

Unit 19 - A Multi-column Journal System

A columnar journal is a journal that has special columns for accounts that are used often in recording transactions.

Look at page 458. Look at the journal entries.

How many times is CASH, SALES, PURCHASES and ACCOUNTS RECEIVABLE used?

CHAPTER 17 THE COLUMNAR JOURNAL SYSTEM PAGE 17

GENERAL JOURNAL	P.R.	DEBIT	CREDIT
Cash		520.00	
Sales			520.00
Cash sales tickets 781-799.			
Accounts Receivable/E. Marano		239.60	
Sales			239.60
Invoice B-601, n/30.			
Cash		603.70	
Sales			603.70
Cash sales tickets 800-819.			
Purchases		1 900.00	
Accounts Payable/Arme Ltd.			1 900.00
Invoice K-206, merchandise, n/30.			
Accounts Receivable/A. Komar		416.00	
Sales			416.00
Invoice B-602, n/30.			
Purchases		841.00	
Cash			841.00
Cheque 16239, merchandise.			
Cash		1 250.00	
Sales			1 250.00
Cash sales tickets 820-839.			

Two-column General Journal

are used. The columnar journal is also known as a combination or a synoptic journal.

The same seven transactions are shown on page 459 using a columnar journal

DATE	ACCOUNT OR EXPLANATION	REF. NO.	CASH			P.R.	OTHER ACCOUNTS		ACCOUNTS RECEIVABLE		SALES CREDIT	GST REFUND. DEBIT	GST PAYABLE CREDIT	PST PAYABLE CREDIT	PURCHASES DEBIT	ACCOUNTS PAYABLE	
			DEBIT	CREDIT			DEBIT	CREDIT	DEBIT	CREDIT						DEBIT	CREDIT
19--																	
Nov. 1	Tickets	781-795	520.00								520.00						
1	E. Marino, n/30	B-601						239.60			239.60						
4	Tickets	800-819	603.70								603.70						
4	Acme Ltd., n/30	K-206												1 900.00		1 900.00	
5	A. Komar, n/30	B-602						416.00			416.00						
5	Cheque	16 239		841.00											841.00		
8	Tickets	820-839	1 250.00								1 250.00						

FIGURE 9-2 Columnar journal

COLUMNAR JOURNAL																	PAGE 13
DATE	ACCOUNT OR EXPLANATION	REF. NO.	CASH			P.R.	OTHER ACCOUNTS		ACCOUNTS RECEIVABLE		SALES CREDIT	GST REFUND. DEBIT	GST PAYABLE CREDIT	PST PAYABLE CREDIT	PURCHASES DEBIT	ACCOUNTS PAYABLE	
			DEBIT	CREDIT			DEBIT	CREDIT	DEBIT	CREDIT						DEBIT	CREDIT
19--																	
Feb. 1	Cash sale	193	345.00							300.00		21.00	24.00				
3	A. Walker, n/30	175						230.00		200.00		14.00	16.00				
6	D. Dodd, n/30	176	100.00					360.00		400.00		28.00	32.00				
9	Office Supplies	135					150.00										
	Office Equipment	135		856.00			650.00				56.00						
13	National Wholesale	B-117									28.00			400.00		428.00	
16	Rent Expense	171		642.00			600.00				42.00						
18	Telephone Expense	172		101.65			95.00				6.65						
20	A. Walker		216.00						216.00								
24	Butler Mfg.	173		749.00							49.00			700.00			
28	G. LePense, Drawings	174		100.00			100.00										

FIGURE 9-3 Transactions recorded in a columnar journal

The columnar journal is designed so that there are special columns for accounts used often by a business.

If a transaction involves an account for which a special column is not provided, the Other Accounts columns are used.

The number of columns used is limited by the page size but a business can have 13 or 14 columns.

Another feature is a reference number column. It is located next to the explanation section. It is used to record the source document numbers such as cheque numbers and invoice numbers.

Recording transactions in a Columnar Journal

Most transactions require only one line when recorded in a columnar journal.

pg. 460 has the transactions that have been placed on the columnar journal

Let's look at them

Special sections of the Columnar Journal- Summary

Account or Explanation Column

When a transactions causes a change with a customer or a credit account, the name of the customer or creditor is shown in the account or explanation column.

The Other Accounts columns are used to record transactions involving accounts for which special columns have not been provided in the columnar journal.

The account title is written in the account or explanation column so that the entry may be posted to that account in the General Ledger.

Reference Number Column

A number column is located next to the account or explanation column. This column is used to record, for referencing purposes, the number of the source document from which the transaction was recorded.

Balancing the Columnar Journal

The debit totals should equal the credit totals on each page of the columnar journal

Balancing or cross-balancing, a columnar journal page determines if the debit totals equal the credit totals

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COLUMNAR JOURNAL														PAGE 13			
DATE	ACCOUNT OR EXPLANATION	REF. NO.	CASH		P.R.	OTHER ACCOUNTS		ACCOUNTS RECEIVABLE		SALES	GST REFUND	GST PAYABLE	PST PAYABLE	PURCHASES	ACCOUNTS PAYABLE		
			DEBIT	CREDIT		DEBIT	CREDIT	DEBIT	CREDIT						DEBIT	CREDIT	
9-1	Cash sale	193	345.00							300.00		21.00	24.00				
3	A. Walker, n/30	179					230.00		200.00			18.00	18.00				
6	D. Dodd, n/30	176	100.00				160.00		400.00			28.00	32.00				
9	Office Supplies	133				150.00											
	Office Equipment	135		856.00		650.00				56.00							
13	National Wholesale	B-117								28.00				400.00		428.00	
16	Rent Expense	171		642.00		600.00				42.00							
18	Telephone Expense	172		101.65		95.00				6.65							
20	A. Walker		216.00					216.00									
24	Butler Mfg.	173		749.00						69.00				701.00			
28	G. LePensée, Drawings	174		300.00		150.00											
	Debits = \$4 127.65		661.00	3 448.65		1 525.00		220.00	216.00	900.00	181.65	61.00	72.00	1 100.00		428.00	
	Credits = \$4 127.65																

FIGURE 9-4 Balancing the columnar journal

Locating Errors in the Columnar Journal

If journal totals do not balance, a recording error may have been made.

- Start on the first line and check to see if there are equal debits and credits for each line
- Recheck all addition
- Follow the locating errors steps from chapter four

transposition

Add/subtracting

place in wrong column (debit/credit)

Forwarding Page Totals

Forwarding Page Totals

When a page of a journal is filled, it should be balanced and the totals carried forward to the next page.

Totals on each page are carried forward until the end of the month.

first line. The word *Forwarded* is written on the first line in the account or explanation column and the totals are written in the money columns. For example, if column totals were being forwarded on February 14, the first line on the new journal page would appear as follows:

COLUMNAR JOURNAL							
DATE	ACCOUNT OR EXPLANATION	REF. NO.	CASH		P.R.	OTHER ACCOUNTS	
			DEBIT	CREDIT		DEBIT	CREDIT
19--							
Feb. 14	Forwarded		661.00	2 448.65	✓	1 595.00	

Totals are carried forward in this manner until the end of the month. At that time, the journal is balanced and the totals for the entire month are posted to the General Ledger.