

G & S Manufacturing: An Applied Auditing Case


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ABSTRACT

This case provides students with the opportunity to gain hands on experience in the audit of cash disbursements, a voucher system and internal controls (or the lack there of) in the disbursement process. In particular, practical examples of concepts and procedures taught in an introductory auditing course, namely vouching, tracing, tests of controls and substantive testing are exemplified. The case includes sample invoices and a voucher register allowing the students to look at “actual” documents and ask good important questions. The case is broken down into three parts to allow students to receive feedback before continuing and the instructor plays the role of “consultant” providing an additional important learning opportunity. G & S Manufacturing is a small privately-held producer of steel products for the consumer market. As staff auditors performing part of the audit of G & S for the calendar year ended December 31, 2013 students will have to identify control deficiencies, substantive errors and other matters of concern in the audit of payables and cash disbursements. Students are provided with a copy of the voucher register for the month of December and all invoices relating to a selected sample of vouchers. The learning objectives of the case explicitly address the AICPA’s (American Institute of Certified Public Accountants) functional competencies of risk analysis, measurement and reporting; personal competencies of problem solving and decision making, and communication; and broad business competency of strategic/critical thinking.

Keywords: Auditing Case; Directional Testing; Applied Auditing Procedures

INTRODUCTION

 You have been assigned as a staff assistant on the audit of G & S Manufacturing Company for the year ended December 31, 2013. This firm manufactures steel products for the consumer market.

You are working on the cash disbursements section of the audit program. The in-charge auditor has asked you to perform relevant auditing procedures for this part of the audit including vouching the entries in the December voucher register numbered 162 through 184. Your objectives are to identify any weaknesses in internal accounting control, any errors in account balances, and items which should be investigated during subsequent audit tests.

BACKGROUND AND CLIENT INFORMATION

Internal Control over Accounts/Vouchers Payable and Cash Disbursements

The client uses a voucher register. Each invoice is entered in the register when it is received. However, when applicable, the following personnel must approve the voucher prior to its payment.

<u>APPROVAL</u>	PERSON AUTHORIZED TO APPROVE	<u>TITLE</u>
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Quantities**Richard Carlson****Accounting department clerk**

(A quantity approval is needed for physical goods-Richard, according to your notes, compares the quantities on the original purchase order to those on the receiving report and finally the invoice before initialing.)

Prices**Willard Jones****Purchasing agents****or****John Colfert**

(A price approval is generally needed when there are various vendors and prices for goods or services. Willard or John will compare the prices to the purchase order or contract before initialing.)

Extensions**Mary Kerrigan****Accounting department clerk**

(Whenever there is a computation of quantities or quantities times price on an invoice the accuracy of that computation is verified by Mary before initialing.)

Distribution**Edward Mavis****Accounting department clerk**

(Ed verifies that the accounts to be charged are appropriate before initialing.)

Each individual notes approval in the voucher stamp on the invoice by placing his/her initials next to the item for which approval is being given.

The documents which your supervisor has requested for this test have been provided by the client and consist of the December voucher register (Appendix A) and all invoices relating to voucher numbers 162 through 184 (Appendix B).

REQUIREMENTS

The in-charge auditor instructs you to perform all audit steps possible with the given information. This case consists of three assignments. The background information should be read prior to completing the first assignment. Students should also familiarize themselves with the given information (The December voucher register (Appendix A) and copies of the invoices with voucher stamps (Appendix B) as well as review the following topics in their Auditing text: vouching, tracing, voucher system, internal controls surrounding payables and cash disbursements, tests of controls, substantive testing and audit programs.

Assignment 1-Proposed Audit Procedures and Setting Up a Working Paper

The first assignment asks the student to list the proposed audit procedures to be applied to the December voucher register and the invoices provided, and to set up a working paper to note (1) Possible deviations from prescribed controls, (2) Potential substantive errors and (3) Any points which are to be followed up on. Assignment 1 should take 1-2 hours to complete. Students are told that it is necessary for them to enumerate audit procedures that can be performed with the specific information they have been given. They are also instructed that simply duplicating an audit program from the text or other sources would not be appropriate.

