank Credit Card. Sales Invoice Number: **G3022**.

Merchandise listed on the sales invoice:

<u>Stock Number</u>	<u>Item</u>	<u>Quantity</u>	<u>Net Cost Per Unit</u>
T1500	TRAIL-TRACKER 1500	2	\$4,116.00
SD200	NORTON DUO TRAILER	1	\$693.00

December 24

A used piece of shop equipment was sold for **\$1,995.00**. The equipment was purchased at a total cost of **\$7,200.00** early in 2001. Using **units of production depreciation method**, the accumulated depreciation account balance at the end of the third quarter (September 30 of the current year) totals **\$2,850.00**. Depreciation is recorded at the rate of **\$2.00** per hour of operation. From October 1 to December 24 of this quarter, an additional **234** hours of operation have been accumulated. Invoice Number: **ASALE**.

Two entries are required to properly record this sale.

December 24

Received payment in full for a **\$9,600.00, 10%, 60-day** note receivable from customer Alfred Moss. The note, dated October 25, matures today. Enter **NTREC** (for note receivable) at the invoice prompt. For all interest calculations, use the 360-day banker's year.

December 24

Cheryl Papini paid her account. Examine the Accounts Receivable Ledger and determine the amount owed by Cheryl. Sales Invoice Number: **G2990**. Customer Number: **11675**.

December 24

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 December 17. The December 17 Trial Balance and the Check Figures for Week 2 should show the correct balance of the Sales Tax Payable account on December 17. Check Number: **30110**. Invoice Number: **SALT**X (for sales tax).

This completes the transactions for December 18 to December 24.

End of Module Procedures

Now that you have completed entering the transactions for the first seven days of the internship program, December 18 -24, it is time to check the accuracy of your work.

1. Move the pointer to Check Figures in the Menu Bar, move down to Weekly Check Figures, and click.
2. Click on Print and print a copy of the Check Figures for Week 3.
3. Move the pointer to Journal/Ledgers/Statements, move down to General Ledger, and click.
4. Print a copy of the Trial Balance for December 24.
5. Move the pointer to Journal/Ledgers/Statements, move down to Subsidiary Ledgers, move to Accounts Receivable Ledger, and click.
6. Print a copy of the Schedule of Accounts Receivable.
7. Move the pointer to Journal/Ledgers/Statements, move down to Subsidiary Ledgers, move to Accounts Payable Ledger and click.
8. Print a copy of the Schedule of Accounts Payable.
9. Move the pointer to Journal/Ledgers/Statements, move down to General Journal, and click.

10. Print a copy of the General Journal for Week 3.
11. Compare the balance of the Schedule of Accounts Receivable to the balance of Accounts Receivable shown on the Trial Balance.
12. Compare the balance of the Schedule of Accounts Payable to the balance of Accounts Payable shown on the Trial Balance.
13. Compare the balances of the accounts shown in the Check Figures for Week 3 to the balances of the same accounts in the Trial Balance.

If any of your account balances DO NOT match the check figures, you must correct the unmatched balances before continuing to Module 4. The most efficient method of locating and correcting the error(s) is to print a copy of the Trial Balance and a copy of the General Journal.

Error Correction Procedures

The most efficient method of locating and correcting the error(s) is to print a copy of the Trial Balance and a copy of the General Journal. See Correcting Errors under Support in the menu bar.

CONTINUING TO MODULE 3

When your account balances match those of the check figures and you have printed all the required documents for Module 3, you are ready to begin the data entry for Module 4, which includes the transactions for December 26 to 31. To begin, you must first print a copy of the Module 4 Student Manual. Move the pointer to Support on the Menu Bar and select Download Student Manual. Select Module 4, Transactions for December 26 to December 31. Print the Student Manual.

BACKUP YOUR DATA FILES

Go to Administration on the Menu Bar, scroll down to Files: Reset and Backup, select Backup Data Files, and click. You now have a copy of all of your work to the end of Module 3. This will allow you to return to end of Module 3 even after entering transactions beyond Module 3.

EXITING THE SYSTEM

If you have completed your work for this session, click on Logout from the Menu Bar. This will return you to the PKL Home Page. You can exit the program at any point and return to that point at a later time.