Solution Manual for Computer Accounting with Peachtree by Sage Complete Accounting 2012 16th Edition by Yacht ISBN 0077634020 9780077634025

CHAPTER 2
VENDORS

Chapter 2 introduces students to the basic way that PCA works with vendor transactions. The first thing the students do is select

 from the Navigation Bar to go to the Vendors & Purchases Navigation Center. After recording a purchase order, students record a vendor invoice using the Purchases/Receive Inventory window. The Purchases/Receive Inventory window is also the Purchases Journal. The Apply to Purchases tab is the default. The lower half of the window shows fields for Quantity, Item (inventory items), Description, GL Account, Unit Price, Amount, and Job. The default for the A/P Account is 20000, Accounts Payable. The Purchases/Receive Inventory window looks like a purchase order. Similar to other PCA windows, the icon bar appears at the top of the window.

When Bellwether Garden Supply orders and receives inventory from vendors, Account No. 12000, Inventory, is debited. Accounts Payable and the vendor account are credited. Vendors offer Bellwether a purchase discount for invoices paid within the discount period. The program defaults to 2% 10, Net 30 Days for purchase discounts.

Peachtree is a double-entry accounting system. There is a selection in Options; Global that allows general ledger accounts to be hidden. This is called Accounting Behind the Screens. The PCA windows in the textbook show the general ledger accounts. To check the Accounting Behind the Screens settings, do the following:

1. From the menu bar, click Options, then Global. The Accounting tab should be selected. If necessary, click on the radio button next to Manual to select it. The Number of decimal places should be 2.

Chapter 2

Accounting	General	Peachtree Partners	Spelling

Decimal Entry   **Number of Decimal Places**

○ Automatic   Quantity fields: [2 ▼]   Unit Price fields: [2 ▼]

◉ Manual   Standard fields: [2 ▼]   What fields are standard fields?

2. The boxes in the section Hide General Ledger Accounts *must* be unchecked. (If necessary, click on the boxes to uncheck them.)

Hide General Ledger Accounts

☐ Accounts Receivable (Quotes, Sales Orders, Invoicing, Credit Memos, Receipts)
☐ Accounts Payable (Purchase Orders, Purchases, Credit Memos, Payments)
☐ Payroll Entry

3. Observe that two boxes need to be checked in the Other Options section: Warn if a record was changed but not saved and

Other Options

☑ Warn if a record was changed but not saved
☐ Hide inactive records
☑ Recalculate cash balance automatically in Receipts, Payments, and Payroll Entry
☐ Use Timeslips Accounting Link

Recalculate cash balance automatically in Receipts, Payments, and Payroll Entry. Make sure *both* of these Other Options boxes are checked.

4. Click on the General tab. Make sure the Line Item Entry Display has 2 Line selected; and that the Smart Data Entry area has three boxes checked.

Line Item Entry Display

○ 1 Line   ◉ 2 Line

Smart Data Entry

☑ Automatic field completion   ☑ Automatically create IDs on maintenance windows
☑ Drop-down list displays automatically

5. Click [OK] .

LEARNING OBJECTIVES

1. Restore data from Exercise 1-2. (This backup was made on textbook page 51.)

2.   Enter a purchase order.

3.   Apply receipt of inventory to existing purchase order.

4.   Enter and post a vendor invoice in the Purchases\Receive Inventory window.

5.   Go to the Payments window to pay a vendor.

6.   Print a check in payment of the vendor invoice.

7.   Add a Terms column to the Vendor Ledgers report.

8.   Analyze payments and vendor credit memos.

9.   Export the Vendor List and Vendor Ledgers to Excel.

10.   Save the Vendor List and Vendor Ledgers as PDF files.

11.   Make two backups, save two Excel files, and save three PDF files.[1]

PCA TIPS, CHAPTER 2

➢ If the Purchase Orders, Purchases/Receive Inventory, Payments, or Sales/Invoicing windows do not show the general ledger accounts for the accounts payable, accounts receivable, and GL account fields, your students need to check their global settings. To show general ledger accounts on the Payments window and Purchases/Receive Inventory window, see textbook pages 18–19 (Chapter 1, Setting Global Options) *and* textbook pages 62–63 (Chapter 2). The Vendor windows (Purchase Orders, Purchases/Receive Inventory, and Payments) and Customer windows (Sales Orders, Sales/Invoicing and Receipts) in *Computer Accounting with Peachtree by Sage Complete Accounting 2012, 16th Edition*, show the accounts payable, accounts receivable, and G/L account fields.

