

Accounting Mini-Simulation Pamela's Pies – BUNDLE ALL FOUR PARTS

**A Year Long Digital
Accounting
Mini-Simulation**

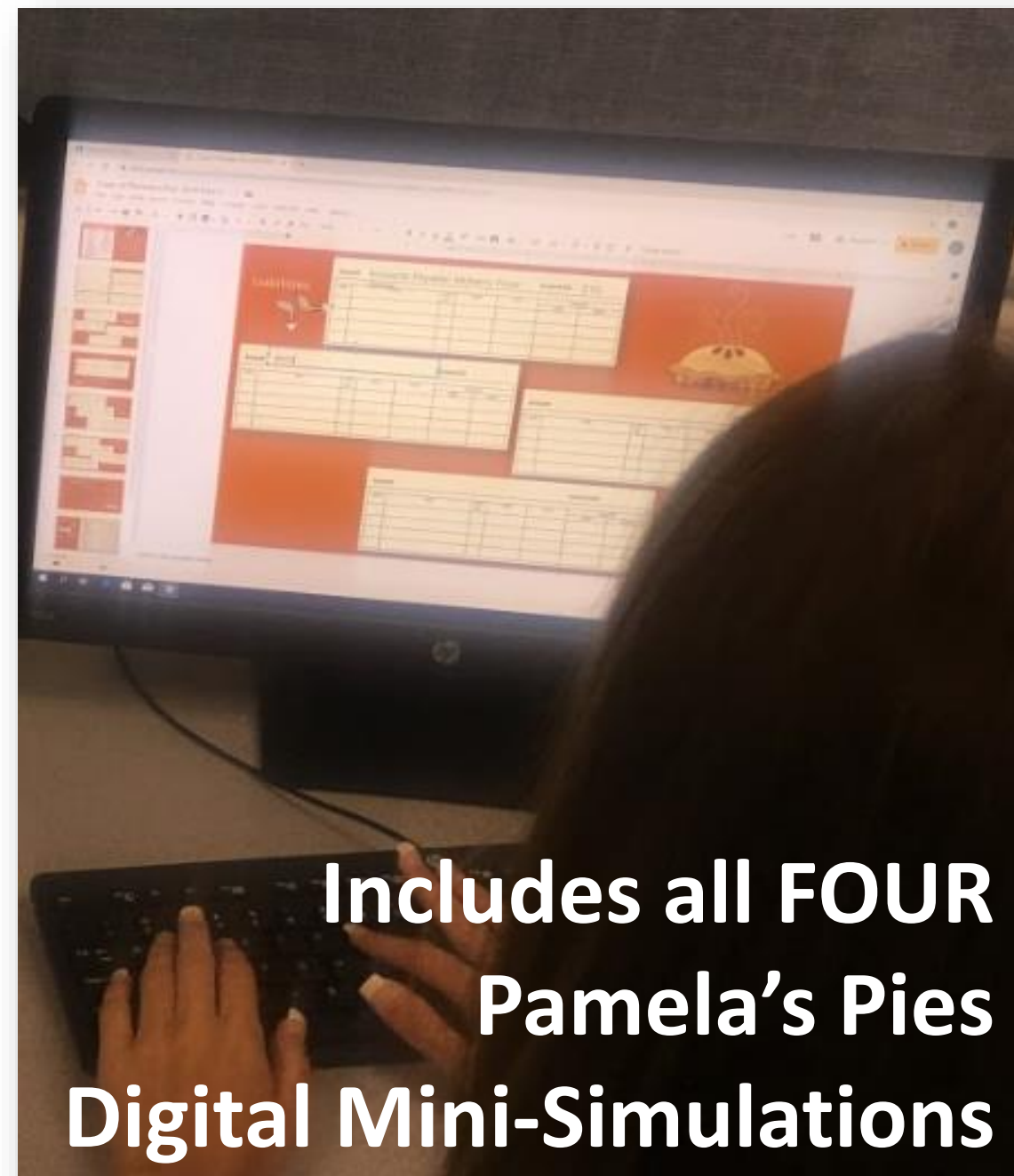
**A FUN break from the
textbook**

**A GREAT review for
Extra Practice**

**Can be used as a
Summative
Assessment**

NO PREP!