Learning Objectives

Upon completing assignment #1 students should be able to:

- Differentiate between tracing and vouching (directional testing)
- Describe and be able to identify some basic control features of a voucher system
- Articulate audit procedures relative to given information

Assignment 2-Performing Audit Procedures

The second assignment requires the student to actually perform the procedures enumerated in the first assignment and to list on a work paper the number of each voucher for which an error has been found or there is the need for additional audit work. After each number listed the student should specify the nature of (1) the deviation from the prescribed control if one or more have occurred, (2) the substantive error if appropriate and (3) any points which are to be followed up on. Assignment 2 should take 4-5 hours to complete.

Learning Objectives

Upon completing assignment #2 students should be able to:

- Identify and describe control deficiencies associated with a voucher system
- Identify and describe misstatements (substantive errors) in source documents and the recording as well in the underlying accounting records.
- Identify other areas of concern in the examination of client provided records (think critically-out of the box.)

Final Assignment

The final assignment requires the student to reflect on their work and submit a well-developed report summarizing their findings on internal control over payables and cash disbursements at G & S Manufacturing as well as the risk of material misstatement in the payables area of the audit. The final assignment should take 1-2 hours to complete.

Learning Objectives

Upon completing the final assignment students should be able to:

- Document, in a clear and concise manner, the results of audit tests
- Describe the implications of audit-test findings

SKILLS AND COMPETENCIES

This case explicitly addresses several core competencies identified and upheld as still being relevant by the American Institute of Certified Public Accountants (AICPA) in the CPA Horizons 2025 Report (AICPA, 2011). The CPA Horizons 2025 Report “leveraged insights from more than 75,000 comments from CPAs in all segments of the accounting profession, regulators, thought leaders and futurists to highlight key trends and chart what the profession will face in the years leading up to 2025” (CPA Horizons 2025: A Road Map for the Future, 2011). Among the necessary core competencies (defined as a unique combination of human skills, knowledge and technology that provides value and results to the user) featured in this case are Communications Skills (the ability to effectively exchange reliable and meaningful information, using appropriate context and interpersonal skills) and Critical-Thinking and Problem-Solving Skills (the ability to evaluate facts, challenge assumptions and apply judgment to develop relevant solutions) (AICPA, 2011). In assignment #2 of this case, students are required to identify control deficiencies and dollar misstatements as well as other audit issues and risks. This identification process allows students to gain an appreciation for critical thinking in an auditing context.

The utilization of cases in auditing is an excellent vehicle to impart the core competencies outlined in the CPA Horizons 2025 Report. The accounting literature supports the benefits of utilizing cases in the teaching of accounting. Stout (1996) indicated that students found the case analysis section of the cost accounting course to be interesting and important albeit difficult. Specific benefits derived from the utilization of cases in accounting education with regard to imparting including critical-thinking, problem-solving, and analytical skills were also cited by Knapp and Knapp (2000).

TEACHING NOTES

General Issues

The case should be integrated appropriately into the course. Discussions/lectures on directional testing, internal control and tests of controls, substantive testing and misstatements, audit programs as well as the audit of cash and payables (a voucher system) should precede the assignment of this case. Therefore it should probably fall into the second half of the course or even be utilized as a final project. Furthermore, the case should be a significant portion of grade (15-20 %). This sends a message to the student as to the importance of the assignment.

The case can be assigned as an individual project or to teams of up to 4 students. In previous class tests, it was stated that students may choose to do the assignment individually or as a group project with no more than 4 members in the group and were told to choose carefully because only one group grade will be assigned thus letting them deal with the “free-rider” problem. In the most recent class testing (Fall of 2014) students were required to submit individually.

Separate due dates for the assignments provide for continuous monitoring or feedback to the students. The use of a single due date is also an option. The assignment is to be typed and not e-mailed. A 50% penalty was assessed if the assignments were not typed and a 10% penalty per hour assessed for a late assignment.

