

# Accounting 212

## Handout



Name: .....

ID: .....

Class: .....

## القيود اليومية للشركات السلعية

### General Journal For Merchandise Business

**A service business provides services to its customers. Accountants, law firms and cleaning services are examples of service businesses.**

A merchandising business sells goods, also known as merchandise. Good examples of merchandising businesses include retail clothing, grocery stores and bookstores. A merchandiser earns net income by buying and selling merchandise.

## Difference between services and merchandise companies

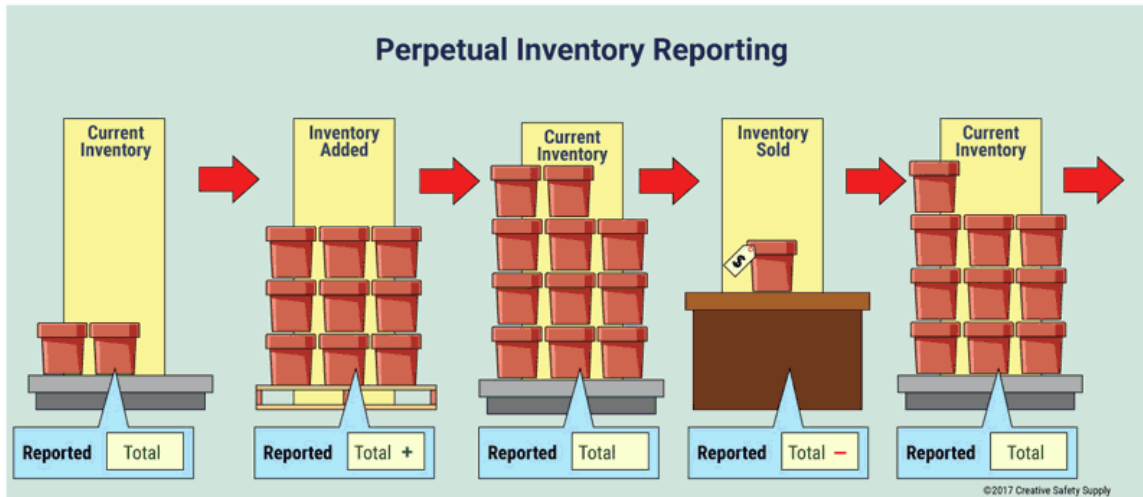
### ❖ Introduction:

#### Definition of Perpetual Inventory System

Companies keep detailed records of the cost of each inventory purchase and sale. These records continuously – perpetually – show the inventory that should be on hand for every item. Companies that sell products with fixed prices use perpetual inventory systems.

تحتفظ الشركات بسجلات مفصلة لتكلفة كل شراء وبيع مخزون. تظهر هذه السجلات بشكل مستمر - بشكل دائم - المخزون الذي يجب أن يكون في متناول اليد لكل عنصر. تستخدم الشركات التي تبيع منتجات بأسعار ثابتة أنظمة جرد دائمة.

بمعنى أنه يتم تحديث المعلومات الخاصة بكمية المخزون والتوفر بشكل مستمر و يتم تحقيق ذلك عمومًا عن طريق ربط نظام المخزون بإدخال الطلب في نظام نقاط البيع بالتجزئة في البيع بالتجزئة.



معاني الكلمات الجديدة			
Collected / Received	جمع / تحصيل / استلام	On account / on credit	على الحساب
Perpetual Inventory System	نظام المخزن الدائم / المستمر	Performed	تقديم
Purchases = Bought	شراء	Merchandise	بضائع (سلع)
Purchases Returns	استرجاع المشتريات	Bought / Purchased	شراء
Discount	خصم / تخفيض	Merchandise Inventory	مخزون البضائع (السلع)
Paid	دفع	Invested = Deposited = Started = Contributed	استثمر = اودع بدأ = ساهم
Purchase	المشتريات	Sales	المبيعات
Purchases Goods	شراء السلع	Sold Goods	بيع السلع
Cash	نقدًا	Cost of Goods Sold	تكلفة البضاعة المباعة
Refund	استرداد	COGS	تكلفة البضاعة المباعة

## Merchandising Business

### Perpetual Inventory System

#### CH 1

#### Perpetual Inventory

S	M	T	W	T	F	S
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>	<u>13</u>
<u>14</u>	<u>15</u>	<u>16</u>	<u>17</u>	<u>18</u>	<u>19</u>	<u>20</u>
<u>21</u>	<u>22</u>	<u>23</u>	<u>24</u>	<u>25</u>	<u>26</u>	<u>27</u>
<u>28</u>	<u>29</u>	<u>30</u>	<u>31</u>			

نظام الجرد الدائم  
والمستمر.