BUSINESS EDUCATION WITH *Denise Leigh*



**Includes all FOUR
Pamela's Pies
Digital Mini-Simulations**

Includes General Journal Approach & Multi-Column

her brother's footsteps and start her own seasonal business of baking pies for the holiday season. She feels that November is the perfect time to start! She doesn't have the accounting and bookkeeping skills that her brother has, but Lamar pledges to help her along the way. She and Lamar have been baking with their grandmother their whole lives. Pamela has taken her grandmother's recipe and created an even better pie! With hard work and many failed attempts, she also created the BEST apple pies too (after adding a secret ingredient!) She's coming up with 4 other fabulous pie recipes! She feels that after she comes up with a business plan, she'll have the \$6,000 that her grandmother left her, after her passing, to make this dream!

Click on **Seasonal Businesses** are a great way to see if you have what it takes to be an entrepreneur and run your own business.

After reading about Pamela, what are some entrepreneurial qualities that you feel describe her?

Wow! What a great opening day! Pamela SOLD OUT of pies! I guess the many signs posted all over town helped! Now she is baking more for tomorrow. She has to get all of the pies for Creek's Cafe baked

Michael Davis
Pamela Smith
Total Cash Sales: \$208.00

November 10, 2019
November 12, 2019
November 14, 2019
November 16, 2019
November 18, 2019
November 20, 2019
November 22, 2019
November 24, 2019
November 26, 2019
November 28, 2019
November 30, 2019

Account Title
Date
Description
Debit
Credit

General Journal

Account No.
Account Name
Address
City, State, Zip
Phone No.

November 10, 2019
November 12, 2019
November 14, 2019
November 16, 2019
November 18, 2019
November 20, 2019
November 22, 2019
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Journal Entries & Posting Parts 1 and 2

This simulation is a **Part I** Understanding... Setting... Create... Analyze transactions... Create transactions from source documents... Prove Cash

Accounting Tip: Pamela only sells pies... if she had a retail shop in her pie shop and sold additional merchandise, she may want to have a separate sales account for that aspect of her business.

Now that Pamela's Pie Shop is a larger page open for all accounts of accounts, listed. Pamela's Pie Shop often to keep Pamela's business running smoothly! Use the transactions on the next page to the ledger accounts that you opened.

Accounting Tip: Expenses are necessary in all businesses. They are known as "necessary evils". The key to managing a good business is to keep your expenses down and paid to time.

Liabilities

Account	Account No.	Date	Debit	Credit

Revenue

Account	Account No.	Date	Debit	Credit

Expenses Page 1

Account	Account No.	Date	Debit	Credit

Accounting Tip: When posting these transactions to the general ledger pages, be sure to remember to Post Reference on the General Journal page! This is the only way to keep track of a journal, or to what accounts have been posted.

Account	Account No.	Balance
1 Cash	110	6,000.00
2 Owners Smith, Capital	210	4,500.00
3 Rent Expense	510	1,000.00
4 Cash	110	1,000.00
5 Equipment	120	2,000.00
6 Supplies	130	3,000.00
7 Accounts Payable, System Co.	220	280.00
8 Prepaid Insurance	140	800.00
9 Communications Expense	610	100.00
10 Cash	110	100.00
11 Supplies	130	250.00
12 Accounts Payable, Mulberry Food Service	230	250.00
13 Cash	110	828.00
14 Sales	410	428.00
15 Advertising Expense	620	42.00
16 Cash	110	250.00
17 Accounts Receivable, Creek's Cafe	310	250.00
18 Cash	110	720.00
19 Sales	410	720.00
20 Accounts Payable, System Co.	210	280.00
21 Cash	110	280.00

Prove Cash

Since Pamela is keeping a running balance in her cash ledger AND she is allocating every sales deposit and withdrawal in her business checkbook, her cash amount in her checkbook should be the same as the balance for her cash ledger.

Her cash amount in her checkbook is **\$2,496.00**. Check your ledger balance for cash and see if that number matches Pamela's checking account balance.

