

# **Recording Transactions in a General Journal**

**Chapter 6, Section 3 and 4  
Accounting I**

# Review

- ▶ What order is information recorded in the journal?
  - Chronological order
- ▶ What are used as proof that a transaction occurred?
  - Source documents
- ▶ What is the accounting concept that related to source documents?
  - *CONCEPT: Objective Evidence*
- ▶ What are the different types of source documents and what transactions are they used for?
  - Check – pay cash
  - Receipt – receive cash
  - Sales Invoice – sale on account
  - Calculator Tape – cash sales
  - Memorandum – any other transaction

# What are the steps to journalize?

- ▶ Record Date in Date column
- ▶ Record Debit account title and amount
  - Remember DEBIT always comes first
- ▶ Record Credit account title and amount
  - Indent account title about 1cm.
- ▶ Record Source Document in Doc. No. column

GENERAL JOURNAL						PAGE	
	DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	DEBIT	CREDIT	
1							1
2							2
3							3
4							4
5							5
6							6

# Received cash from sales

August 12. Received cash from sales, \$295.00. Tape No. 12.

GENERAL JOURNAL						PAGE 1
DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	DEBIT	CREDIT	
11 12	12 Cash	2	4	295.00		11
12	Sales	3	T12		295.00	12

1. Write the date in the Date column.
2. Write the title of the account debited.  
Write the debit amount.
3. Write the title of the account credited.  
Write the credit amount.
4. Write the source document number in the Doc. No. column.

Cash	295.00
Sales	295.00

# Sold services on account

August 12. Sold services on account to Oakdale School, \$350.00. Sales Invoice No. 1.

GENERAL JOURNAL						PAGE 1
DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	DEBIT	CREDIT	
13      12	Accounts Receivable—Oakdale School	S1	4	350 00		13
14	Sales				350 00	14

1. Write the date in the Date column.
2. Write the title of the account debited.  
Write the debit amount.
3. Write the title of the account credited.  
Write the credit amount.
4. Write the source document number in the Doc. No. column.

Accts. Rec.—Oakdale School
350.00
Sales
350.00

# Completing a Journal Page

- ▶ An entry should never be split between two pages.
- ▶ If there is not enough room to record an entry, start a new page.

GENERAL JOURNAL							PAGE 1
	DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	DEBIT	CREDIT	
1	Aug. 1	<i>Cash</i>	R1		500 000		1
2		<i>Kim Park, Capital</i>				500 000	2
3		<i>Supplies</i>	C1		275 00		3
4		<i>Cash</i>				275 00	4
5		<i>Prepaid Insurance</i>	C2		120 000		5
6		<i>Cash</i>				120 000	6
33	20	<i>Supplies</i>	M2		50 00		33
34		<i>Accounts Payable—Thomas Supply Co.</i>				50 00	34
35							35

# Starting a New Journal Page

GENERAL JOURNAL						PAGE <b>2</b>
	DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	DEBIT	CREDIT
1						1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9

# Standard Accounting Practices

GENERAL JOURNAL						PAGE 14
DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	DEBIT	CREDIT	
9	27 <i>Miscellaneous Expense</i>	C10		70 00		9
10	<i>Cash</i>				-70 00	10
11	27 <i>Utility Expense</i>	C10		70 00		11
12	<i>Cash</i>				70 00	12
13	28 <i>Supplies</i>	C11	3	20 00		13
14	<i>Cash</i>				-20 00	14
15	28 <i>Cash</i>	T28	1	119 00		15
16	<i>Sales</i>				119 00	16
17	31 <i>Miscellaneous Expense</i>	C12		20 00		17
18	<i>Advertising</i>			10 00		18
19	<i>Cash</i>				30 00	19
20						20

6. Two zeros are written in the cents column when an amount is in even dollars, such as \$500.00. accounting paper.

# Problems