### Periodic Inventory System

#### CH 2

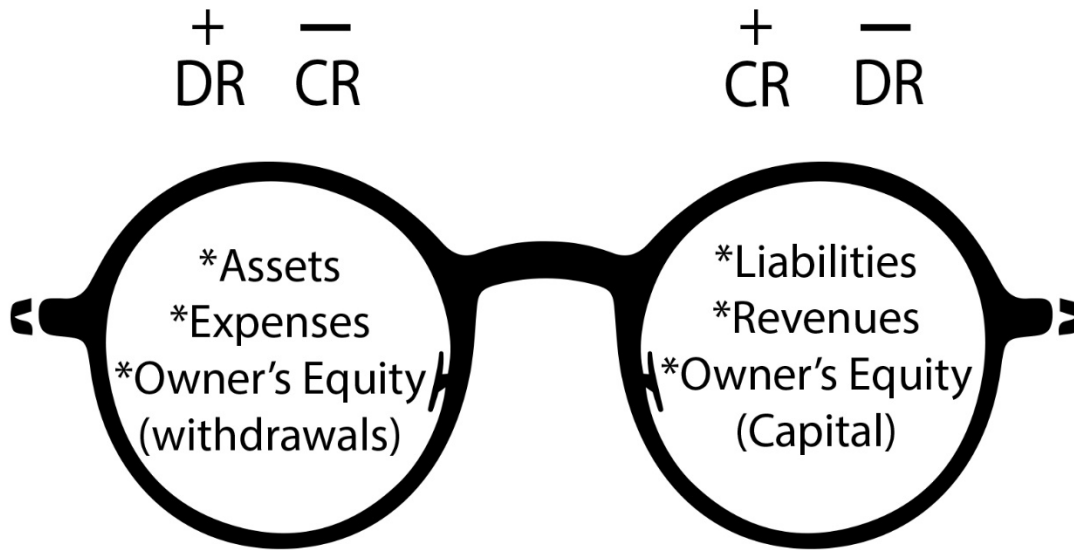
#### Periodic Inventory

S	M	T	W	T	F	S
	1	2	3	4	<u>5</u>	6
7	8	9	10	11	<u>12</u>	13
14	15	16	17	18	<u>19</u>	20
21	22	23	24	25	<u>26</u>	27
28	29	30	31			

نظام الجرد  
الدوري.

# Double Entry System

Accounting  
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DR = Debit

CR = Credit

The nature of each movement is explained below:

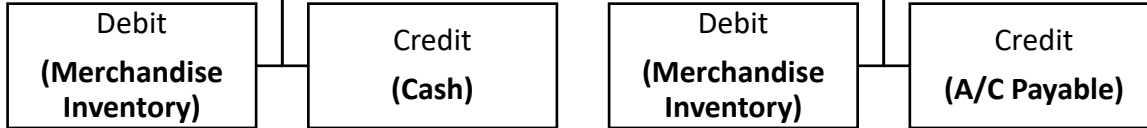
	<b>DEBIT SIDE</b> (Assets, Expenses, Drawings)	<b>CREDIT SIDE</b> (Liabilities, Revenue, Owner's Equity)
↑ Increase	<b>Debit movement</b>	<b>Credit movement</b>
↓ Decrease	<b>Credit movement</b>	<b>Debit movement</b>

Complete the following table

ACCOUNT	NORMAL BALANCE	↑ Increase	↓ Decrease
1- Purchased Goods (Inventory)	<i>Debit</i>		
2- Sales Returned Of Goods	<i>Debit</i>		
3- Sales Discount Of Goods	<i>Debit</i>		
1- Sales Goods	<i>Credit</i>		
2- Purchases Return Of Goods (Inventory)	<i>Credit</i>		
3- Purchases Discount Goods (Inventory)	<i>Credit</i>		