Finally, the instructor acted as a consultant (or senior on the job) for certain class periods (which were stipulated in advance) to answer questions regarding the assignments. No other questions via phone, office visit or e-mail regarding this assignment would be answered by the instructor. This encouraged attendance and participation.

Student Feedback and Case Effectiveness

The case has been used in a multiple sections of an introductory auditing course at a private university. Most recently twenty-two undergraduate students in a writing-intensive section of Auditing completed evaluations of the case in the Fall Semester of 2014. Students were given a short anonymous survey immediately after turning in their case (ensuring high participation rates). Students were asked the questions found in Table 1. Each question response was on a 1-10 scale with 10 being “most helpful”. Table 1 also summarizes the students’ responses.

Table 1. Student feedback - Summary of students’ responses (Part 1)

Assessment Question	Mean	Standard Deviation
How helpful was the case in understanding directional testing (tracing and vouching?)	8.40	1.18
How helpful was the case in understanding the importance of internal control procedures related to accounts/vouchers payable?	8.59	1.43
How helpful was the case in enhancing your critical thinking, analytic and communication skills as related to audit procedures?	8.40	1.46
How helpful was the case in understanding basic spreadsheet functions as they relate to accounting?	6.77	2.44
How helpful was the case in making you more comfortable reading and interpreting client prepared documents?	7.63	1.83
How helpful was the case in helping you understand expense allocation issues related to accounts/vouchers payable?	7.72	1.51

The assessment questions were in general organized around the previously stated Learning Objectives for the assignments as well as measuring the students' incremental learning as to spreadsheets/worksheets and client records provided by the working through of this case. The scores relative to learning objectives ranging from 7.72-8.59 indicate that students found the case helpful in understanding directional testing, internal control over accounts/vouchers payable, audit procedures and expense allocation. The lowest score, 6.77 indicates perhaps that students may already have a good grasp of spreadsheet functions by the time they reach the auditing course. The assessment also indicates that students felt that the case made them feel more comfortable reading and interpreting client prepared documents as indicated by the 7.63 mean. Additionally, students were asked two questions regarding the amount of time it took them to prepare for and complete the case. Students' responses are summarized in Table 2.

Table 2. Student feedback - Summary of students' responses (Part 2)

Question	Average	Standard Deviation	Range Minimum to Maximum Time
How much time did you spend on preparing for the initial case discussion in class?	.54 hrs	.75 hrs	0 to 3 hrs
How much additional time did you spend analyzing and completing the case?	6.52 hrs	6.47 hrs	2 to 32 hrs

The answers to the above questions indicate that 1) Undergraduate students do not necessarily spend a great deal of time in preparation for an assignment even though they are instructed to do so and 2) The approximate completion times for the assignments were born out (although there was a large range in terms of additional time spent on completing the case).

SUGGESTED SOLUTIONS

Assignment 1

Suggested Audit Procedures

1. Scan voucher register for unusual items
2. Foot and cross-foot voucher register
3. Trace invoices and vouchers numbered 162-184 to the voucher register
4. Vouch amounts recorded in the voucher register to information on the voucher and invoice
5. Inspect information on each voucher
 - a. Note approvals
 - b. Recalculate extensions
 - c. Verify distribution
6. Note any control errors or substantive errors on the worksheet
7. Examine evidence of cancelled vouchers when paid

Assignment 2 and Final Assignment

What follows are some general guides as to errors found in the case, which may have been included on the worksheet and/or Final Report.

In analyzing the Voucher Register (which is a client-prepared document) the following potential issues/questions should be raised (related assertions are in parenthesis):

- Why is there Voucher # 148A? (completeness)
- Where is Voucher #170? (completeness)
- The voucher register does not foot/cross foot, specifically the total Manufacturing Expenses for the month should be \$16,214.32 (not \$18,214.32) and the total for other accounts should be \$44,005.20 (not 53,005.20) (accuracy/valuation)
- Why on voucher 159 are building Repairs of \$842 charged to Manufacturing?