➢ Peachtree includes the special journals; for example, the Payments window is the Cash Disbursements Journal; the Purchases/Receive Inventory window is the Purchases Journal.

➢ Once global options are set for one company, they are in effect for all Peachtree companies. In Chapter 3, Customer Transactions, if the Receipts or Sales/Invoicing window does *not* show a G/L account field, students should check that the global options are set correctly.

[1]Refer to the chart on page 2 - IMK for the size of backups and saved Excel and PDF files.

> In Windows 7 and Vista, the computer owner is identified when files are backed up or saved. To see which user saved the file, right-click on the Start button, left-click Explore. Go to the location of the backup file; right-click on the filename, left-click Properties. The Security tab shows the Group or user names; the Details tab shows the Owner and Computer name. The time and date is also shown. The same steps can be used to check .ptb files (extension used for Peachtree backups); Excel files (.xlsx and .xls extensions); and Adobe files (.pdf extensions), and Word files (.docx and .doc extensions). To verify student files, you may want to look at the file properties.

LECTURE OUTLINE FOR CHAPTER 2: VENDOR TRANSACTIONS

A. Learning Objectives, page 57 (page numbers refer to the student textbook).

B. Getting Started, page 58

C. Restoring Data from Exercise 1-2, page 59

D. Accounts Payable System, pages 60-61

   1. The Purchase Order Window, page 62
   2. Changing Global Settings for Accounting Behind the Screens (and recording a purchase order), pages 62-67
   3. Printing Purchase Orders, pages 67-69
   4. Receive Inventory from a Purchase Order, pages 69-70
   5. Apply to Purchase Order, pages 70-72
   6. The Purchases\Receive Inventory Window, pages 72-73
   7. Adding a New Vendor, pages 73-76
   8. Entering a Vendor Invoice, pages 76-77
   9. Editing a Journal Entry, page 78
   10. Posting a Purchase Transaction, pages 78-79

E. Payments to Vendors, pages 79-81

F. Printing Checks, pages 81-84

G. Displaying the Vendor Ledgers, pages 84-85

H. Vendor Credit Memos, pages 85-87

I.   Backing Up Chapter 2 Data, page 88

J.   Export Two Peachtree Reports to Excel, pages 88-90

K.   Save Vendor List and Vendor Ledgers as PDF Files, page 91

L.   Summary and Review, page 92

ANSWERS TO GOING TO THE NET[2]

Access information about the Internet Corporation for Assigned Names and Numbers (ICANN) at http://www.icann.org/en/registries/about.htm.

1.   What is a TLD and gTLD?

The right-most label in a domain name (for example, www.icann.org) is referred to as its "top-level domain" (TLD). TLDs with two letters have been established for over 240 countries and external territories and are referred to as "country-code" TLDs or "ccTLDs."

TLDs with three or more characters are referred to as "generic" TLDs, or "gTLDs."

The responsibility for operating each gTLD (including maintaining a registry of the domain names within the gTLD) is delegated to a particular organization. These organizations are referred to as "registry operators" or "sponsors."

---

[2]The textbook website is www.mhhe.com/yacht2012; link to Textbook Updates. Check this link for updated Going to the Net exercises.

2. What gTLDs are operated under contract with ICANN?

   .aero, .biz, .cat, .com, .coop, .info, .jobs, .mobi, .museum, .name, .net, .org, .pro, and .travel; .gov and .edu are also available.

3. What types of gTLDs are there? Briefly explain sponsored and unsponsored gTLDs.

   Generally speaking, an unsponsored gTLD Registry operates under policies established by the global Internet community directly through the ICANN process. Unsponsored gTLDs include .biz, .com, .info, .name, .net, .org, and .pro.

   A sponsored gTLD (sometimes called an sTLD) is a specialized gTLD that has a sponsor representing a specific community that is served by the gTLD. The sponsor carries out delegated policy-formulation responsibilities over many matters concerning the gTLD. Sponsored gTLDs include .aero, .cat, .coop, .jobs, .mobi, .museum, and .travel. Entities wishing to register domain names in a sponsored gTLD are required to meet certain eligibility requirements.

ANSWERS TO MULTIPLE-CHOICE QUESTIONS, Chapter 2

1. a (The place specified for the USB drive)
2. c (Purchase discounts)
3. c (a or b)
4. b (So that others working in your company can determine a vendor code from the company name.)
5. d (To request items from a vendor)
6. d (Is case sensitive)
7. a (Maintain Vendors)
8. a (Drill down)
9. d (debit, Materials Cost; credit, Accounts Payable/Armstrong's Landscaping)
10. b (Credits & Returns; New Vendor Credit Memo)

SOLUTION TO EXERCISE 2-1 (3)[3]

[3]The number in parentheses refers to the instruction number in the textbook.