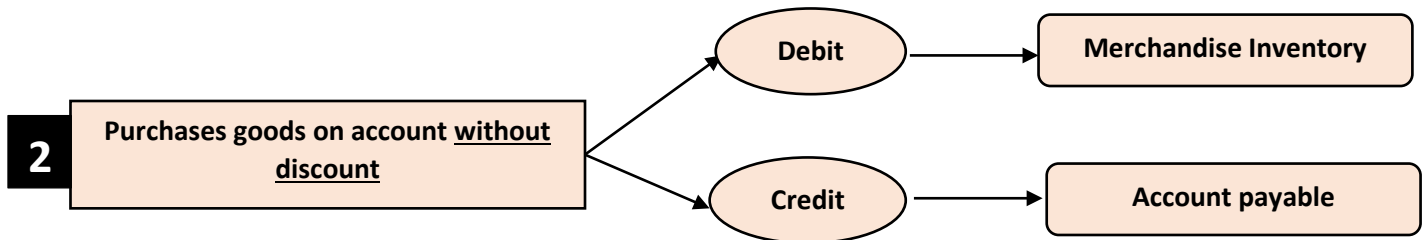
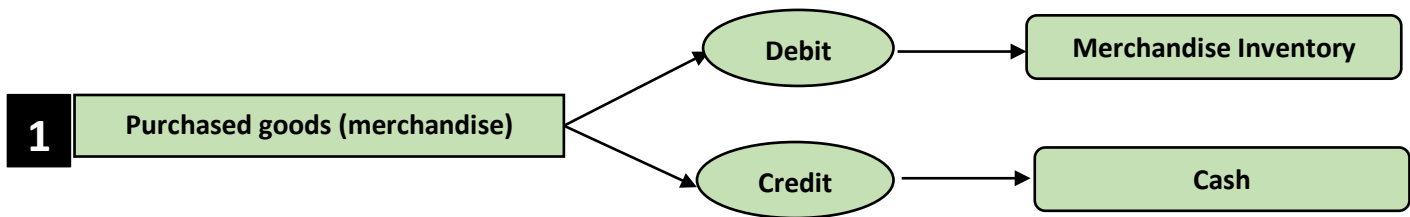
شراء البضاعة
Journal Entry of Purchased goods (merchandise)
المشتريات

