Page 1

PaperClipZ is a successful office supply store organized as a corporation. The business sells a complete line of office supply products, from pens to paperclips. PaperClipZ uses the chart of accounts shown below. Record the business transactions for the month of March 2019 in the sales journal, purchases journal, general journal, cash receipts journal, and cash payments journal. Post these transactions to the AP and AR subsidiary ledgers and general ledger accounts. Note: only accounts used in the problem are listed.

CHART OF ACCOUNTS

(only shows the accounts used in this problem)

GENERAL LEDGER

Balance Sheet Accounts

ASSETS (1000)

1110 Cash1120 Petty Cash1130 Accounts Receivable1140 Supplies

LIABILITIES (2000)

- 2110 Accounts Payable
- 2130 Employee Income Tax Payable
- 2140 Social Security Tax Payable
- 2150 Medicare Tax Payable
- 2160 Sales Tax Payable
- 2170 Unemployment Tax Payable Federal
- 2180 Unemployment Tax Payable State
- 2190 Health Insurance Premiums Payable

OWNER'S EQUITY (3000)

(no accounts used in this problem)

Income Statement Accounts

OPERATING REVENUE (4000)

4110 Sales

4120 Sales Discount

4130 Sales Returns and Allowances

COST OF MERCHANDISE (5000)

5110 Purchases5120 Purchases Discount5130 Purchases Returns and Allowances

OPERATING EXPENSES (6000)

- 6110 Advertising Expense
- 6120 Cash Over and Short
- 6130 Miscellaneous Expense
- 6140 Payroll Taxes Expense
- 6150 Salary Expense

SUBSIDIARY LEDGERS

Accounts Receivable Ledger

- 110 Bill Board
- 120 Ella Mentry
- 130 Jim Shoe
- 140 Joe King
- 150 Paige Turner
- 160 Terry Bull

Accounts Payable Ledger

- 210 A Plus Pens
- 220 Crazy Clips
- 230 Notable Notebooks
- 240 Reams O'Paper
- 250 Sticky Fingers Glue
- 260 Xtra Supplies

PaperClip

Page 2

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March 1 Purchased merchandise ("Purchases") on account from A Plus Pens, \$5,000 less a trade discount of 10%. P100.