SOLUTION TO EXERCISE 2-1 (4)

SOLUTION TO EXERCISE 2-2 (1)

SOLUTION TO EXERCISE 2-2 (3)

H788	3/15/12	54.75	1.10	53.65
3/18/12	10216	Post Office Supplies	1.10	$53.65

Check Number: 10216   Mar 18, 2012

Memo:
                                        53.65

Fifty-Three and 65/100 Dollars

Post Office Supplies

SOLUTION TO EXERCISE 2-2 (4)

*****EDUCATIONAL VERSION ONLY*****   Page: 1

Bellwether Garden Supply
Vendor Ledgers
For the Period From Mar 1, 2012 to Mar 31, 2012

Filter Criteria includes: Report order is by ID.

Vendor ID / Vendor	Date	Trans No	Typ	Pai	Debit Amt	Credit Amt	Balance	Terms
ABNEY	3/1/12	B1000	PJ			75.00	75.00	2% 10, Net 30 Day
Abney and Son Contractors	3/9/12	B1015	PJ	*		195.65	270.65	
	3/12/1	VCM30001	PJ	*	195.65		75.00	
	3/15/1		CDJ		50.00	50.00	75.00	
AKERSON	3/1/12	Balance Fw					9,398.75	2% 10, Net 30 Day
Akerson Distribution	3/7/12	VCM30002	PJ	*	27.20		9,371.55	
	3/8/12	4	PJ			5,179.20	14,550.7	
	3/13/1		CDJ		1,000.00	1,000.00	14,550.7	
	3/14/1	B1016	PJ	*		27.20	14,577.9	
ARMSTRONG	3/15/1	ARM107	PJ	*		45.00	45.00	2% 10, Net 30 Day
Armstrong's Landscaping	3/17/1	10215	CDJ		0.90	0.90	45.00	
	3/17/1	10215	CDJ		45.00		0.00	
CALDWELL	3/1/12	Balance Fw					21,214.1	2% 10, Net 30 Day
Caldwell Tools Company	3/4/12	B1004	PJ			90.00	21,304.1	
	3/6/12	B1017	PJ	*		45.90	21,350.0	
	3/9/12	VCM30003	PJ	*	45.90		21,304.1	
CLINE	3/6/12	B1023	PJ			55.65	55.65	2% 10, Net 30 Day
Cline Construction, Inc.	3/15/1	B1006	PJ			400.00	455.65	
	3/15/1	10213	CDJ		100.00		355.65	
CLOONEY	3/1/12	Balance Fw					124.68	2% 10, Net 30 Day
Clooney Chemical Supply	3/2/12	B1021	PJ			23.85	148.53	
	3/12/1	116655	PJ			297.60	446.13	
	3/12/1	10201	CDJ		124.68		321.45	
CLOUDET							0.00	2% 10, Net 30 Day
Cloudet Property Managemen								
DANIEL	3/7/12	45541	PJ			75.00	75.00	2% 10, Net 30 Day
Daniel Lawn Pro, Inc.	3/12/1	10204	CDJ		335.50	335.50	75.00	
DEJULIA	3/1/12	Balance Fw					2,663.00	2% 10, Net 30 Day
DeJulia Wholesale Suppliers	3/5/12	B1020	PJ			13.50	2,676.50	
	3/7/12	SS-00001	PJ			754.95	3,431.45	
	3/10/1	22113	PJ			64.80	3,496.25	
	3/13/1	AR1303	PJ			1,192.50	4,688.75	
	3/15/1	2224	PJ			592.50	5,281.25	
GAREVENUE							0.00	Net 30 Days
Georgia Department of Reven								
GARY	3/1/12	Balance Fw					1,010.00	2% 10, Net 30 Day
Gary, Wilson, Jones, & Smith	3/5/12	B1019	PJ	*		4.50	1,014.50	
	3/7/12	VCM30004	PJ	*	4.50		1,010.00	
	3/12/1	10202	CDJ		360.00		650.00	
	3/15/1	10045	PJ			150.00	800.00	
GWINLICENSE	3/4/12	3445574	PJ	*		150.00	150.00	Net 30 Days
Gwinnett County License Boa	3/14/1	10205	CDJ		3.00	3.00	150.00	
	3/14/1	10205	CDJ		150.00		0.00	
GWINWATER	3/5/12	B1005	PJ			26.58	26.58	Net 30 Days
Gwinnett County Water	3/7/12		CDJ		73.42	73.42	26.58	
HAWKINS	3/3/12	B1003	PJ			76.50	76.50	2% 10, Net 30 Day
DPH Web Design	3/15/1	10214	CDJ		100.00	100.00	76.50	
HUBBARD	3/1/12	Balance Fw					55.60	2% 10, Net 30 Day
Hubbard Wholesale	3/9/12		CDJ		1,500.00	1,500.00	55.60	

