

ACCOUNTING CHAPTER 6 COMPREHENSIVE PROBLEM 77

Problems. B. Problems. 1. Describe the steps in determining inventory quantities. 1, 2, 3,. 4, 5, 6. 1. 1. 1, 2. 1A. 1B. 2. Explain the accounting for inventories and.

Student loan interest deduction. Capital gain or loss. Subtract line 36 from line Unemployment compensation. Attach Form or EZ Health savings account deduction. If you did not get a W-2, see instructions. Attach Schedule F. It is a temporary account that is used to accumulate the cost of inventory purchased during the period. Moving expenses. Under a perpetual inventory system discussed below the credit for purchase discounts is made to the Inventory account. Social security benefits 20a. Assume the company uses periodic record keeping. Then, record the payment to the vendor for each purchase. A full month's fee is being charged in May. Reclassify half of the unearned revenue as earned and record the cost of goods sold. What is the journal entry needed to correct the accounting records? Under a periodic inventory system also discussed below the credit is made to a Purchase discounts account. Transaction Account Debit Credit b. The journal entry would be as follows: To record the shipping cost of inventory. Give the journal entry for each transaction described above. Attach Form 35 Add lines 23 through FIFO b. If not required, check here Other gains or losses. Assume any freight charges are paid in cash at the time of receipt. The following transactions took place in the month of May. Give the journal entry for the purchase of inventory. Inventory and Cost of Goods Sold in Merchandising Operations Adjustments and Closing under a Perpetual Inventory System When a company maintains a perpetual inventory system, the current inventory balance and cost of goods sold are maintained at all times. Attach Form Also attach Forms W-2G and R if tax was withheld. The company uses a periodic recordkeeping system. Assume Ribbon Company uses periodic record keeping for inventory.