In analyzing the Invoices and Voucher Stamps the following potential issues/questions should be raised:

- None of the vouchers were marked paid
- Month end payroll accruals are needed
- How is insurance handled? Other Prepays?
- What kind of documentation is required for approval of such items as petty cash reimbursement, payroll, related party transactions, and internal vouchers?

Worksheet Solution-Invoices and Vouchers

Voucher #	Deviation from Prescribed Control	Substantive Errors	Other
162	No approval for extension or distribution		Why allocation to Power and Office Expense? What basis used?
163		Charge to FIT-the city does not collect federal taxes	Where should the charge go to? Very suspicious...
164		Depends on whether Advertising is an expense or prepaid	See a clip of the ad-was it advertising expense or prepaid?
165	No approval for extension		This is a November expense-was it booked as a payable Nov. 30? What about payable 12/31?
166		Was this for raw materials or supplies?	What was lumber used for-they make steel construction products?
167	Wrong person on quantity	Is this a capital expenditure (Office furniture) or expense?	Why shipped to different address? Suspicious...
168			Is distribution ok? Is this all the approval needed for payroll?
169	Why did MK initial extension (1 Fork Lift Tractor)		Paid late
170			Where is it?
171	Price approval missing	Is this freight or machine?	Appears that this is the freight on perhaps a milling machine that seems to be missing? Voucher 170?
172	Why did MK initial extension (1 Lathe)	Charged to Raw Materials in the voucher register (should be Machinery per EM)	Paid late-did not take advantage of discount
173			Strange account-is this a mfg. expense? Probably yes-towels in the restroom. Paid late. Should there be a year-end accrual?
174	Who is MJ on prices?	Distribution backwards in voucher register	Paid late
176	Weak control if this is all that is needed for approval of an advance	Should be charged to employee advances	Who is George Olson?
177	What does MK's initialing of petty cash extensions mean? Price approval missing.		Inquire as to petty cash procedures
178	MK initialed extensions and it is incorrect.	\$495 should be \$475 and cut-off error	Received 1/3-is it ours in December? No, FOB Destination
179	No price approval Were there extensions on the freight bills?		What was it for?
180		Distribution/accounts charged do not match voucher register	
181	No approval on distribution-looks like someone besides Ed did it	Should be prepaid rent	Rent on what? Who is Arthur Holmes?
183		Possible cut-off error-check shipping terms	Rec 1/3-was it ours at 12/31?
184	Mk initialed an incorrect extension	Substantive error of \$400	Did price go down? See Voucher #178-did they find a cheaper supplier?

AUTHOR INFORMATION


Ellen L. Landgraf holds a Ph.D. from the University of Illinois at Chicago, an MBA from Northern Illinois University and a BBA from Loyola University Chicago. She is a registered Certified Public Accountant (Illinois) and a CFE (Certified Fraud Examiner) Dr. Landgraf's work experience includes positions at the IRS and in public accounting (both Big Eight and small practitioner) prior to her over thirty years in academia. Her research interests are in the areas of accounting education, fraud and forensic accounting and ethics and accounting.

REFERENCES

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APPENDIX A - The Voucher Register