SOLUTION TO EXERCISE 2-2 (4) (Concluded)

*****EDUCATIONAL VERSION ONLY*****

Bellwether Garden Supply
Vendor Ledgers
For the Period From Mar 1, 2012 to Mar 31, 2012

Filter Criteria includes: Report order is by ID.

Vendor ID / Vendor	Date	Trans No	Typ	Pai	Debit Amt	Credit Amt	Balance	Terms
	3/14/1	HU1025	PJ			750.00	805.60	
JACKSON	3/4/12	2456-D22	PJ			650.00	650.00	2% 10, Net 30 Day
Jackson Advertising Compan	3/14/1	10209	CDJ		500.00		150.00	
	3/15/1	10046	PJ			50.00	200.00	
JUAN	3/1/12	Balance Fw					4,259.25	2% 10, Net 30 Day
Juan Motor Tools & Tires	3/3/12	26171	PJ	*		274.56	4,533.81	
	3/14/1	10206	CDJ		274.56		4,259.25	
KIDD	3/7/12	54452	PJ			459.90	459.90	2% 10, Net 30 Day
Kidd Computers								
MILES	3/4/12	VCM30006	PJ		69.93		-69.93	2% 10, Net 30 Day
Miles Maintenance & Repair	3/7/12	B1007	PJ			65.00	-4.93	
MILLS	3/1/12	Balance Fw					550.00	2% 10, Net 30 Day
Mills Leasing Corp.	3/3/12	LS-6341	PJ	*		550.00	1,100.00	
	3/6/12	VCM30007	PJ		53.50		1,046.50	
	3/12/1	10203	CDJ		550.00		496.50	
	3/14/1	10207	CDJ		550.00		-53.50	
NATLBANK	3/8/12	B1008	PJ			18.00	18.00	2% 10, Net 30 Day
National Trust Bank								
NEIGHBORS	3/10/1	B1010	PJ			49.99	49.99	2% 10, Net 30 Day
Neighbors Telephone Compa	3/15/1	VCM30008	PJ		31.80		18.19	
PARIS	3/12/1	10211V	CDJ		450.00	450.00	0.00	2% 10, Net 30 Day
Paris Brothers Tree Surgeons	3/13/1	10211	CDJ		450.00	450.00	0.00	
PAYNE	3/9/12	10212V	CDJ		50.00	50.00	0.00	2% 10, Net 30 Day
Payne Enterprises	3/15/1	10212	CDJ		50.00	50.00	0.00	
POSTOFC	3/15/1	H788	PJ	*		54.75	54.75	2% 10, Net 30 Day
Post Office Supplies	3/18/1	10216	CDJ		1.10	1.10	54.75	
	3/18/1	10216	CDJ		54.75		0.00	
SAFESTATE	3/15/1	10210	CDJ		530.64	530.64	0.00	2% 10, Net 30 Day
Safe State Insurance Compa								
SOGARDEN	3/1/12	Balance Fw					31,079.2	2% 10, Net 30 Day
Southern Garden Wholesale	3/4/12	11544	PJ	*		255.65	31,334.9	
	3/14/1	SG-11657	PJ			50.90	31,385.8	
	3/14/1	SG-11658	PJ			239.85	31,625.6	
	3/14/1	10208	CDJ		5.11	5.11	31,625.6	
	3/14/1	10208	CDJ		255.65		31,370.0	
SOPOWER	3/11/1	B1011	PJ			226.88	226.88	2% 10, Net 30 Day
Southern Power Co.								
STANLEY	3/1/12	VCM30009	PJ		103.60		-103.60	2% 10, Net 30 Day
Stanley Shipping Express	3/12/1	B1012	PJ			19.99	-83.61	
SULLEY	3/5/12	14223	PJ			675.00	675.00	2% 10, Net 30 Day
Sulley Printing	3/9/12	B1024	PJ			17.10	692.10	
WATKINS	3/2/12	B1013	PJ			60.00	60.00	2% 10, Net 30 Day
Watkins Financial Planning	3/5/12	VCM30010	PJ		35.35		24.65	
Report Total					**8,131.74**	**18,603.12**	**80,826.0**	

