

Record return and issue a check for the cash allowance.

Remove the memorandum from page 53 of the Forms booklet.

Complete the check stub and write the check. Since this is a cash refund, write the number of the Sales Returns and Allowances account (401.1) on the Acct. Line.

Store the check in the general file behind guide File No. 5—Outgoing Papers.

Record the check stub in the cash payments journal. Debit Sales Returns and Allowances for the merchandise amount, and debit Sales Tax Payable for the refunded tax amount. On the second line, record the credit to Cash for the total refund amount. Jot the notation "PAID" followed by the date (September 30), the check number, and your initials on the face of the memorandum.

Store the credit memorandum in the general file behind Guide No. 4—Miscellaneous Papers.

General Journal Users

Remove the memorandum from page 53 of the Forms booklet.

Complete the check stub and write the check. Since this is a cash refund, write the number of the Sales Returns and Allowances account (401.1) on the Acct. Line.

Store the check in the general file behind guide File No. 5—Outgoing Papers.

Record the check stub in the general journal. Debit Sales Returns and Allowances for the merchandise amount, debit Sales Tax Payable for the amount of tax being refunded, and credit cash for the total refund. Jot the notation "PAID" followed by the date (September 30), the check number, and your initials on the face of the memorandum.

Store the credit memorandum in the general file behind Guide No. 4—Miscellaneous Papers.

60. Processed cash sales for the week ending September 30 (Form 62).

61. Prepare the payroll (Form 63). *Hint: the salaried worker's pay and deduction information does not change so you should just copy the information from the first payroll on September 15 to save time and effort. Be sure to change the cumulative*

earnings, however. **OPTIONAL:** Post to the employees' earnings records, if required by your instructor.

62. Issued check to PA Department of Revenue in payment of August sales tax collections (Form 64).

63. Issued check to the order of Pamela Schmotzer (petty cashier) to replenish the petty cash fund (Form 65). *Consult textbook for proper technique to replenish petty cash. Special journal users will use the cash payments journal for this transaction.*

END-OF-THE-WEEK WORK

(1) Total and verify the cash payments journal and the cash receipts journal.

General Journal Users

Proceed to step 2 since you have proven equality of debits and credits at the bottom of each general journal page.

(2) Deposit the currency, coins (\$20.81), and check(s) received since making the last deposit.

(3) Determine and verify the bank balance using the same technique as in week 1.

END-OF-THE-MONTH WORK

(1) Total and rule the cash payments journal, the cash receipts journal, the purchases journal, and the sales journal.

General Journal Users

Pencil foot and verify the equality of debits and credits on the current journal page.

(2) Complete the summary postings from the sales journal, the purchases journal, the cash receipts journal, and the cash payments journal (in that order).

General Journal Users

Proceed to step 3 since you have proven already completed posting on a daily basis.