- March 1 Established a petty cash fund, \$200. Check No. 499. (hint: use cash payments journal)
- March 2 Sold merchandise ("Sales") on account to Bill Board, \$100, plus sales tax, \$5; total \$105. S71.
- March 3 Purchased merchandise ("Purchases") on account from Crazy Clips, \$500. P101. (Terms 10/15, N30)
- March 4 Recorded cash and credit card sales ("Sales"), \$3,000, plus sales tax, \$150; total \$3,150. TS21.
- March 5 Returned merchandise ("Purchases Returns and Allowances") to Notable Notebooks, \$300, which was purchased last month on account. DM300. (*hint: this uses 2 lines in the general journal*)
- March 6 Granted credit to Ella Mentry for merchandise returned ("Sales Returns & Allowances"), \$500, plus sales tax, \$25; total \$525. CM701. (*hint: this uses 3 lines in the general journal*)
- March 6 Purchased supplies for cash, \$250. Check No. 500. (hint: use cash payments journal)
- March 7 Sold merchandise ("Sales") on account to Jim Shoe, \$2,000, plus sales tax, \$100; total \$2,100. S72.
- March 8 Returned merchandise ("Purchases Returns and Allowances") to A Plus Pens, \$4,500 (after trade discount), which was purchased on account. DM301. (*hint: this uses 2 lines in the general journal*)
- March 9 Purchased merchandise ("Purchases") from Reams O'Paper for cash, \$400. Check No. 501. (hint: use cash payments journal)
- March 10 Recorded cash and credit card sales ("Sales"), \$5,000, plus sales tax, \$250; total \$5,250. TS22.
- March 11 Purchased merchandise ("Purchases") on account from Sticky Fingers Glue, \$900. P102. (Terms 10/20, N30)
- March 12 Sold merchandise ("Sales") on account to Joe King, \$200, plus sales tax, \$10; total \$210. S73.
- March 13 Returned merchandise ("Purchases Returns and Allowances") to Reams O'Paper, \$400, which was purchased for cash. DM302. (*hint: this uses 2 lines in the general journal*)
- March 14 Purchased merchandise ("Purchases") on account from Xtra Supplies, \$2,500. P103. (Terms 10/10, N30)
- March 15 Paid cash on account to Crazy Clips, \$450, covering purchase P101 for \$500, less a 10% discount. Check No. 502.
- March 16 Sold merchandise ("Sales") on account to Paige Turner, \$800, plus sales tax, \$40; total \$840. S74.
- March 17 Paid cash on account to Sticky Fingers Glue, \$810, covering purchase P102 for \$900, less a 10% discount. Check No. 503.
- March 18 Received cash on account from Joe King, \$210, covering \$73. R50.
- March 20 Paid advertising expense for cash, \$300. Check No. 504. (hint: use cash payments journal)
- March 21 Received cash on account from Jim Shoe, \$2,100, covering S72. R51.
- March 24 Purchased merchandise ("Purchases") on account from Reams O'Paper, \$550 less a trade discount of 10%. P104.
- March 25 Received cash on account from Terry Bull, \$980, covering S68 for \$1,000, less 2% discount, \$20. R52.
- March 26 Paid cash on account to Xtra Supplies, \$2,500, covering purchase P103 for \$2,500 (no discount). Check No. 505.
- March 27 Paid cash to replenish the petty cash fund for Supplies, \$45; Misc. Expenses, \$15; and Cash Short and Over, \$5 short (debit). Check No. 506. (*hint: this uses 3 lines in the cash payments journal*)
- March 28 Sold merchandise ("Sales") on account to Joe King, \$700, plus sales tax, \$35; total \$735. \$75.
- March 29 Received an allowance on merchandise ("Purchases Returns and Allowances") from Reams O'Paper, \$100, which was purchased on account. DM303. (*hint: this uses 2 lines in the general journal*)
- March 31 Paid cash for monthly payroll, \$3,500 (total Salary Expense, \$4,500, less deductions: Employee Income Tax Payable, \$350; Social Security Tax Payable, \$300; Medicare Tax Payable, \$200; Health Insurance Premiums Payable, \$150). Check 507. (*hint: this uses 5 lines in the cash payments journal*)
- March 31 Record employer Payroll Taxes Expense, \$1,000 (Social Security Tax Payable, \$300, Medicare Tax Payable, \$200, Unemployment Tax Payable – Federal, \$100, and Unemployment Tax Payable – State, \$400). M101. (hint: this uses 5 lines in the general journal)

SALES JO	URNAL PAGE 1		AR Subsidia	ry Ledger	r Customer #	ŧ							
Date		Account Debited		Sale No.	Post Ref.	Rec	Accts eiva DR		Sale CR		Sales Paya CR	ble	
	TOTALS												
			Genera	Ledger	Acct #	-							

PURCHASE	ES JOURNAL	AP Subsidiar	y Ledger	Customer #	ŧ		PAGE 1
Date	Account Credited		Purch. No.	Post Ref.		chase Paya	s DR ble CR
	TOTALS						
		General Ledg	ger Acct #				

ENERAL JOURNAL		Ge AR or	neral Ledge AP Subsid	er Acct # / iary Ledge	er #			PA	AGE 1
Date	Account Title	Doc. No.	Post. Ref.		Debit		Cred	it	

PaperClip

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PaperClipZ is a successful office supply store organized as a corporation. The business sells a complete line of office supply products, from pens to paperclips. PaperClipZ uses the chart of accounts shown below. Record the business transactions for the month of March 2019 in the sales journal, purchases journal, general journal, cash receipts journal, and cash payments journal. Post these transactions to the AP and AR subsidiary ledgers and general ledger accounts. Note: only accounts used in the problem are listed.

