

PART 2
PEACHTREE COMPLETE ACCOUNTING 2005
FOR SERVICE BUSINESSES

In Part 2 of *Computer Accounting with Peachtree 2005, Ninth Edition*, each student is the owner of an accounting practice. Their accounting business does the monthly record keeping for several service businesses.

In Part 2 your students record entries in the Cash Disbursements Journal, Cash Receipts Journal, and General Journal. Transactions are completed for the fourth quarter—October, November, and December 2005. Your students also reconcile the bank statement, complete end-of-quarter adjusting entries, print financial statements, and close the fiscal year.

After your students record the journal entries, the next step is to post them to the General Ledger. One of the best features of a computerized accounting system is how quickly posting is done. Once journal entries are recorded and checked for accuracy, posting is a click of the mouse. All entries are posted to the correct accounts in the ledger and account balances are calculated. Fast, easy, and accurate. The accuracy of your students' records will depend on the accuracy of their journal entries. An added feature in PCA is that once entries are posted, account reconciliation can also be completed.

Part 2 includes two chapters and two projects: Chapters 9 and 10 and Projects 1 and 1A. In Chapters 9 and 10, your students maintain the accounting records for Jessica Wood Graphics. They complete accounting tasks for the months of October, November, and December 2005, complete end-of-quarter adjusting entries, and close the fiscal year. At the end of Chapter 9, your students start an exercise for a new service business (Student Name, Designer) that is completed in Chapter 10.

In Project 1, your students complete the Computer Accounting Cycle for Sharon Watson, MD. This project gives them an opportunity to apply what they have learned in Chapters 9 and 10.

Project 1A involves designing a service business from scratch. Students are instructed to select one of the sample Charts of Accounts and modify it to suit their needs. They also create source documents or write journal transactions. It is the purpose of Project 1A to give students an opportunity to create a business of their own and complete computer accounting

activities for one month. This project also gives your students an opportunity to review the software features they have learned to use in Part 2 of the book.

In order to grade Project 1A you may want to collect the following printouts:

1. Chart of Accounts
2. Account Reconciliation
3. General Ledger Trial Balance (unadjusted)
4. Cash Receipts Journal
5. Cash Disbursements Journal
6. General Journal
7. General Ledger Trial Balance (adjusted)
8. Balance Sheet
9. Income Statement
10. Statement of Retained Earnings
11. Statement of Cash Flow
12. Statement of Changes in Financial Position
13. Post-closing Trial Balance

The student-designed business gives your students opportunities to problem solve. A look at an income statement could lead into a discussion about profit or loss. Did their service business generate enough revenue to cover expenses? Did they have enough cash flow? What was the difference between the beginning cash balance and the ending cash balance?

The chart on the next page shows the size of the backups made in Part 2—Chapters 9, 10, and Project 1. The textbook steps show your students how to back up to Peachtree's default hard drive location at C:\Program Files\ Peachtree\company\[shortened company name]. *Your students can also specify a hard drive location; or, back up to external media, such as, a floppy disk (a blank, formatted disk holds 1,440,000 kilobytes); CD-R; DVD-R; USB drive; or Zip disk.*

Chapter	Backup Name	Kilobytes	Page Nos.
9	Chapter 9 Begin	217 KB	263-265
	<i>Chapter 9 Check Register October¹</i>	227 KB	276
	Chapter 9 October	232 KB	289
	Exercise 9-1	216 KB	296
	Exercise 9-2	227 KB	299
10	Chapter 10 November	235 KB	312-313
	Chapter 10 December UTB	243 KB	319-320
	Chapter 10 December	248 KB	329-330
	Chapter 10 EOY	245 KB	336-337
	Asset depreciation.xls ²	23 KB	338
	Exercise 10-1	235 KB	344
	Exercise 10-2 Unadjusted Trial Balance	238 KB	346
	Exercise 10-2 Financial Statements	240 KB	346
	Exercise 10-2 End of Year	238 KB	346
Project 1	Sharon Watson Begin	216 KB	352
	Sharon Watson UTB	232 KB	354
	Sharon Watson December	233 KB	355
	Sharon Watson EOY	233 KB	355

The size of your students' backup files may differ from the amounts shown on the table. This is okay. The differences are usually insignificant.

Part 2 shows your students how to computerize accounting records for three service businesses: 1) Jessica Wood Graphics; 2) Student Name, Designer; 3) Project 1, Sharon Watson, MD.

In Part 3, Peachtree Accounting for Merchandising Businesses, your students learn how special journals and subsidiary ledgers are used for larger retail businesses.

¹This is an optional back up.

²This is a Going to the Net exercise.