As Pamela's business grows, it is obvious that she has a decision to make regarding delivery service for pies to be delivered daily to Creek's Cafe. She doesn't want to spend the money on a delivery van just yet as she only has one place in which to deliver. She decides to use a local delivery service to deliver that daily order. Since this is a recurring expense, she is adding it to her Chart of Accounts.

Open an account on the ledger below for this new expense. Refer to the Pamela's Pie Shop Chart of Accounts to assign a number.

Account	Account No.	Date	Debit	Credit

AN EASY TO NAVIGATE DIGITAL ACTIVITY

Includes General Journal Approach & Multi-Column

Cash Control Systems Part 3

Students learn to:

- ✓ Complete Check Stubs
- ✓ Write Checks
- ✓ Establish Petty Cash
- ✓ Replenish Petty Cash
- ✓ Endorse Checks
- ✓ Record Deposits and Charges

NO PREP!

Imagine that Pamela hired YOU as an accounting clerk. She asked that you write the following checks...

**She owes Michael Davis \$1,000 for the December rent.

**Pamela owes \$750.00 for the rent for her apartment. She needs to withdraw the money from the business in order to pay that personal expense. She would like all of them to be paid and dated today, December 1st.



NO. 108
Date: _____
To: _____
For: _____
Balance Brought Forward _____
Amount Deposited _____
Subtotal _____
Other _____
Subtotal _____
Amount This Check _____
Balance Carried Forward _____

Pamela's Pies
3333 2014 Blvd
Morgantown, PA 15204

NO. 108
Date: _____ 20____
PAY TO THE ORDER OF _____ \$ _____

Now that you completed the check stubs and wrote the checks, journalize those transactions on page 4 of the General Journal.

General Journal						Page 4
Date	Account Title	Doc No.	Post. Ref.	Debit	Credit	

Pamela is so happy that she started a petty cash fund as the following needs came to surface during the month. Record the transaction (on the next page) to replenish the petty cash fund to replace what was used below to bring her petty cash balance back to \$150.00.

Petty Cash Slip
\$ 35.00
For Business advertising local high school
Signed Pamela Smith

Petty Cash Slip
\$ 25.00
For Paper for the office
Signed Pamela Smith

Journalize the entry below for Pamela to establish a \$150.00 petty cash fund. Use Nov. 1st as the journal entry date. Write Check #110 (on the next slide) to establish this petty cash fund.

General Journal					
Date	Account Title	Doc No.	Post. Ref.	Debit	Credit

NO. 111
Date: _____
To: _____
For: _____
Balance Brought Forward _____
Amount Deposited _____
Subtotal _____
Other _____
Subtotal _____
Amount This Check _____
Balance Carried Forward _____

KEYSTONE FEDERAL BANK
Morgantown, PA

NO. 111
Date: _____ 20____
PAY TO THE ORDER OF _____ \$ _____


FOR 092005528 70569263862 10111

Write the check above to replenish petty cash funds. Be sure to bring your check stub balance forward from check stub #110.

Record the petty cash transactions to replace the funds used in Pamela's petty cash fund. Write check #111 (on the next page) so that funds can be replenished...

When Pamela opened this business checking account, the bank required her to endorse the back of checks (written to her business and to be deposited to her account). Using a restrictive endorsement, endorse the back of this check assuming that you are an authorized person to endorse checks for the business account.

ENDORSE CHECK HERE
X
DO NOT WRITE OR STAMP BELOW THIS LINE



This is as Real World as it gets!

EMPLOYEE'S NAME	EMPLOYEE'S SOCIAL SECURITY NUMBER	EMPLOYEE'S STATE TAX NUMBER	EMPLOYEE'S MARITAL STATUS	EMPLOYEE'S DEPENDENTS	EMPLOYEE'S STATE OF RESIDENCE	EMPLOYEE'S TAX RATE	EMPLOYEE'S TAX RATE	EMPLOYEE'S TAX RATE	EMPLOYEE'S TAX RATE	EMPLOYEE'S TAX RATE
Totals										

Students act as payroll clerk and tally timecards...

