WEEK 2 – DECEMBER 4 TO 10, 20XX

December 5, 20XX

1. Sold two textbooks on account at $125 each to a new credit customer:

    •   Elizabeth Manning

    •   Main Phone: 636-555-6841

    •   1492 Waterford Drive, St. Louis, MO, 63101

    •   Payment Terms: Net 10 (Do you need to add a new Standard Term for Net 10?)

    •   Taxable, MO Sales Tax.

2. Received 10 boxes of pens you ordered from Writing Products, LLC on 12/3 along with the bill. (Did you date the transaction 12/05/20XX?)

3. Received the 46 textbooks as ordered from Educational Materials, Inc. with the bill.

December 7, 20XX

4. Emma Kiley returned two pens she purchased on December 3 for $12.99 each because she did not like the color. Apply the credit to the open invoice and print out the Credit Memo after you apply the credit to the invoice.

5. The nonprofit organization, Online Growth Schools LLC, bought a classroom set of 30 computer training textbooks on account for $110.00 each and 15 reams of paper at $4.99 each. Apply a 10% sales discount for a nonprofit organization.

    •   Add the new customer

    •   Online Growth Schools, LLC

    •   Main Phone: 314-555-8787

    •   18878 W. First Capital Street

    •   St. Charles, MO 63376

    •   Payment Terms: Net 30

    •   Preferred Payment Method: Check

    •   Non-Taxable, MO Sales Tax

    •   Create a new item in the "Item List" for "Subtotal" and then include it on the invoice.

    •   Create a new item in the "Item List" for a "10% Sales Discount" for nonprofit organizations. (Use Sales Discounts income account for it.) Add the discount to the invoice before recording the sale.

6. Add a new Inventory Part sales item for **Gift Ware**

    •   Purchase Description: Gift Ware

    •   Cost: 5.00

- COGS Account: **50100: Purchases**
- Preferred Vendor: Amazing Gifts
  - Main Phone: 618-555-5384
  - Main E-mail: gifts@abc.com
  - 125 Maple Street, Columbia, IL 62814
  - Payment Terms: Net 30
  - Credit Limit: $1,500
- Sales Description: Gift Ware
- Sales Price: 0.00
- Tax Code: Tax
- Income Account: **Supplies Sales**
- Asset Account: **Inventory Asset**
- Reorder Point (Min): 10
- Max: 25
- Quantity on Hand: 0 and Value: 0.00 as of 12/07/20XX.

7. Prepare a Purchase Order for 15 Gift Ware items from Amazing Gifts.

December 8, 20XX

8. An employee typed a 15-page report at $5.00 per page and sold ten reams of paper at $5.99 per ream on account to Emma Kiley.

9. Received a telephone order for eight computer textbooks on account to St. Louis Community Schools at $110 each that will be picked up this week.

December 10, 20XX

10. Sold three pens at $14.95 each, two sets of stationery at $14.99 each, and three paperback books at $6.99 each to a Walk-In customer using cash as the payment method.

11. St. Louis Community Schools picked up the merchandise on the Estimate from December 8, 20XX and you included the Invoice with the items. (Use December 10, 20XX for the invoice date.)

12. Received Visa payment (card on file) from St. Louis Community Schools for the two oldest open invoices the full amount due, less their discount for paying early. REMEMBER - no discount on opening balances. (HINT: The payment should be for $1,254.51.) Did you use *Sales Discounts* as the discount account?

13. Prepare Inventory report for December 1-10, 20XX.

   • Prepare Purchase Orders any items indicated.

   • Remember - If an item is marked to be ordered but a Purchase Order has already been prepared, do not order any more of the item. (Since Gift Ware was ordered on 12/07/20XX, it does not need to be ordered.)

   • FOR THIS WEEK ONLY... You decide to not worry about ordering any textbooks even though the report says we're low.

14. Deposit all funds from the Cash Drawer to the Checking account.

15. Time to see if we need to pay bills. If the column shows a discount available between now and December 17th, go ahead and pay it so you can take advantage of the discount. (Purchase discounts should be coded to *50200 - Merchandise Discounts*.)

✓ CHECK YOUR WORK

Time to check your work

   • Print a *Profit & Loss* report for December 1-10, 20XX.

   • Print a *Balance Sheet* as of December 10, 20XX.

   • Print the *Journal* using the "All Dates" date range

   • Print the *General* Ledger using the "All Dates" date range