Part Two Instructions

In this part of the practice set, you will be using Peachtree Complete to create a computerized Accounting system

Set-up Instructions for the Computerized Accounting System

1. Company information for Carly's Cookie Bouquet is located at
   http://business.utep.edu/ais/acct2301/
2. Log onto the CALC computer or use your own computer.
3. Insert your USB flash drive and open Internet Explorer.
4. Type in the address shown in instruction #1 and make it into a hyperlink.
5. A WinZip Window will open. Select the option "Wizard" on top and click on "next".
6. Select the option "unzip" or "install" then click "next".
7. Click on "select different folder" and browse for removable disk whichever corresponds to your USB flash drive. Highlight it and click on "OK".
8. Click "unzip now" and when it gives you the option, click on "finish". Your company information is now saved in a folder on your USB flash drive.
9. To begin the computer portion of this practice set:
   a. Go to the CALC computer and log in.
   b. Look for the desktop icon Peachtree Complete Educational Version 2011 and open it.
   c. Insert your USB flash drive.
   d. Select "open existing company" then "browse".
   e. Under "drives" find the removable disk drive that corresponds to your USB flash drive.
   f. Find Carly's Cookie Bouquet files then highlight and select "OK". This should open the company files.
   g. Read the instructions for *Using Peachtree Complete*. You are now ready to enter your journal entries into Peachtree.

Peachtree Complete

Before You Begin, A Few Things to Pay Attention to:

- *Watch the account numbers. Be sure you are debiting and crediting the correct account numbers.*
- *Pay attention to the entry dates.*

Making Entries in the General Journal:

- On the menu bar at the top of the screen, select "Tasks", "General Journal Entry".

- Enter the date. The calendar icon next to the date field may be used to select a date by clicking on the month, day, and year that you need.
- You do not need to enter a reference number.

The steps for making a general journal entry are:

1. Enter the account number(s), description, and dollar amount of the debit(s). You must use a decimal point.
2. Enter the account number(s), description, and dollar amount of the credit(s). You must use a decimal point.
3. Check to make sure the debits equal the credits.
4. Post the entry by clicking "save" on the toolbar.
5. Each line on the general journal can have one account number. The magnifying glass next to the account number field will take you to the chart of accounts.
6. ***Hint:*** Do a debit entry first then do the corresponding credit entry second. Type the name of the account you are debiting or crediting in the description field.

Adding a new account: (You do not need to add any accounts but if you want to look below)

- Click on "Maintain" found on the tool bar.
- From the pull down menu select "Chart of Accounts".
- Using the guidelines for numbering the account, create a number.
- In the next field, type in the name of the account you are creating.
- In the next field select from the pull down menu the type of account you are creating (For example, if you are creating an expense account scroll down and highlight "expenses").

Printing Reports --Financial Statements

- From the toolbar, select "Reports", then "Financial Statements".
- A list of available financial statements will appear. Click on the financial statement you want to print, and then select either "Screen" or "Print" from the toolbar.
- Selecting "Screen" allows you to preview what will be printed.
- **Fill in the following field: "Time Frame"** (the accounting period of the report).
- Click "OK"
- *Use the Predefined Income Statement and the Predefined Balance Sheet.*
- *The above instructions are fairly generic for all the financial reports and most of the other reports in Peachtree.*

General Journal

- *From "Report", select "General Journal", follow the remainder of the instructions given for the Income Statement and Balance Sheet.*

Other Potentially Useful Reports

- There are several other reports listed under the "General Ledger" that may be useful to you.
    - ***Trial Balance*** lists the current account balances.
    - ***Working Trial Balance*** lists the current account balances and leaves spaces for you to pencil in adjusting entries before you enter them into the system.
    - ***General Ledger*** shows all transactions in each account.
- The procedure for accessing each of the above reports is similar to the instructions already given for the general journal and the statements.

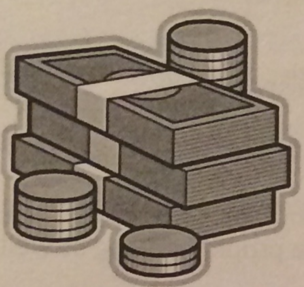
Requirements

1. **Correct Errors:** Correct any errors that you made on the journal entries. Both the debits and the credits should equal each other.
2. **Record Transactions:** Using Peachtree Complete, record the journal entries made on the manual system.
3. **Bank Reconciliation**: Using the cash balance per books (see reports and forms on the tool bar and click on Balance Sheet to determine this number) and the bank statement, prepare a bank reconciliation. This should be prepared using Excel and must contain the proper heading as well as the reconciliation information.

   Note: Look for a bank error in the bank statement.
4. **Record Bank Reconciliation Adjustments**: After you have prepared the bank reconciliation you must make any adjustments to your cash account by entering them in the general journal of Peachtree Complete so that general ledger cash agrees with the bank reconciliation.
5. **Record Adjusting Entries**: Record the following month end adjusting entries for the month of July. First write the journal entries in the practice set and then enter them into Peachtree.
   a. $150 of supplies remained on hand.
   b. $90 of shipping supplies remained on hand.
   c. $1,000 of wages for the part-time help from El Paso Temp Services for July should be accrued. Do not worry about payroll taxes; Temp Services Inc. will handle these.
   d. Make the necessary adjusting entries for one month's depreciation (the van and the cash register/computer equipment using Straight Line Depreciation).
   e. One month of the prepaid insurance has expired.
   f. Accrue one month of interest expense on the note for Wells Fargo Bank.
   g. One month of the prepaid rent has expired.
   h. $300 of prepaid advertising remains on hand

6. **Print Financial Statements:** Go to the tool bar and select "reports & forms". You should print and turn in for grading the:
   a. Journal entries (Peachtree Complete)
   b. Income statement (Peachtree Complete)
   c. Balance sheet (Peachtree Complete)
   d. Bank reconciliation (Excel)

Bank Statement



Wells Fargo Bank
Page 1
PO Box 12345
El Paso, Texas 79998-2345

Carly's Cookie Bouquet
123 Main Avenue
El Paso, Texas 79945

WELLS FARGO BANK STATEMENT

Carly's Cookie Bouquet

Balance, beginning	07/01/2014	$0
Deposits and other credits	July	$43,040
Checks and other debits	July	$24,085
Balance on statement date	07/31/2014	$18,955

Deposits Added		
7/2/2014	Deposit 1	$20,000
7/5/2014	Deposit 2	$5,000
7/20/2014	Deposit 3	$6,480
7/23/2014	Deposit 4	$4,000
7/28/2014	Deposit 5	$7,560

Wells Fargo Bank Statement – Checks Paid and other Debts				
1001	$2,400	***1007***	$400	
1002	$2,700	***1008***	$300	
1003	$16,000	***1012***	$355	
1004	$600			
1005	$500	***DM***	$30	Check Printing Fee
1006	$800			