


Accounting

LESSON 3-1

Journals, Source Documents, and Recording Entries in a Journal

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Accounting

Advantages of Using a Journal

- **Accuracy**- journal includes debit and credit parts of each transaction recorded in ONE place
- **Chronological Order** – transactions are recorded in a journal in order by date
- **Double-Entry Accounting** – both the debit and credit amounts are recorded – assures debits equal credits

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A GENERAL JOURNAL

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GENERAL JOURNAL						PAGE
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

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CONCEPT:

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■ Objective Evidence:

A source document is prepared for each transaction

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Source Document - Check

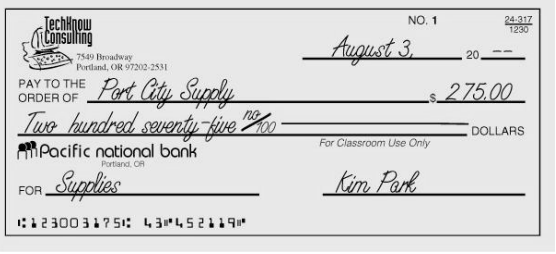
NO. 1 \$ 275.00

Date August 3 20--

To Port City Supply

For Supplies

BAL. BRO.T. FORD.	0.00
AMT. DEPOSITED	5,000.00
DATE	5,000.00
OTHER:	
SUBTOTAL	5,000.00
AMT. THIS CHECK	275.00
BAL. CARD. FORD.	4,725.00



NO. 1 24-317
1250

Date August 3 20--

PAY TO THE ORDER OF Port City Supply \$ 275.00

Two hundred seventy-five ¹⁰⁰/₁₀₀ DOLLARS

Pacific national bank
Portland, OR


FOR Supplies Kim Park

⑆ 23003175⑆ 43⑆452119⑆

Used for all cash payments

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Source Document – Sales Invoice



7549 Broadway
Portland, OR 97202-2531

Sold to: Oakdale School No. 1

5211 SE Oak Street Date 8/12/--


Portland, OR 97208-5392 Terms 30 days

Description	Amount
Computer Network Setup	\$350.00
Total	\$350.00

Used for recording a sale on account

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Source Document - Receipt

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No. **1**

Date August 1, 20 --

From Kim Park

For Investment

\$ 5,000 ⁰⁰/₁₀₀

Receipt No. **1**

Date August 1, 20 --

Rec'd from Kim Park

For Investment

Five thousand and no/100 Dollars

Amount \$ 5,000 ⁰⁰/₁₀₀

Received By Kim Park


TechKnow Consulting
7549 Broadway
Portland, OR 97202-2531

receipt

Used when cash is received from sources other than sales – such as, the owner makes an investment

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Source Document - Tape

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Used to record daily or weekly cash sales transactions

calculator tape
or terminal summary
tape

0-00 *

Aug 12, 20 150-00 +


T12 35-00 +

110-00 +

295-00 *

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Source Document - Memorandum

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- Used when no other source document is prepared or when an additional explanation is needed about a transaction



No. 1

MEMORANDUM

740 Broadway
Portland, OR 97202-2534


*Bought supplies on account from
Supply Dept. \$500.00*

Signed: *Kim Park* Date: *August 7, 20--*

memorandum

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Journalizing Transactions – Procedures

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- Record the month and year ONCE on each page of the journal
- Record the day for EVERY transaction (even if it is the same day as the previous transaction)
- Record the debit account FIRST
- Then, INDENT and record the credit account on the next line
- Record the source document ONCE for each transaction
- Make sure a debit and credit amount are recorded for each transaction and that they equal

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RECEIVED CASH FROM OWNER AS AN INVESTMENT

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August 1. Received cash from owner as an investment, \$5,000.00. Receipt No. 1.


GENERAL JOURNAL							PAGE 1
DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	DEBIT	CREDIT		
1 Aug. 1	Cash	RI		5 000 00			
	Kim Park, Capital				5 000 00		

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	
5,000.00	
Kim Park, Capital	
	5,000.00

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PAID CASH FOR SUPPLIES

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August 3. Paid cash for supplies, \$275.00. Check No. 1.


GENERAL JOURNAL							PAGE 1
DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	DEBIT	CREDIT		
3	Supplies	C1		275 00			
4	Cash				275 00		

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.

Supplies	
275.00	
Cash	
	275.00

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	<h2>TERMS REVIEW</h2>	13 page 62												
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