G & S Manufacturing										
VOUCHER REGISTER										
DECEMBER, 2013										
DATE	VENDOR	DATE PAID	VOUCHER #	VOUCHER PAYABLE CR	RAW MATERIALS	MANUFACTURING EXPENSES			OTHER	
						DIRECT LABOR	ACCOUNT	AMOUNT	ACCOUNT	AMOUNT
12/2/2013	SAMPSON MANUFACTURING	12/10/2013	142	\$ 497.04	\$ 497.04					
12/2/2013	ARTHUR HOLMES	12/2/2013	143	250.00			RENT	\$ 250.00		
12/2/2013	METROPOLITAN TELEPHONE	12/16/2013	144	62.00					TELEPHONE	\$ 62.00
12/2/2013	STEELHOUSE SUPPLY	12/9/2012	145	1,740.00	1,740.00					
12/3/2013	HODBERG AUTO AND TRUCK	12/5/2013	146	1,600.00					TRUCKS	1,600.00
12/3/2013	PENNSYLVANIA RAILROAD	12/4/2013	147	102.00			FREIGHT-IN	102.00		
12/3/2013	GEORGE OLSON	12/3/2013	148	750.00					COMMISSIONS	750.00
12/4/2013	CARTWELL MANUFACTURING	12/12/2013	148A	816.00	816.00					
12/4/2013	PAYROLL-PLANT	12/4/2013	149	16,311.00		\$ 10,789.00	INDIRECT LABOR	\$ 5,522.00		
12/5/2013	AUBRY MFG. CO.	12/13/2013	150	1,620.10	1,620.10					
12/5/2013	WALFORD MACHINERY	12/13/2013	151	19,000.00					MACHINERY	19,000.00
12/6/2013	MCKNIGHT AGENCY	12/6/2013	152	300.00					INSURANCE EXPENSE	300.00
12/6/2013	ANDRE STEEL CO	12/9/2013	153	2,000.00					BUILDING	2,000.00
12/9/2013	U.S. TRUCKING CORP.	12/9/2013	154	96.00	96.00					
12/9/2013	FREDERICK MFG. CO.	12/17/2013	155	1,466.64	1,466.64					
12/9/2013	GLENN DAVIDSON	12/9/2013	156	180.00					SELLING EXPENSE	180.00
12/10/2013	ARCHER COAL CO.	12/18/2013	157	500.00			FUEL	500.00		
12/10/2013	BROOKS SUPPLY CO.	12/17/2013	158	200.00	200.00					
12/11/2013	JENNINGS & JOHNSON	12/19/2013	159	842.00			BUILDING REPAIRS	842.00		
12/11/2013	GLENWAY TRUCKING	12/11/2013	160	202.00			FREIGHT-IN	202.00		
12/12/2013	JONES AUTO SALES CO.	12/20/2013	161	2,400.00					AUTO	2,400.00
12/12/2013	EDISON ELECTRIC	12/20/2013	162	872.20			POWER	800.00	OFFICE EXPENSE	72.20
12/13/2013	CITY OF CHICAGO	12/16/2013	163	4,500.00					TAXES	4,500.00
12/13/2013	HUGHES ADVERTISING	12/23/2013	164	1,150.00					ADVERTISING	1,150.00
12/16/2013	METROPOLITAN TELEPHONE	12/30/2013	165	62.00					TELEPHONE	62.00
12/17/2013	LOCAL LUMBER	12/17/2013	166	600.00			SUPPLIES	600.00		
12/17/2013	WELLS FURNITURE	12/17/2013	167	750.00					OFFICE EXPENSE	750.00
12/18/2013	PAYROLL-PLANT	12/18/2013	168	17,002.00		11,220.00	INDIRECT LABOR	5,782.00		
12/18/2013	TROWNE EQUIPMENT	1/2/2014	169	2,150.00					MACHINERY	2,150.00
12/19/2013	AMERICAN CARTAGE	12/20/2013	171	490.00			FREIGHT-IN	490.00		
12/19/2013	LAUREL MANUFACTURING CO.	1/2/2014	172	5,200.00	5,200.00					
12/20/2013	LAUNDRY SUPPLY COMPANY	1/2/2014	173	47.00			EMPLOYEE SERVICE	47.00		
12/23/2013	OFFSET PRINTING CO.	1/6/2014	174	1,500.00					ADVERTISING	1,000.00
									OFFICE EXPENSE	500.00
12/26/2013	UNITED STATES CASTING	1/24/2014	175	1,562.22	1,562.22					
12/27/2013	GEORGE OLSON	12/27/2013	176	140.00					ACCOUNTS RECEIVABLE	140.00
12/30/2013	JOHN WATKINS, PETTY CASH	12/30/2013	177	189.00					GENERAL	42.00
									OFFICE	82.00
									SELLING	65.00
12/30/2013	ALDRICH & JONES	1/7/2014	178	1,225.00	1,225.00					
12/30/2013	FAST FREIGHT	12/30/2013	179	27.32			FREIGHT-IN	27.32		
12/30/2013	EXECUTIVE PAYROLL	12/30/2013	180	8,000.00			SUPERINTENDENT	800.00	ADMINISTRATIVE	7,200.00
12/30/2013	ARTHUR HOLMES	12/30/2013	181	250.00			RENT	250.00		
12/31/2013	HEILPERN IRON WORKS	1/9/2014	182	600.00	600.00					
12/31/2013	CARTWELL MANUFACTURING	1/30/2014	183	1,356.00	1,356.00					
12/31/2013	JOHNSON SUPPLY	1/9/2014	184	4,320.00	4,320.00					
				<u>\$102,927.52</u>	<u>\$20,699.00</u>	<u>\$22,009.00</u>		<u>\$18,214.32</u>		<u>\$53,005.20</u>