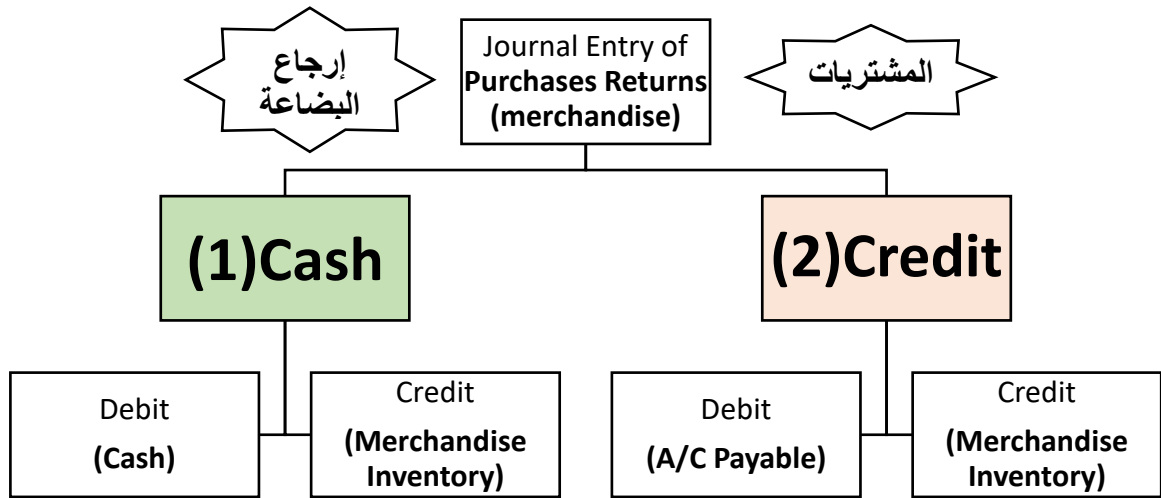
(1) Cash
(2) Credit



Date	Details	LF	Debit	Credit
	Merchandise Inventory		XXX	
	Cash			XXX

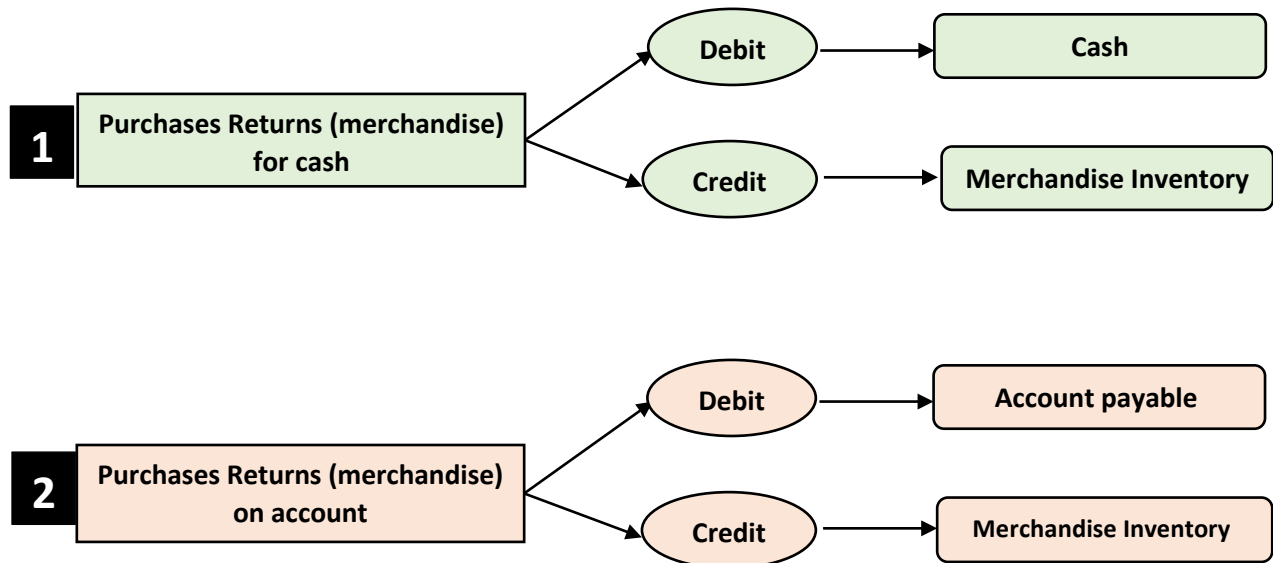
Date	Details	LF	Debit	Credit
	Merchandise Inventory		XXX	
	A/C Payable			XXX

