

Petunia Patch

Level 1

1st Web-Based Edition

Module 4

**Transactions for June 24 – 30
and the**

Bank Reconciliation

June 24: Record a purchases return and allowance

Petunia Patch discovered that **\$240.00** of the merchandise purchased on **June 18** from Potted Begonias was damaged in shipment. Potted Petunias agreed to accept the return of the damaged merchandise and faxed a debit memorandum to Petunia Patch. Vendor Invoice Number: **P6051**. Debit Memorandum Number: **DM601**. Vendor Account Number: **20133**.

June 24: Record a bank credit card sale

Leland Bryant, owner of Chuck's BBQ, used a bank credit card to purchase merchandise for **\$370.22**, which includes 7% sales tax. Sales Invoice Number: **PP578**.

June 26: Record an expense

Petunia Patch issued a check for **\$134.00** to its telephone and Internet service provider, Hughes.com. Check Number: **35013**. Invoice Number: **S8006**.

June 26: Record an expense

Petunia Patch issued a check to Laptop Town Power and Light for its utility bill of **\$627.50**. Check Number: **35014**. Invoice Number: **A1597**.

June 26: Record an expense

Petunia Patch issued a check for **\$325.00** to the Laptop Gazette for a weekend advertisement in their paper. Check Number **35015**. Invoice Number: **AS299**.

June 27: Record the payment of wages and salaries expense

Petunia Patch wrote a **\$875.20** check for wages and salaries for the period of June 16 to June 27. Check Number: **35016**. Invoice Number: **PAYRL**.

June 30: Record the replenishment of the petty cash fund

The following documentation was gathered from the petty cash box: The Petty Cash (102) fund was established for **\$50.00** and deposited in the petty cash box.

Petty Cash Slip	Amount	Purpose
PC454	\$14.60	Store Supplies
PC455	\$26.40	Office Supplies

There is **\$7.50** in the petty cash box. Check Number: **35017**. Invoice Number **PCJ07**.

This concludes the daily journal entries for June 24 to June 30.

End of Week Four Procedures

1. Move the pointer to Check Figures on the Menu Bar and select Weekly Check Figures. Select Week 4. Click on Print and print the Check Figures for Week 4.
2. Move the pointer to Journal/Ledgers/Statements on the Menu Bar and select General Ledger. Print the June 30 Trial Balance.
3. Check the balances of the Trial Balance against the totals shown in the Check Figures for Week 4.

If the account balances in the trial balance match the selected account totals in the Check Figures for Week 4, and you have printed all documents required by your instructor, you are ready to proceed to the Bank Reconciliation.

If any of the account balances in your trial balance do not match the selected account totals in the Check Figures for Week 4, correct the unmatched balances before continuing to the Bank Reconciliation. Any account that does not match the check figures provides a clue to the transaction/s that you should review. The most efficient method of locating and correcting the error/s is to compare the journal entries to the transactions in the module.

For **accuracy, efficiency, and a clear audit trail**, use the correction system designed specifically for the Petunia Patch accounting system.

Bank Reconciliation

Move the pointer to Support on the Menu Bar and select **Bank Reconciliation Information**. Print the Bank Reconciliation Information and use the information to complete the following form:

Check-book balance per bank	
Bank service charges	
Credit card fees	

Move the pointer to Journal/Ledgers/Statements and select General Ledger. Print a copy of the Cash ledger card (101) and complete the following form:

Outstanding deposit	
Outstanding check, number 35015	
Outstanding check, number 35016	
Outstanding check, number 35017	

Using the information in the two forms above, complete the Bank Reconciliation:

Bank Reconciliation

Balance in Cash Account		Balance on Bank Statement	
		Add outstanding deposits	
		Subtotal	
Deduct Bank Charges		Deduct Outstanding Checks	
Item	Amount	Number	Amount
Service Charges		35015	
Credit Card Fees		35016	
Total bank charges		35017	
		Total outstanding checks	
Adjusted Cash Balance		Adjusted Bank Balance	

After completing the bank reconciliation, record the required journal entry to bring the Adjusted Balance per Bank in agreement with the Adjusted Balance per Books.

June 30: Record the journal entries to complete the bank reconciliation

The debits for the two bank charges can be recorded as one compound entry or as two separate entries.

For each entry, at the Check Number prompt type **BKR06**, and at the Invoice Number prompt type **BKR06**.

End of Bank Reconciliation Procedures

1. Move the pointer to Check Figures on the Menu Bar and select Weekly Check Figures. Select After Bank Reconciliation. Click on Print and print the Check Figures for After Bank Reconciliation.
2. Move the pointer to Journal/Ledgers/Statements on the Menu Bar and select General Ledger. Print the June 30 Trial Balance.
3. Check the balances of the Trial Balance against the totals shown in the Check Figures for After Bank Reconciliation.

If the account balances in the trial balance match the selected account totals in the Check Figures for After Bank Reconciliation, and you have printed all documents required by your instructor, you are ready to proceed to the Adjusting and Closing Entries in Module 5.

If any of the account balances in your trial balance do not match the selected account totals in the Check Figures for After Bank Reconciliation, correct the unmatched balances before continuing to the Adjusting and Closing Entries in Module 5. Any account that does not match the check figures provides a clue to the transaction/s that you should review.

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 4. This file will allow you to return to the end of Module 4, even after entering transactions beyond Module 4.

CONTINUE TO MODULE 5

After you have completed the bank reconciliation and recorded the required entries, you are ready to begin the data entry for Module 5 (Adjusting and Closing Entries). To begin you must first print a copy of the Module 5 manual. Move the pointer to Support on the Menu Bar and select Download Student Manual. Select Module 5: Adjusting and Closing Entries. Print the manual for Module 5.

EXITING THE SYSTEM

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