Zacks Bike Hut

Transactions For June 17-23

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Heads Up:
In this module you will be required to (1) payment of a short-term note, (2) record an 'NSF' check from a customer, (3) record a cash refund, (4) purchase plant assets with 'trade discount' offered by the seller, and (5) reinstate a previously written off account receivable.

TRANSACTIONS FOR JUNE 17-23

Student Analysis

June 17
Upon receiving a late notice from Bingham Supply, issued check number **02618** or **$516.50** to Bingham Supply as payment in full of the invoice number **B8455** of **May 8.**

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June 18
On April 19 of this year, Zacks Bike Hut borrowed **$6,000.00** cash by issuing a 60-day, 12%, note payable. The proceeds from the note were received and deposited in the Cash account. This note is **due today** and is **paid in full** (face value plus accrued interest) with check number **02619**. Use a 360-day year when computing interest. At the invoice prompt enter **NTPAY** for note payable.

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JJune 18
Received a check for **$749.00** from a local bike club (Mountaineers Bike Club) for group lessons to be organized and presented for the club members over the first three weekends of July. Sales tax of **$49.00** is charged on the **$700.00** of lesson fees. The sales invoice number is **Z1609.**

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Transactions for June 17-23 continued…

Student Analysis

June 19

Purchased bicycles from Jurassic Bikes (**22600).** Credit terms offered by Jurassic are net 10 and the merchandise is shipped FOB Factory (purchase invoice number **J9888**). A separate billing for freight charges will be received later from the freight company delivering the merchandise.

Merchandise listed on the purchase invoice:

Stock Number	Item	Quantity	Net Cost Per Unit
A0008	**ZIPP 900**	**4**	**$2,085.00**
B1010	**T-5 FRAME**	**2**	**$1,000.00**
A0016	**SPEEDSTER R1**	**3**	**$300.00**

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June 21

Sold accessory items to a local bike club. The sales invoice number for this transaction is **Z1610**, merchandise sold totals **$480.00,** and sales tax is **$33.60. The payment is made with a certified check.**

Merchandise listed on the sales invoice:

Stock Number	Item	Quantity	Net Cost Per Unit
B1300	**PROTECTION COMBO**	**4**	**$50.00**
C2300	**CUSTOM HELMET**	**4**	**$30.00**

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June 21

Received invoice **N4201** from Noreen's Freight Lines for **$277.00** in delivery charges on the Jurassic Bikes inventory purchase of June 19. Credit terms extended by Noreen's Freight Lines are net 15.

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Transactions for June 17-23 continued…

Student Analysis

June 21
Received a certified check for **$565.00** from customer Sally Bridges as payment in full on her account that was written off as uncollectible on June 10.
Two journal entries are required:

(1) Reinstate the account entering **REINS** for reinstate at the invoice prompt.
(2) Record the receipt of the certified check as payment of invoice **Z1449**.

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June 21
Issued check **02620** and purchased additional store equipment for better display and security of merchandise. The equipment lists for **$3,200.00,** with a **trade discount** of **40%** **and sales tax on the net amount.** The invoice number for this purchase is **23111**.

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June 21
Returned **one** (1) **B1010** T-5 Frame **(net cost $1,000.00)** to Jurassic Bikes. The bike was severely damaged upon delivery. The invoice number is **J9888.** The debit memorandum number is **DM014.**

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June 22
Wrote check **02621** to the cash customer of June 21 who returned one Custom Helmet (**C2300)** for a cash refund. The helmet had a flaw in the chin strap. The invoice number is **Z1610**. The credit memorandum number is **CM012.** Be sure to include the sales tax on the return. The selling price of the helmet was **$45.00,** which included the mark up on cost of 150%.

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Transactions for June 17-23 continued…

Student Analysis

June 23
Received notice from the bank that the **$749.00** check received from the Mountaineers Bike Club (**10440**) on **June 18** had not cleared due to lack of funds. The check is charged back to Accounts Receivable and the club's account. At the check number prompt enter **NSFCK** for non-sufficient funds check, and at the invoice prompt enter **Z1609** as the original invoice number.

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June 23
Issued check number **02622** for **$3,264.01** to the State Board of Equalization for the sales taxes collected to the **close of the business on June 20**. At the invoice prompt enter **SLTAX.**

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This concludes the transactions for the period of June 17-23.

Now that you have completed entering the transactions for the third week of the internship program, June 17-23, it is time to check the accuracy of your work.

Move the pointer to **Check Figures** and click. The 'check figures' for Week Three will appear in the text box. Scroll down through the accounts to verify the correctness of your ledger account balances. **Print** a copy of the Check Figures.

Should you have any incorrect balances, go to **Error Correction Procedures** at the end of Module One.

For **accuracy, efficiency,** and **a clear audit trail,** use **ONLY** the correction system designed for the Zacks Bike Hut accounting system. Read **ERROR CORRECTION PROCEDURES** at the end of **Module 1**.

Move the pointer to **Journals/Ledgers/Statements,** then select **General Ledger. Print** the Trial Balance.

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If all of your totals match the check figures, and you have printed all documents required by your instructor, you are ready to begin the data entry for Module 4, which includes the transactions for June 24-30. See "BACKUP YOUR DATA FILES" at the end of this manual.

If any of your account balances DO NOT MATCH THE CHECK FIGURES in the "Check It Out" box, you must correct the unmatched balances before continuing to Module 4. The most efficient method of locating the error/s is to a print copy of the Trial Balance and a copy of the General Journal.

PRINTED DOCUMENTS--A REMINDER

Although no printed documents are required at the end of this Module, if you wish any printed documents for June 23, they must be printed now before entries for the fourth accounting period of June 24-30 are recorded. Additional entries will change the account balances. Your instructor may ask for a printed Trial Balance or specific documents.

BACKUP YOUR DATA FILES

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

CONTINUING TO MODULE 4

If you have printed all the required documents, you are ready to begin the data entry for Module 4, which includes the transactions for June 24-30. To begin, you must first print a copy of the Module 4 Transactions for June 24-30. Move the pointer to Support on the Menu Bar and select Download Student Manual. Select Module 4: Transactions for June 24-30, and print a copy.

EXITING THE SYSTEM

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

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