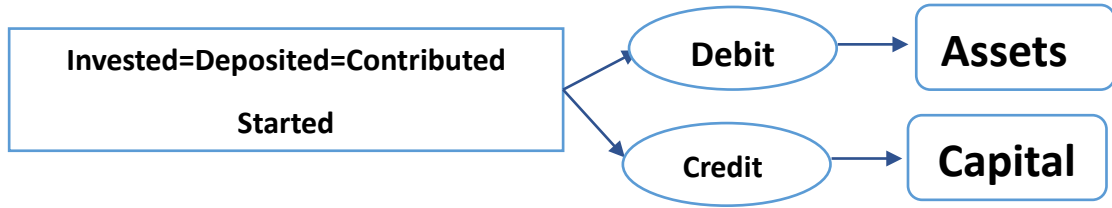




Date	Details	LF	Debit	Credit
	Cash		XXX	
	Merchandise Inventory			XXX

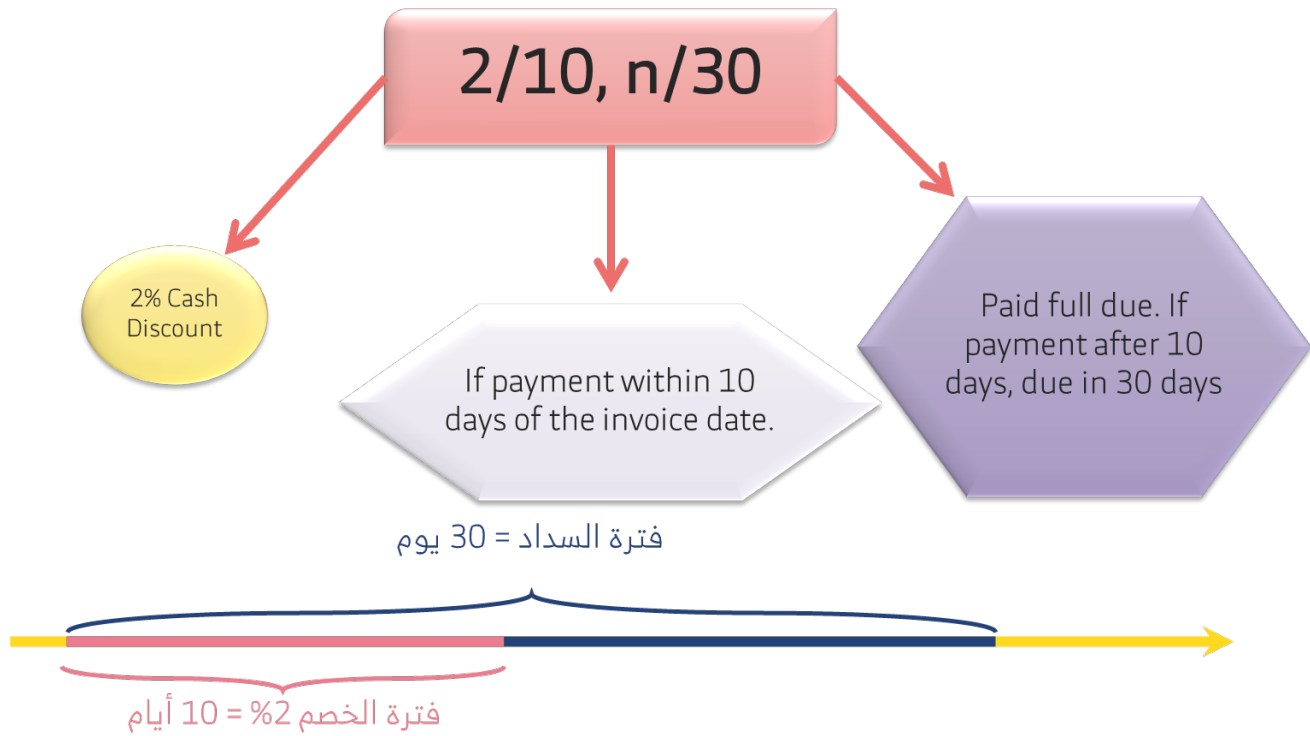
Date	Details	LF	Debit	Credit
	Account Payable		XXX	
	Merchandise Inventory			XXX





Date	Details	LF	Debit	Credit
	Assets (example: <b>cash</b> )		XXX	
	Capital			XXX

