

# [Computerized accounting](https://assignbuster.com/computerized-accounting/)

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﻿Discussion Questions   
Computerized Accounting   
Special Journals serve the purpose of facilitating the procedure involved in posting the financial and accounting transaction for business records and further financial processes. For example special journals are created for recording sales and purchases of merchandizing products. Special Journals take the form of electronic forms, which are intended to save the time and efforts of making journal entries and general ledgers. The computerized accounting systems have fastened the process of preparing journal ledger entries automatically in a real time work environment.   
The purpose of special journals is to record transactions received in form of electronic forms such as payroll, sales, expenses, cash received, and cash payments. The special journals are comprised of separate accounts, which are aimed at recording relevant information and posts pertaining to that account only. The system calculates the sum of each account in special journals and posts it in the general ledger tab of the software for a given period of time. Subsequently, the system takes data from these general ledger entries and creates the financial statements such as balance sheet, income statement and cash flow statement. Similarly, the payroll journals are comprised of all the relevant information and data pertaining to the salaries, wages and compensation paid to employees. It may also contain the information related to taxes, which are required to be paid to government. These transactions are entered periodically in the system.   
The sales journal of a special journal is designed to record all the sales transactions. There can be more than one or numerous journals in special journal for sales transactions as it is dependent on the number of goods and services sold by the business. The accounts receivables are entered in the journal named as cash receipt in the special journal, which represents the money not received from the customers. The cash disbursement journal is used to record the cash utilized by the company for purchase of inputs (wisegeek, n. d.).   
Merchandizing Operations   
The merchandizing operations are comprised of buying and selling of goods to consumers. Furthermore, it also requires to make certain expenses to obtain inputs and resources for making these goods and spend on the marketing and distribution of these services and goods. On the other hand service operations are more related to over see the daily routine activities of a business that is aimed at delivering quality products and services to consumer therefore, it involves having a broader perspective then merchandizing operations, where as, the merchandizing operation deals with selling the final product to the customers, buying necessary inventories in this regard, and collecting cash from customers.   
The Income Statement of Merchandizing Company differs due to the cost of goods sold component where as sales, and operation expenses remain same. A merchandizer is actually involved in buying products to sell from various companies so the merchandizer do not need to possess labor related expenses or raw material. The Cost of Goods sold is comprised of beginning inventory, which is the inventory already available in stock to the merchandizer, purchases, which is the inventory bought in the current period, ending inventory, which is the inventory not yet bought by the customers. Therefore, when we deduct goods available for sale from ending inventory then we reach to Cost of Goods sold. Where as, goods available for sale are the sum of beginning inventory and purchases (Loughran, M., n. d.).   
References   
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