DATE	TIME IN	TIME OUT	TOTAL HOURS
Mon 1	8:00-4:30	8:00-4:30	8
Tue 2	9:00-4:30	9:00-4:30	7.5
Wed 3	9:00-4:30	9:00-4:30	7.5
Thu 4	9:00-4:30	9:00-4:30	7.5
Fri 5	8:00-4:30	8:00-4:30	7.5
Sat 6	9:00-4:30	9:00-4:30	7.5
Sun 7	9:00-4:30	9:00-4:30	7.5
Week 1 Total Hours			52.5

Students complete a payroll register

Instructions for each employee according to the following:

- State in which Pamela does business. Some states do not have a state income tax.
- Social Security Tax Rate 6.2% of gross pay
- Medicare Tax Rate 1.45% of gross pay
- Health Insurance- No employees get deductions at this time
- Retirement- No employees have retirement deducted at this time

Employee Name	Marital Status	Number of Dependents	Hourly Rate
Natalie Hamilton	Single	1	14.20
Mallory Gibson	Married	3	14.50
Trey Walker	Married	2	14.35
(You)	Single	1	14.50

Pamela has an agreement with her employees. They are not to clock in later than 8 minutes past the hour that they are scheduled to start working. They are also not permitted to work 8 minutes past the time of their scheduled time to stop working. To the right is an example of a completed and totaled time sheet. Tally the next 4 time sheets so that you can process the payroll.

Payroll Accounting

Journalize the following:

DATE	ACCOUNT TITLE	DEBIT	CREDIT

Students process a transfer check

EMPLOYEE	DEDUCTION TYPE	HOURS	RATE	GROSS PAY	DEDUCTIONS	CURRENT	YTD
	Earnings						
	Federal Income Tax						
	State Income Tax						
	Social Security Tax						
	Medicare Tax						
	Total Deductions						
	Net Pay						

Students process payroll checks to employees.

Pamela's Pie Payroll Account
 KeyWynne Federal Bank
 Wagon, PA
 092005528 70569263862 132
 \$ 20.00
 Net Pay

Student journalize a payroll transaction.

Now that the payroll register is complete, payroll amount (total net pay). Write a check from the general account to the payroll account. Write the check to "Payroll Account" for the total net pay.

Pamela's Pie Payroll Account
 KeyWynne Federal Bank
 Wagon, PA
 092005528 70569263862 586
 \$ 586.00
 Net Pay

EMPLOYEE	DEDUCTION TYPE	HOURS	RATE	GROSS PAY	DEDUCTIONS	CURRENT	YTD
	Earnings						
	Federal Income Tax						
	State Income Tax						
	Social Security Tax						
	Medicare Tax						
	Total Deductions						
	Net Pay						

Wage Bracket Percentage Method Tables for Computing Income Tax Withholding From Gross Wages (For Wages Paid in 2015)

Weekly Payroll Period	Single Persons			Married Persons		
	A	B	C	A	B	C
0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Fed. tax charts included!

EMPLOYEE	DEDUCTION TYPE	HOURS	RATE	GROSS PAY	DEDUCTIONS	CURRENT	YTD
	Earnings						
	Federal Income Tax						
	State Income Tax						
	Social Security Tax						
	Medicare Tax						
	Total Deductions						
	Net Pay						

Pamela's Pie Payroll Account
 KeyWynne Federal Bank
 Wagon, PA
 092005528 70569263862 134
 \$ 20.00
 Net Pay

Pamela's Pie Payroll Account
 KeyWynne Federal Bank
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 \$ 586.00
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Pamela's Pie Payroll Account
 KeyWynne Federal Bank
 Wagon, PA
 092005528 70569263862 133
 \$ 20.00
 Net Pay

Hi! My name is Denise Leigh. I have been teaching Business Education for over 25 years! I love collaborating with business educators all over the world. I am a 2022 Pennsylvania Teacher of the Year Finalist and relentless lifetime learner and lover of everything education. Engaging students and connecting them to their world is my jam! Thank you for exploring my resources and sharing my passion for BUSINESS EDUCATION!

Denise Leigh is an expert on student-led instruction. She was featured on CBS Pittsburgh for her City Collaborative™ Project-Based Business Education (PBL) Classroom.

