

Reading Questions – Chapter 6 – Using Special Journals

- 1. What are three advantages of special journals? _____

- 2. What do each of the following journals record?
Sales Journal: _____
Cash Receipts Journal: _____
Purchase Journal: _____
Cash Payment Journal: _____

Sales Journal

- 3. Why are invoice numbers normally entered in numerical order in the Sales Journal? _____

- 4. What is meant by the word “Proof” with regard to a special journal and what does it prove? _____

- 5. What is an “Accounts Receivable Control” account and how is its value determined? _____

- 6. How often are the individual amounts in the Accounts Receivable Dr column posted to the individual customer ledgers? _____

- 7. How often are the totals from the four columns posted and to what accounts in the general ledger? Accounts Receivable: _____
Sales : _____
GST/HST Payable: _____
Sales Tax : _____

8. What is an “Accounts Payable Control” account and how is its value determined? _____

Exercises:

1. Compute the values of the two control accounts and record them below but don't prepare a new trial balance.

Accounts Receivable Control Value: _____

Accounts Payable Control Value: _____

Complete Practice #2

Cash Receipts Journal

9. What kinds of transactions are recorded in the Cash Receipts Journal? _____

10. Like the Purchase and Sales Journals the **Cash Journal** needs _____ for each transaction and still remain balanced

11. What type of particulars should you put in the **memo** field? _____

12. What types of accounts are placed in the **General Ledger Cr.** column? Give two examples from Figure 6.5. _____

13. Entries in which column of the **Cash Receipts Journal** are daily posted to the customers' accounts? _____

14. Of all the accounts shown on the typical Cash Receipts Journal which one does not have its total posted to the ledger accounts? What is posted instead? _____

Exercises:
Complete Practice #6

Purchase Journal

15. What is the Purchase Journal used for.? _____

16. What does the terms “3/10,1/20, n30” mean? _____

17. Entries from which two columns must be posted individually in the General Ledgers? _____

Exercises:
Complete Practice #15

Cash Payments Journal

18. What kinds of transactions are recorded in the Cash Payments Journal? How should all payments be made? _____

19. What is recorded in the Account Dr. column? _____

20. Entries in which column are posted right away to the vendors ledger accounts? _____

21. What is recorded in the Cheque No column when money is deducted directly from your bank account? _____

Exercises:

Complete Practice #18

Do March Transactions for KBC – Remember to use the *Ch 6-KBC handout* and not the book version. This will end your work with KBC.