

10-2 APPLICATION PROBLEM

Journalizing cash receipts; proving and ruling a cash receipts journal

In Focus is a camera and film shop.

Instructions:

1. Journalize the following transactions completed during August of the current year on page 15 of the cash receipts journal given in the Working Papers. Source documents are abbreviated as follows: receipt, R; terminal summary, TS.

Transactions:

- Aug. 1. Received cash on account from Reader Advertising, \$345.60, covering S357. R288.
 3. Recorded cash and credit card sales, \$2,534.00, plus sales tax, \$145.54; total, \$2,679.54. TS28.
 8. Received cash on account from WXGS Television, \$312.60, covering S358. R289.
 10. Recorded cash and credit card sales, \$2,650.00, plus sales tax, \$140.80; total, \$2,790.80. TS29.
 15. Received cash on account from Lambert News, covering S360 for \$204.30, less 2% discount. R290.
 17. Recorded cash and credit card sales, \$2,372.00, plus sales tax, \$132.43; total, \$2,504.43. TS30.
 24. Received cash on account from Kelly Modeling Agency, \$236.96, covering S359. R291.
 24. Recorded cash and credit card sales, \$3,180.00, plus sales tax, \$170.80; total, \$3,350.80. TS31.
 30. Received cash on account from JGN Industries, covering S361 for \$201.40, less 2% discount. R292.
 31. Recorded cash and credit card sales, \$2,100.00, plus sales tax, \$104.25; total, \$2,204.25. TS32.
2. Total and prove the equality of debits and credits for cash receipts journal page 15.
 3. Prove cash. The August 1 cash account balance in the general ledger was \$2,548.25. The August 31 cash credit total in the cash payments journal was \$15,485.25. On August 31, the balance on the next unused check stub was \$1,885.56.
 4. Rule page 15 of the cash receipts journal.