EDISON ELECTRIC

Date of Bill: Dec. 11, 2013

Last Day to Pay Net Amount: Dec. 21, 2013


G & S MFG. CO.
47 W. ALDERS
CHICAGO, IL

METER READINGS		QUANTITY	ACCT.	AMOUNT	
OCT. 31	NOV. 30	USED		GROSS	NET
61,212	94,884	33,672	ELEC	924.00	872.20

Vo # 162 Ext
 Rec Prices *90*
 Quantity
 Charge *Power 800.00*
 Office Exp 72.20

CITY OF CHICAGO

Dec. 10, 2013



QUARTERLY PAYMENT TAXES: \$4,500.00

Vo # 163 Ext
 Rec Prices
 Quantity
 Charge
 Federal Income Tax Expense
 EM

Hughes Advertising



Invoice: 12/13/13

BILL

G & S MFG. CO.
47 W. ALDERS
CHICAGO, IL

TERMS Net 10 days

Quarter Page Merchants November per contract \$1,150.00

Vo # 164	Ext
Rec	Prices <i>9C</i>
Quantity	
Charge	
<i>Advertising</i>	<i>EM</i>


METROPOLITAN TELEPHONE COMPANY


Nov. 30, 2013
G & S MFG. CO.
47 W. ALDERS
CHICAGO, IL



<i>Local charge for month beginning with date of bill</i>	\$27.00
<i>Additional local units</i>	
<i>Long distance</i>	26.00
<i>Other Charges or credits</i>	9.00
TOTAL	\$62.00

Vo # 165	Ext
Rec	Prices <i>9C</i>
Quantity	
Charge	
<i>Telephone</i>	<i>EM</i>

LOCAL LUMBER CO. 												
Invoice: 12/16/13												
SOLD TO: G & S MFG. CO. 47 W. ALDERS CHICAGO, IL	SHIP TO: G & S MFG. CO. 47 W. ALDERS CHICAGO, IL											
10,000	BOARD FEET LUMBER @ .06	\$600.00										
<table border="1" style="margin: auto; padding: 5px;"> <tr> <td>Vo # 166</td> <td>Ext <i>MCX</i></td> </tr> <tr> <td>Rec 12/17</td> <td>Prices <i>WJ</i></td> </tr> <tr> <td>Quantity <i>RC</i></td> <td></td> </tr> <tr> <td>Charge</td> <td></td> </tr> <tr> <td><i>Supplies</i></td> <td><i>EM</i></td> </tr> </table>			Vo # 166	Ext <i>MCX</i>	Rec 12/17	Prices <i>WJ</i>	Quantity <i>RC</i>		Charge		<i>Supplies</i>	<i>EM</i>
Vo # 166	Ext <i>MCX</i>											
Rec 12/17	Prices <i>WJ</i>											
Quantity <i>RC</i>												
Charge												
<i>Supplies</i>	<i>EM</i>											