CASH REG	CEIPTS JOURNAL		A	R S	ubs	idia	ry L	edg	er	Cus	stom	ner i	# (c	or of	the	aco	coun	nt#i	if nc	ot Al	२)							F	λ	GE 1
Date	Account Title	Doc. No.	Post Ref.		D	R	Ger	nera		CR		R		Acc eiva		CR		Sa C	les R		-	iale Pay C		Dis	ales cour DR				Casl DR	
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																													Π	
	TOTALS																													
				Gei	nera	al Le	edge	er A	cct	#	7	~] [

CASH PAYN	IENTS JOURNAL		AP	Subs	sidia	ary I	_edge	er Cus	stom	er #	‡ (or o	other	acc	our	nt # if	not A	P)				PA	GE 1
Date	Account Title	Ck. No.	Post Ref.		De	ebit		neral	Cre	dit				oun ble				has unt			ash CR	
					Π	Τ			Π				Í									
																			1			
	TOTALS																					
	om that appears in the "Cor	oral" dabi	t and arad	:+		•						. <u> </u>				г			·			·

Note: Every item that appears in the "General" debit and credi columns will need to be posted separately to the General Ledger. For all other items, you just post the column totals.

General Ledger Acct #

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PaperClipZ is a successful office supply store organized as a corporation. The business sells a complete line of office supply products, from pens to paperclips. PaperClipZ uses the chart of accounts shown below. Record the business transactions for the month of March 2019 in the sales journal, purchases journal, general journal, cash receipts journal, and cash payments journal. Post these transactions to the AP and AR subsidiary ledgers and general ledger accounts. Note: only accounts used in the problem are listed.

ACCOUNTS RECEIVABLE SUBSIDIARY LEDGERS

Customer	BILL	BOARD								Custo	mer	No:	110	
Date		ltem	Post. Ref.	De	bit		Cr	edit	t			ebit ance		
March	1	Bálánce	✓									0	00)

Customer	ELL/	AMENTRY								Custo	me	r No:	: 12	0
Date		ltem	Post. Ref.	De	ebit		Cr	edi	t			ebit ance	:	
March	1	Balance	✓								5	2, 2	5 0	90

Customer	JIM	SHOE										Custo	ome	r No): 1 3	30
Date		Item	Post. Ref.					Cr	redi	t			ebit lanc			
March	1	Balance	✓												0	00
																1

Custome	er: JOE	KING								Custo	ome	r No:	14	0
Date	e	Item	Post. Ref.	De	ebit		Cr	edi	t			ebit lance		
March	1	Balance	✓									C) (00

Customer	PAI	GE TURNER							Cust	omer	No: 1	.50
Date		Item	Post. Ref.	De	bit		Cr	edit		Del Bala		
March	1	Bálance	✓								0	00

Customer:	TER	RY BULL								Cı	isto	mei	r No	o: 1	60
Date		Item	Post. Ref.	Debi	t		Cr	edi	t			De Bala	ebit anc		
March	1	Balance	~							1		0	0	0	00

PaperClip 2

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PaperClipZ is a successful office supply store organized as a corporation. The business sells a complete line of office supply products, from pens to paperclips. PaperClipZ uses the chart of accounts shown below. Record the business transactions for the month of March 2019 in the sales journal, purchases journal, general journal, cash receipts journal, and cash payments journal. Post these transactions to the AP and AR subsidiary ledgers and general ledger accounts. Note: only accounts used in the problem are listed.

SCHEDULE OF ACCOUNTS RECEIVABLE

March 31, 2019

TOTAL, ACCOUNTS RECEIVABLE			

*** CHECK THIS BALANCE WITH THE ENDING BALANCE IN THE ACCOUNTS RECEIVABLE GENERAL LEDGER ACCOUNT ***

ACCOUNTS PAYABLE SUBSIDIARY LEDGERS

Vendor:	A PLI	JS PENS								Ve	ndo	r No:	210	
Date	•	ltem	Post. Ref.	De	ebit		Cr	redi	t			edit ance		
March	1	Balance	✓									C	, 00	,

Vendor:	CRAZ	Y CLIPS								Ve	ndo	r No	: 22	20
Date	1	Item	Post. Ref.	De	bit		Cr	t			edit ance			
March	1	Balance	✓									(0	00

