



Business Virtual Learning

HS/Accounting 1

Topic: Posting from Cash Payments Journal

May 22, 2020



Accounting 1: Cash Payments Journal

Objectives:

1. Post cash payments to an accounts payable and general ledger.
2. Prepare a schedule of accounts payable.

Instructions:

Read the slides, answer questions on the last slide.

Topic: Posting from Cash Payments Journal

Before you post anything from the cash payments journal you need to add the columns and ensure that the debits and credits are equal. This will help you find any journalizing errors BEFORE posting occurs.

I am aware that the textbook teaches you to post individual amounts first, but totalling before posting will help you from posting incorrect amounts.

CASH PAYMENTS JOURNAL											PAGE 22
DATE	ACCOUNT TITLE	CK. NO.	POST. REF.	GENERAL		ACCOUNTS PAYABLE DEBIT	PURCHASES DISCOUNT CREDIT	CASH CREDIT			
				DEBIT	CREDIT						
28	Galle Electric	719	230	1 0 8 0 00		1 0 8 0 00	2 1 60	1 0 5 8 40			
30	Wynn Lighting	720	260			1 0 8 2 50		1 0 8 2 50			
30	Rent Expense	721	6145	7 0 0 00				7 0 0 00			
30	Totals			7 1 5 4 58	1 9 1 5 20	7 0 5 1 50	2 1 60	12 2 6 9 28			

② Date
 ③ "Totals"
 ① Single Line
 ④ Column Totals
 ⑤ Double Line

Posting from the Cash Payments Journal

Follow the normal steps of posting whether the account is in the general or accounts payable ledger:

1. Copy the date to the ledger form
2. Write the journal page number in the Post Ref. column. ***Remember because this is the cash payments journal, you will use CP before the page number***
3. Write the amount in the appropriate amount column (debit or credit).
4. Figure the new balance and put in the appropriate balance column.
 - a. If the normal balance and the posted amount are both debits or both credits, you will add them together.
 - b. If the normal balance and the posted amount are opposites, one debit and one credit, you will subtract.
5. Go back to the journal and place account number in the post ref column of the journal.

Posting from the Cash Payments Journal

After posting all amounts in the general debit, general credit and accounts payable debit columns to the account in the account title column, you will post the totals of the special columns.

There is not an account titled *general debit or general credit* so you do not post those totals. You will place a ✓ under those columns.

Next, post the total of the accounts payable debit column, purchases discount credit and cash credit to the respective accounts in the general journal. Place the account number in parentheses under the column to show where it was posted to.

Cash payment journal after all posting

CASH PAYMENTS JOURNAL

PAGE 22

DATE	ACCOUNT TITLE	CK. NO.	POST. REF.	GENERAL		ACCOUNTS PAYABLE DEBIT	PURCHASES DISCOUNT CREDIT	CASH CREDIT
				DEBIT	CREDIT			
				1	2			
30	Rent Expense	713	6145	7 0 0 00				7 0 0 00
30	Totals			7 1 5 4 58	1 9 1 5 20	7 0 5 1 50	2 1 60	12 2 6 9 28
				(✓)	(✓)	(2110)	(5120)	(1110)

Creating a Schedule of Account Payable

After posting is complete you will need to prove that your accounts payable ledger and the controlling account “Accounts Payable” in the general ledger equal. To do this, create a **Schedule of Accounts Payable** by listing all vendors and their respective balances and compare to the accounts payable balance in the general ledger.

<i>ThreeGreen Products, Inc.</i>					
<i>Schedule of Accounts Payable</i>					
<i>November 30, 20--</i>					
<i>Bearden Chemicals</i>	<i>6</i>	<i>2</i>	<i>8</i>	<i>4</i>	<i>80</i>
<i>Estes Supply</i>	<i>8</i>	<i>2</i>	<i>0</i>	<i>00</i>	
<i>Galle Electric</i>	<i>8</i>	<i>6</i>	<i>4</i>	<i>25</i>	
<i>Mobley Tools</i>	<i>4</i>	<i>1</i>	<i>8</i>	<i>2</i>	<i>15</i>
<i>S&R Imports</i>	<i>3</i>	<i>9</i>	<i>7</i>	<i>3</i>	<i>15</i>
<i>Wynn Lighting</i>	<i>3</i>	<i>4</i>	<i>8</i>	<i>0</i>	<i>32</i>
<i>Total Accounts Payable</i>	<i>19</i>	<i>6</i>	<i>0</i>	<i>4</i>	<i>67</i>



Accounting 1 - Posting from Cash Payments journal

Questions:

1. What are the steps to posting?
2. What transactions are posted first?
3. Why should you total the journal BEFORE posting?
4. What is the purpose of totaling the journal?
5. What is the purpose of the schedule of accounts payable?