Invoice 12/16/13														
														
Wells Furniture Co.														
SOLD TO: G & S MFG. CO. 47 W. ALDERS CHICAGO, IL Terms: Net	SHIP TO: G & S MFG. CO. 7600 W. LOCUST CHICAGO, IL													
3	Lounge Chairs @ \$250 each	\$ 750.00												
<table border="1" style="margin: auto; padding: 5px;"> <tr> <td>Vo # 167</td> <td>Ext</td> </tr> <tr> <td><i>MCX</i></td> <td></td> </tr> <tr> <td>Rec 12/15</td> <td>Prices <i>JC</i></td> </tr> <tr> <td>Quantity <i>JC</i></td> <td></td> </tr> <tr> <td>Charge</td> <td></td> </tr> <tr> <td><i>Office Expense</i></td> <td><i>EM</i></td> </tr> </table>			Vo # 167	Ext	<i>MCX</i>		Rec 12/15	Prices <i>JC</i>	Quantity <i>JC</i>		Charge		<i>Office Expense</i>	<i>EM</i>
Vo # 167	Ext													
<i>MCX</i>														
Rec 12/15	Prices <i>JC</i>													
Quantity <i>JC</i>														
Charge														
<i>Office Expense</i>	<i>EM</i>													

INTERNAL VOUCHER
 G & S MFG. CO.
 47 W. ALDERS
 CHICAGO, IL

PAYMENT MADE TO Plant Payroll Two weeks ending 12/15	12/18/13 AMOUNT \$17,002.00
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Vo # 168		Ext
Rec	Prices	
Quantity		
Charge		
<i>Direct Labor</i>	<i>11,220</i>	
<i>Indirect Labor</i>	<i>5,782</i>	
	<i>EM</i>	


Invoice 12/17/13

Trowne Equipment

SOLD TO: G & S MFG. CO. 47 W. ALDERS CHICAGO, IL	SHIP TO: G & S MFG. CO. 47 W. ALDERS CHICAGO, IL
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Terms: Net 15 DAYS, FOB S.P.

1	<i>Fork Lift Tractor</i>	\$ 2,150.00
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Vo # 169		Ext
<i>WCK</i>		
Rec 12/15	Prices <i>WJ</i>	
Quantity <i>RC</i>		
Charge <i>Machinery</i>		
	<i>EM</i>	

American Cartage
Invoice: 12/19/13



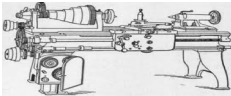
Bill:
G & S MFG. CO.
47 W. ALDERS
CHICAGO, IL

Freight Milling Machine	\$ 490.00
-------------------------	-----------

Vo # *171* Ext
 Rec Prices
 Quantity
 Charge *Freight-In*
EM

Invoice: 12/19/13

Laurel Manufacturing Co.



<p>SOLD TO: G & S MFG. CO. 47 W. ALDERS CHICAGO, IL</p>	<p>SHIP TO: G & S MFG. CO. 47 W. ALDERS CHICAGO, IL</p>
--	--

Terms: 2/10, FOB S. P.

1	24 in. Lathe and Assembly	\$5,200.00
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Vo # *172* Ext
MC
 Rec 12/20 Prices *IC*
 Quantity *RC*
 Charge *Machinery*
EM



Invoice: 12/18/13
Laundry Supply Co.

SOLD TO:
 G & S MFG. CO.
 47 W. ALDERS
 CHICAGO, IL

SHIP TO:
 G & S MFG. CO.
 47 W. ALDERS
 CHICAGO, IL

Terms: 2/10

Towel Service
 November 15 to December 15 \$47.00

Vo #173	Ext
Rec	Prices <i>JE</i>
Quantity	
Charge <i>Employee Service</i>	
	<i>EM</i>

Invoice: 12/20/13

Offset Printing Co.

SOLD TO:
 G & S MFG. CO.
 47 W. ALDERS
 CHICAGO, IL

SHIP TO:
 G & S MFG. CO.
 47 W. ALDERS
 CHICAGO, IL


Terms: 2/10

1000	EACH Catalogs @ \$500 per M	\$ 500
100	rms. Letterhead @ \$10 per ream	<u>1,000</u>
		<u>\$1,500</u>

Vo # 174	Ext
<i>MX</i>	
Rec 12/23	Prices <i>MD</i>
Quantity <i>RC</i>	
Charge <i>Advertising</i>	500
	<i>Office Expense</i> 1,000
	<i>EM</i>

