

Name \_\_\_\_\_

Journal entries

**Exercise – Journal Entries using Source Documents with Sales Taxes**

Journalize the following transactions for the month of July 2014 for ABC Hair Salon using the account names most commonly employed in this class:

**1 Sales invoice #101, \$300 plus sales taxes for sale of shampoos**

A/R dr 339  
..... Sales cr 300  
..... HST Payable cr 39  
Sales invoice #101

**5 Cash receipts daily summary - cheque received for full payment of sales invoice #101 above**

Bank dr 339  
..... A/R cr 339  
Cash receipts daily summary

**7 Cash sales slip #201, \$150 plus sales taxes for hair styling services**

Bank dr 169.50  
..... Fees Earned cr 150  
..... HST Payable cr 19.50  
Cash sales slip #201

**9 POS summary, \$1500 plus sales taxes for daily currency, debit card and credit card sales of combs**

Bank dr 1695  
..... Sales cr 1500  
..... HST Payable cr 195  
POS summary

**14 Purchase invoice #301, \$500 plus sales taxes for purchase of store supplies from Staples**

Supplies dr 500  
HST Recoverable dr 65  
..... A/P – Staples cr 565  
Purchase invoice #301

**19 Cheque copy #901, for full payment of purchase invoice #301 above**

A/P dr 565  
..... Bank cr 565  
Cheque copy #901

**21 Cheque copy #902, \$1000 to owner H. Styles for personal use**

H. Styles, Drawings dr 1000  
..... Bank cr 1000  
Cheque copy #902

**23 Online banking receipt #903, \$55 plus sales taxes for cash payment of hydro bill**

Hydro Expense dr 55  
HST Recoverable dr 7.15  
..... Bank cr 62.15  
Online banking receipt #903

**25 Credit card receipt (VISA) #904, \$90 plus sales taxes for purchase of store furniture**

Store Furniture dr 90  
HST Recoverable dr 11.70

..... A/P – VISA cr 101.70

Credit card receipt #904

**27 Written memo from owner H. Styles indicating removal of store furniture valued at \$240 for personal use**

H. Styles, Drawings dr 240

..... Store Furniture cr 240

Written memo

**28 Bank debit memo, \$12 (tax exempt) for monthly bank service charges**

Bank Service Charges (expense) dr 12

..... Bank cr 12

Bank debit memo

**30 Bank credit memo, \$75 for monthly investment interest earned**

Bank dr 75

... Interest Earned (revenue) cr 75

Bank credit memo

**31 Online banking receipt # 905 to Receiver General of Canada, \$800 for monthly remittance of net HST Payable (HST Payable \$1400, HST Recoverable \$600)**

HST Payable dr 1400

..... HST Recoverable cr 600

..... Bank cr 800

Online banking receipt #905

General Journal Sheet					
CLIENT: ABC Hair Salon					
TRANS NO.	DATE (DD/MM/YY)	PARTICULARS	ACCOUNT NUMBER	DEBIT	CREDIT
A/R	01/07/14	Sales invoice for sale of shampoos			
Bank dr	05/07/14	Cash receipts daily summary sales invoice #101			
Bank dr	07/07/14	Cash sales slip #201			
Bank dr	09/07/14	POS summary			
HST Payable cr					
Sales cr					
Supplies dr	14/07/14	Purchase invoice #301			
HST Recoverable dr					
A/P - Staples cr					
A/P dr	19/07/14	Cheque copy #901			
H. Styles, Drawings dr	21/07/14	cheque copy #902			
Hydro Expense dr	23/07/14	Online banking receipt #903,			
HST Recoverable dr					
Bank cr					
Store Furniture dr	25/07/14	Credit card receipt (VISA) #904			
HST Recoverable dr					
A/P - VISA cr					
H. Styles, Drawings dr	27/07/14	Written memo from owner H. Styles			
Store Furniture cr					
Bank Service Charges (expense) dr	28/07/14	monthly bank service charges			
Bank cr					
Bank dr	30/07/14	monthly investment interest earned			
Interest Earned (revenue) cr					
HST Payable dr	31/07/14	Online banking receipt # 905			
HST Recoverable cr					
. Bank cr					