Vendor: N	ΟΤΑ	BLE NOTEBOOKS										Ver	dor l	No: 2	30
Date										:		Creo Balaı			
March	1	Balance	✓										3 0	0	00

Vendor: R	EAN	IS O'PAPER								Ve	ndo	r No): 2 4	10
Date		Item	Post. Ref.	De	ebit					edit ance				
March	1	Bálánce	✓									(0	00

PaperClipZ is a successful office supply store organized as a corporation. The business sells a complete line of office supply products, from pens to paperclips. PaperClipZ uses the chart of accounts shown below. Record the business transactions for the month of March 2019 in the sales journal, purchases journal, general journal, cash receipts journal, and cash payments journal. Post these transactions to the AP and AR subsidiary ledgers and general ledger accounts. Note: only accounts used in the problem are listed.

Vendor: S	тіск	Y FINGERS GLUE												Ve	ndo	r No): 2	50
Date		ltem	Post. Ref.											edit lanc	: e			
March	1	Bálánce	✓														0	00

Vendor: X	TRA	SUPPLIES											Ve	ndo	r No	: 26	50
Date															edit ance		
March	1	Bálánce	✓												(0	00

SCHEDULE OF ACCOUNTS PAYABLE

March 31, 2019

TOTAL, ACCOUNTS PAYABLE			

*** CHECK THIS BALANCE WITH THE ENDING BALANCE IN THE ACCOUNTS PAYABLE GENERAL LEDGER ACCOUNT ***

line v.

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PaperClipZ is a successful office supply store organized as a corporation. The business sells a complete line of office supply products, from pens to paperclips. PaperClipZ uses the chart of accounts shown below. Record the business transactions for the month of March 2019 in the sales journal, purchases journal, general journal, cash receipts journal, and cash payments journal. Post these transactions to the AP and AR subsidiary ledgers and general ledger accounts. Note: only accounts used in the problem are listed.

GENERAL LEDGER (selected accounts)

Account	CASI	4													4	Accou	int N	lo: 1	110
Date		Item	Post. Ref.		ebit		redi	it		0)ebi	it	Bala	nce	Cro	edit			
March	1	Bàlànce	✓								5	7	0	0	00				

Account	PET	TY CASH												A	Accou	nt N	lo: 1	1120	1
			Post.											Bala	nce				
Date	•	ltem	Ref.	D	ebit	t		Cr	redit	:	Debit 0 00					Cr	edit		
March	1	Balance	~										0	00					

Account	: ACC	OUNTS RECEIVABLE														ŀ	Accou	int No): 11	30
Dat	e	Item											C)ebi	t	Bala	nce	Cre	dit	
March	1	Bálánce	✓									1	5	2	5	00				
																				t

Account	t: SUP	PLIES												Accou	nt No	: 1140
			Post.										Bala	nce		
Dat	e	Item	Ref.	De	oit		Cre	dit	1		Del	oit			Cred	it
March	1	Bálánce	~							4	3 0	0	00			

Account	: ACC	OUNTS PAYABLE											4	Accou	int N	lo: 2	211	0
			Post.										Bala	nce				
Date	e	Item	Ref.	De	bit		Cr	edit		D	ebi	t			Cr	edit		
March	1	Balance	\checkmark												3	0	0	00

Page 10

Account:	EMP	LOYEE INCOME TAX PAYABL	E										Acco	unt ľ	No:	213	10
			Post.									Ва	lance				
Date		Item	Ref.	De	bit		Cr	edit		D	ebit	t		Cr	redit	t	
March	1	Balance	✓													0	00

Account	t: SO (CIAL SECURITY TAX PAYA	BLE				Account No: 2140
			Post.			Bala	ince
Dat	е	Item	Ref.	Debit	Credit	Debit	Credit
March	1	Bálánce	✓				0 00

Account	t: ME	DICARE TAX PAYABLE												Accou	nt No): 2 1	.50
			Post.										Bala	nce			
Dat	e	Item	Ref.	De	bit		Cre	dit		D)ebi	t			Cre	dit	
March	1	Balance	✓													0	00

