Accounting Chapter 3

Source Documents	Description
Check	A business form ordering a bank to pay cash from a bank account. Always a Cash Credit.
Sales Invoice	An invoice recording a sale on account. Always an Accounts Receivable Debit and Sales Credit.
Receipts	A business form given written acknowledgement for cash received. Always a Cash Debit.
Memorandum	A form on which a brief message is written to describe a transaction.
Calculator Tape	Used to total the amount of cash received from sales that day. Always a Cash Debit and Sales Credit.

Steps for Journalizing Transactions

1. Write the date in the date column. The month and year only go on the first line.
2. Write the source document number in the Doc. No. column.
3. Analyze the transaction into debit and credit parts.
4. Write the account title for the debit account in the Account Title column if there is no special amount column available. Write the amount in the correct Debit column.
5. Write the account title for the credit account in the Account Title column if there is no special amount column available. Write the amount in the correct Credit column.

Debits and Credits must equal for each transaction.