

Reading Questions – Chapter 3 – The Ledger

1. Define General Ledger. _____

2. What do ledger accounts show? _____

3. Memo fields are _____ always necessary in the GL but are particularly helpful in the _____ and _____ ledgers.
4. The Folio, or _____ contains the journal page reference from where the entry was copied.
5. Amounts recorded in the Debit column of the General Journal are recorded in the _____ column of the General Ledger. Likewise, with Credit entries.
6. It is recommended that the balance for each entry be recorded _____.

7. The DR/CR. Column shows the _____ of the account balance.
8. Define “Chart of Accounts”

9. What is posting? _____

10. How do you decide if a DR. or CR goes in the DR./CR. column

11. What is the final step in transferring each transaction from the General Journal to the General Ledger accounts? Why is this step important? _____

12. What is a Trail Balance and what is the objective in creating the Trial Balance? _____

13. The titles above the Trial Balance always show what information? _____

14. What are the five types of errors that can be made in GJ → GL → Trial Balance Process?

1. _____
2. _____
3. _____
4. _____
5. _____

Practice Exercises: Do Exercises 1, 3, 5, 6, and 7. #2 and #4 are Extra Practice.

Do: **Think About It Exercises.**

KBC Company Project:

Complete the January transactions for the KBC decorating Company introduced on the **Chapter 3 KBC Project Handout** which you will find in your student handout package or online in **Moodle**. The KBC Project in your text book is Ontario based and will use HST taxation. The KBC in these project sheets is Manitoba based and uses GST and PST as in BC.

There is a special set of **General Ledger** sheets for this **KBC** project in your student forms package. You should place these forms in a separate binder/folder to pass in to your instructor for marking. Shuffle the following forms into this KBC package as directed in the Shuffle List below.

Shuffle List:

- 1) Please the Marking Sheet (page 23) at the front of your KBC binder.
- 2) Please the exercise instructions for chapters 3, 4, 5 and 6 (page 25 - 36) after the Marking Sheet.
- 3) Replace the HST Payable (Account #206) to HST-ITC (Account #207) with pages 37 & 38.
- 4) Replace the ledger sheet with account numbers 402 – 501 with pages 39 & 40.
- 5) Remove all the Trial Balance sheets and replace them with pages 41 - 48.