EXPORT TWO PEACHTREE REPORTS TO EXCEL

Textbook pages 88-90 shows detailed steps for exporting two Peachtree reports to one Excel file. When exporting more than one report to Excel, select Add a new worksheet to an existing Microsoft Excel workbook on Peachtree's Copy Report to Excel window. Then, browse to the location of the appropriate file. The Copy Report to Excel window is shown below step 8 on textbook page 90.
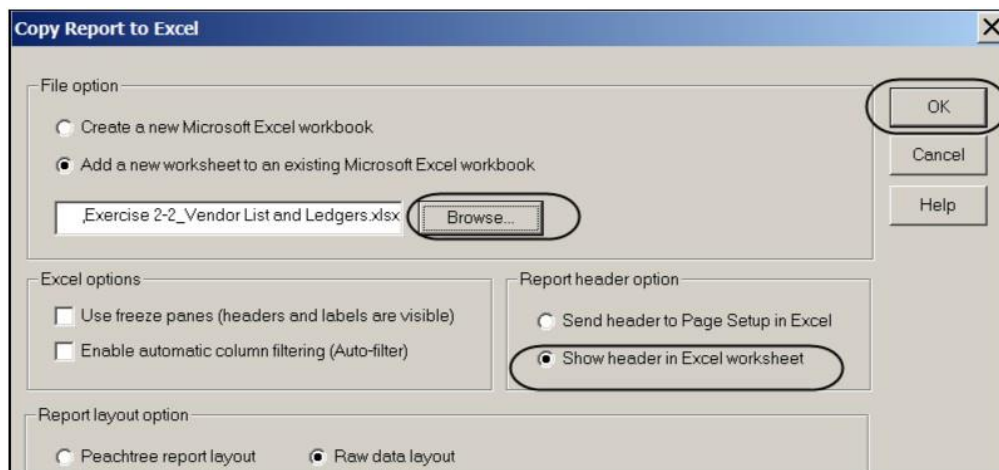
In Chapter 2, the two Peachtree reports, The Vendor List and Vendors Ledgers, are exported to one Excel file. The file name is **Exercise 2-2_Vendor List and Ledgers.xlsx**. (Excel 2003 files end in the extension, .xls.)

VENDOR LEDGERS SAVED AS A PDF FILE

In Exercise 2-2, students save the Vendor Ledgers as a PDF file.

SOLUTION FILES: .ptb, **.xlsx**, **.pdf**

The password-protected Instructor Edition website at www.mhhe.com/yacht2012 includes solutions saved in the following formats:

1. Solution files link: Peachtree backups. Chapter and exercise backups -- .ptb extensions.

2. End of Chapter Exercises link: Exercises saved as Adobe Acrobat files – .pdf extensions.
3. Excel Solutions link – Chapter and exercise files saved in Excel – .xlsx extensions.

The solution files, in .ptb, .pdf, and .xlsx formats, are also included on the Instructor's Resource CD (ISBN No. 0077410386).

The chart below shows the Chapter 2 solution files.

Chapter	Peachtree Backup (.ptb) Excel (.xlsx) and Adobe (.pdf)	Kilobytes[4]	Page Nos.
2	Chapter 2.ptb	3,435 KB	88
	Chapter 2_Vendor List and Ledgers.xlsx	21 KB	88-90
	Chapter 2_Vendor List.pdf	8 KB	91
	Chapter 2_Vendor Ledgers.pdf	14 KB	91
	Exercise 2-2.ptb	3,460 KB	97
	Exercise 2-2_Vendor List and Ledgers.xlsx	21 KB	97
	Exercise 2-2_Vendor Ledgers.pdf	47 KB	97

ONLINE LEARNING CENTER: QA Templates and Assessment Rubric

For the end-of-chapter questions, students can go online to www.mhhe.com/yacht2012; Student Edition, then select Chapter 2. The QA Templates link includes the end-of-chapter Multiple Choice questions and the Analysis Question.

The Instructor Edition site includes a link to QA Templates Answers. To obtain a username and password for the Instructor Edition, contact your McGraw-Hill sales representative. To find your sales representative, go online to http://catalogs.mhhe.com/mhhe/findRep.do. The Instructor Edition also includes a link to Assessment Rubric Answers.