Account:	SALE	S TAX PAYABLE											4	Accou	int N	o: 2	160
Date		Item	Post. Ref.	De	bit		Cr	edit		D)ebi	t	Bala	nce	Cre	edit	
March	1	Balance	✓												3 (0 0	00

Account:	UNE	MPLOYMENT TAX PAYABLE	- FEDERA	L										4	Accou	nt No	: 217	70
			Post.											Bala	nce			
Date		Item	Ref.		De	bit		Cre	edit		D	ebi	t			Crec	lit	
March	1	Bálánce	✓														0	00

Account:	UNE	MPLOYMENT TAX PAYABLE	- STATE										A	Accou	nt No): 21	80
			Post.										Bala	nce			
Date		Item	Ref.	De	ebit		Cre	dit		D	ebi	t			Cree	dit	
March	1	Bálánce	~													0	00

Page 11

Account:	HEA	LTH INSURANCE PREMIUMS	PAYABL	E										4	Accou	nt N	lo:	219	0
			Post.											Bala	nce				
Date		Item	Ref.		De	ebit		Cr	edit		D	ebi	t			Cr	edit	t	
March	1	Bàlànce	~															0	00

Account	: SAL	ES											1	Accou	nt No	: 411	10
			Post.										Bala	ince			
Dat	e	Item	Ref.	De	bit		Cre	dit		D	ebi	t			Cred	lit	
March	1	Balance	~											8	25	0	00

Account:	SALE	S DISCOUNT											Acco	unt N	o: 412	0
			Post.									Ва	lance			
Date		Item	Ref.	Deb	it		Cr	edit		De	ebit			Cre	dit	
March	1	Balance	~							8	0	0 00				

Account:	SALE	S RETURNS & ALLOWANCES									Α	ccoun	t No: 4	130
			Post.								Balaı	nce		
Date		Item	Ref.	Debit		Cred	it		Deb	it			Credit	
March	1	Bálánce	✓					ľ.	7	5 0	00			

Account	: PUR	CHASES											A	Accou	nt No): 5 1	.10
			Post.										Bala	nce			
Date	2	Item	Ref.	Deb	it		Cree	lit		D	ebi	t			Cre	dit	
March	1	Balance	✓						3	4	0	0	00				

Account:	PUR	CHASES DISCOUNT												A	lccou	nt No	: 5120
			Post.											Bala	nce		
Date		Item	Ref.	D	ebit	:		Cr	redit	:	D	ebi	t			Cred	lit
March	1	Bàlànce	~													25	0 00

Page 12

Account	: PUR	CHASES RETURNS & AL	LOWANCES													Acco	unt	No:	51	30
			Post.	Post.								Ва	Balance							
Date		Item	Ref.	Ref. Debit						lit		Debit					Credit			
March	1	Bálánce	✓														2	5	0	00

Account:	ADV	ERTISING EXPENSE														A	ccou	nt No	611	0
			Post. Bala							Credit					nce					
Date		Item	Ref.	Debit					D	ebi	t									
March	1	Balance	~												0	00				

Account:	Account: CASH OVER AND SHORT Account No: 6120															6120	
		Post.							Balance								
Date		Item	Ref.		Debit				De	ebit		Credit					
March	1	Balance	✓										C	00			

Account	Account: MISCELLANEOUS EXPENSE Account No: 6130															.30							
Date		Item	Post. Ref.	Debit					Credit										Bala	nce	Cre	dit	
March	1	Balance						t							ľ.	00				T			

Account:	Account: PAYROLL TAXES EXPENSE Account No: 6140															614 0		
		Post.							Balance									
Date		Item	Ref.		Debit	Credit			Debit				Credit					
March	1	Balance	~									0	00					

Account:	Account: SALARY EXPENSE Account No: 6150															6150				
			Post.									Balance								
Date		Item	Ref.		Deb	it		Credit D		D	ebit			Credi	t					
March	1	Bálánce	✓										0	00						