## Purchase discount

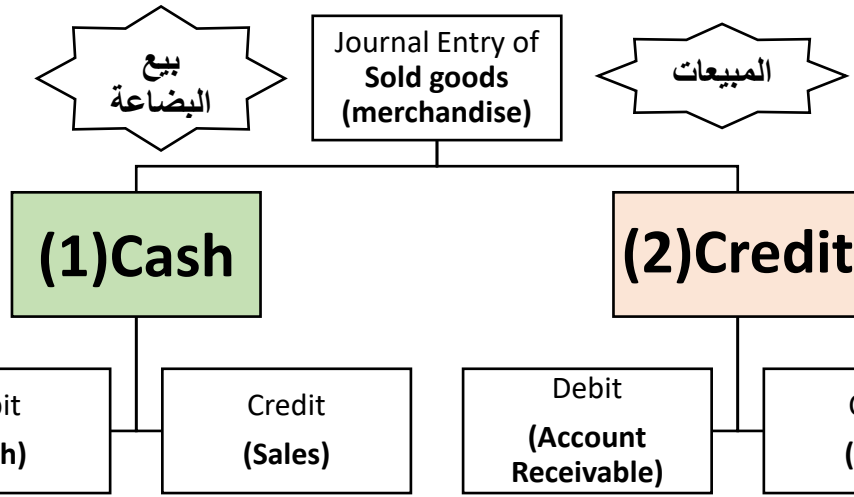


**قيود المشتريات**  
**Perpetual Inventory System**

الشرح	Date	Details	LF	Debit	Credit
Invested=Deposited= Contributed Started <b>Invested cash</b>		Assets (example: <b>cash</b> )		XXX	
		Capital			XXX
Purchased merchandise <b>cash</b>		Merchandise Inventory		XXX	
		Cash			XXX
Purchased merchandise <b>on account</b>		Merchandise Inventory		XXX	
		A/c Payable			XXX
Returned or Refund goods( <b>cash</b> )		Cash		XXX	
		Merchandise Inventory			XXX
Returned or Refund goods( <b>credit</b> )		Account Payable		XXX	
		Merchandise Inventory			XXX
Paid full Amount (without discount)		Account Payable		XXX	
		Cash			XXX
Paid full Amount ( <b>with discount</b> )		Account Payable		XXX	
		Merchandise Inventory			XXX
		Cash			XXX

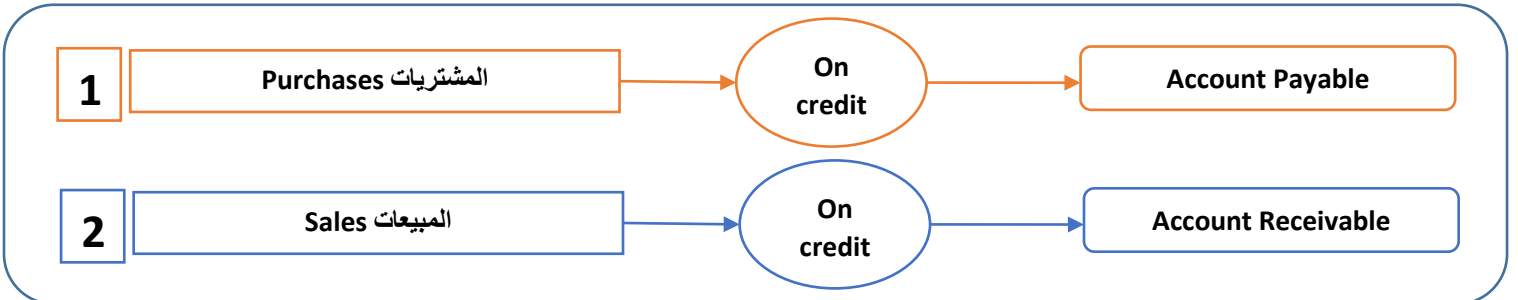


Under the perpetual inventory system, the seller makes **two** entries for each sale.



Date	Details	LF	Debit	Credit
	Cash		XXX	
	Sales			XXX
	Cost of Goods Sold		XXX	
	Merchandise Inventory			XXX

Date	Details	LF	Debit	Credit
	Cash		XXX	
	Account Receivable			XXX
	Cost of Goods Sold		XXX	
	Merchandise Inventory			XXX



Sales قيود المبيعات Perpetual Inventory System					
الشرح	Date	Details	LF	Debit	Credit
Sold goods <u>Cash</u>		Cash		XXX	
		Sales			XXX
		Cost of Goods Sold		XXX	
		Merchandise Inventory			XXX
sold goods <u>On credit</u>		<b>Account Receivable</b>		XXX	
		Sales			XXX
		Cost of Goods Sold		XXX	
		Merchandise Inventory			XXX
Retuned goods ( <u>Cash</u> )		Sales Returns and Allowance		XXX	
		Cash			XXX
		Merchandise Inventory		XXX	
		Cost of Goods Sold			XXX
Retuned goods ( <u>on credit</u> )		Sales Returns and Allowance		XXX	
		Account Receivable			XXX
		Merchandise Inventory		XXX	
		Cost of Goods Sold			XXX
Received full amount (without discount)		Cash		XXX	
		Account Receivable			XXX
Received full amount ( <u>with discount</u> )		Cash		XXX	
		Sales Discount		XXX	
		Account Receivable			XXX