There is also a link to the chapter's assessment rubric at www.mhhe.com/yacht2012. Link to the Student Edition, select Chapter 2, then Assessment Rubric. The Instructor Edition includes the Assessment Rubric Answers.

[4]Backup sizes may differ.

ANSWER TO THE ASSESSMENT RUBRIC

Date	Transaction	Navigation Center/Module	Task window	Journal Dr./Cr.
3/15/12	Invoice No. H788 was received from Post Office Supplies for the purchase of five boxes of letter-size file folders, $10.95 each.	Vendors & Purchases; Enter Bill, New Bill Accounts Payable	Purchases/Receive Inventory	Purchases Journal Dr. 71000, Office Expense, $54.75 Cr. A/P, Post Office Supplies, $54.75
3/18/12	Pay Post Office Supplies for Invoice H788, $53.65	Vendors & Purchases; Pay Bills, Pay Bill Accounts Payable	Payments	Cash Disbursements Journal Dr. 20000, A/P, Post Office Supplies, $54.75 Cr. 89500 Discounts Taken, $1.10 Cr. 10200, Regular Checking Account, $53.65

ANSWER TO THE ANALYSIS QUESTION

With the Vendors & Payables Navigation Center serving as the starting point to perform tasks related to Accounts Payable, list five Vendors & Purchases Tasks.

Briefly describe the Vendor Management tab.

ANSWER:

The Vendors & Purchases Navigation Center displays information and access points related to the company's vendors and purchases.

1) The Vendors & Purchases Tasks provides a graphic representation of the flow of vendor-related tasks, as well as access to those tasks. It also provides access to windows where you enter/maintain vendor information.

   The Vendors & Purchases workflow diagram is shown below.
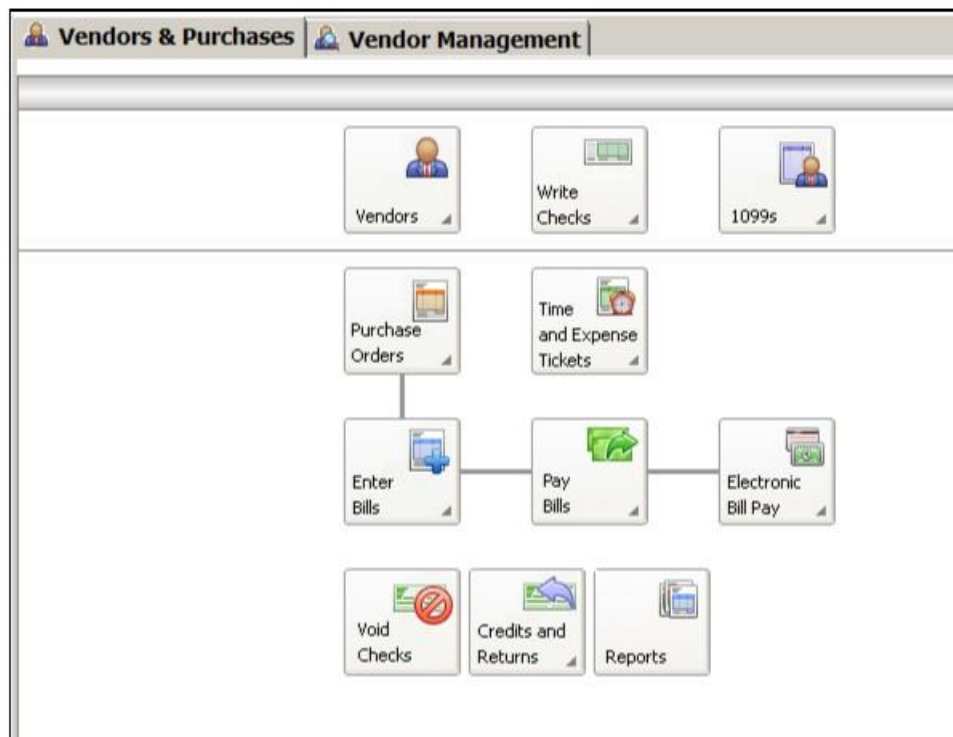
2) A summary of vendor information; for example, link to View Detailed List.
3) Access to vendor reports. For example, a link to View All Vendor & Purchases Reports.
4) An overview of the company's aged payables. You can also link or drill down to various areas.
5) Peachtree solutions include drill down to Checks & Forms and Online Bill Pay.

On the Vendor Management tab, you can see lists of information regarding transactions and history for a particular vendor, including

purchase orders, purchases, and payments. This is where you want to go to see information about a particular vendor.