

ACC 111: Summary of Ch 6 & 7

<b>Sales</b>	
<b>Cash sales</b>	<b>Credit sales</b>
<b>Cash</b>	<b>Account Receivable- Name</b>
<b>Sales</b>	<b>Sales</b>
<ul style="list-style-type: none"> <li>• Sold goods by cash</li> <li>• Issued receipt for goods</li> <li>• Cash sales</li> <li>• Receive check for goods.</li> </ul>	<ul style="list-style-type: none"> <li>• Sold goods on account (on credit)</li> <li>• Issued invoice for goods</li> <li>• Sold to ABC company</li> </ul>

<b>Sales Return &amp; Allowances</b>	
<b>If we sell to customer by cash</b>	<b>If we sell to customer on account</b>
Sales return & allowances	Sales return & allowances
Cash	Account Receivable- Name

<b>Credit card</b>	
<b>Visa card &amp; Master Card</b>	<b>American Express &amp; Diner's club</b>
Cash	Account Receivable - Name
Credit card expense	Credit card expense
Sales	Sales

Purchases	
Cash	Credit
Purchases	Purchases
Cash	Accounts payable-Name
<ul style="list-style-type: none"> <li>• Purchased (bought) goods by cash</li> <li>• Receive receipt for goods</li> <li>• Cash purchases</li> </ul>	<ul style="list-style-type: none"> <li>• Purchase goods on account (on credit)</li> <li>• Receive invoice for goods</li> <li>• Purchase from ABC company</li> </ul>

Purchase Return & Allowances	
If we purchase by cash	If we purchase on account
Cash	Account Payable- Name
Purchase return & allowances	Purchase return & allowances

Sales Return	Purchase Return
<ul style="list-style-type: none"> <li>• Goods returned <u>by</u> Mona</li> <li>• Mona returned some goods</li> <li>• Received goods from Mona</li> </ul>	<ul style="list-style-type: none"> <li>• Goods returned <u>to</u> Mona</li> <li>• Returned goods to Mona</li> </ul>