Invoice: 12/24/13

UNITED STATES CASTING



<p>SOLD TO: G & S MFG. CO. 47 W. ALDERS CHICAGO, IL</p>	<p>SHIP TO: G & S MFG. CO. 47 W. ALDERS CHICAGO, IL</p>
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Terms: Net 30 Days

30	tons Castings @ 49.00 ton	\$1,470.00
87	lbs. Fittings @ 1.06 lb.	<u>92.22</u>
		<u><u>\$1,562.22</u></u>

Vo # *175*
 Ext *MR*
 Rec 12/26 Prices *WJ*
 Quantity *RC*
 Charge *Raw Materials*
EM

INTERNAL VOUCHER

G & S MFG. CO.
47 W. ALDERS
CHICAGO, IL

PAYMENT MADE TO	12/26/13
	AMOUNT
George Olson	\$ 140.00
Advance on Expenses	

Vo # *176* Ext
 Rec 12/26 Prices
 Quantity
 Charge *Accts Rec*
EM


INTERNAL VOUCHER
 G & S MFG. CO.
 47 W. ALDERS
 CHICAGO, IL

PAYMENT MADE TO 12/30/13
AMOUNT

John Watkins, Petty Cash \$ 189.00
 To reimburse petty cash per attached vouchers

Vo # 177	Ext <i>MCK</i>
Rec	Prices
Quantity	
Charge <i>General Exp.</i>	42.00
<i>Office Exp.</i>	82.00
<i>Selling Exp.</i>	65.00
	<i>EM</i>

ALDRICH AND JONES



Invoice: 12/27/13

<p>SOLD TO: G & S MFG. CO. 47 W. ALDERS CHICAGO, IL</p>	<p>SHIP TO: G & S MFG. CO. 47 W. ALDERS CHICAGO, IL</p>
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Terms: Net 10 days FOB destination

10	tons Rerolling Billets @ \$73.00 ton	\$730.00
5	tons Sheet Steel @ \$95.00 ton	<u>495.00</u>
		<u>\$1,225.00</u>

Vo # 178	Ext
<i>MCK</i>	
Rec 1/3	Prices <i>WJ</i>
Quantity <i>RC</i>	
Charge <i>Raw Materials</i>	<i>EM</i>

	Invoice: 12/27/13								
FAST FREIGHT, INC.									
Bill:	G & S MFG. CO. 47 W. ALDERS CHICAGO, IL								
<hr/>									
Freight Bills as Attached	\$ 27.32								
<table border="1" style="margin: 10px auto; border-collapse: collapse;"> <tr> <td style="padding: 5px;">Vo # 179</td> <td style="padding: 5px;">Ext <i>NR</i></td> </tr> <tr> <td style="padding: 5px;">Rec</td> <td style="padding: 5px;">Prices</td> </tr> <tr> <td style="padding: 5px;">Quantity</td> <td style="padding: 5px;">Charge <i>Freight in</i></td> </tr> <tr> <td style="padding: 5px;"></td> <td style="padding: 5px; text-align: right;"><i>EM</i></td> </tr> </table>		Vo # 179	Ext <i>NR</i>	Rec	Prices	Quantity	Charge <i>Freight in</i>		<i>EM</i>
Vo # 179	Ext <i>NR</i>								
Rec	Prices								
Quantity	Charge <i>Freight in</i>								
	<i>EM</i>								

INTERNAL VOUCHER											
G & S MFG. CO. 47 W. ALDERS CHICAGO, IL											
	12/30/13										
PAYMENT MADE TO	AMOUNT										
Executive Payroll December	\$ 8,000.00										
<table border="1" style="margin: 10px auto; border-collapse: collapse;"> <tr> <td style="padding: 5px;">Vo # 180</td> <td style="padding: 5px;">Ext</td> </tr> <tr> <td style="padding: 5px;">Rec</td> <td style="padding: 5px;">Prices</td> </tr> <tr> <td style="padding: 5px;">Quantity</td> <td style="padding: 5px;">Charge <i>Mfg. Expense 200.00</i></td> </tr> <tr> <td style="padding: 5px;"><i>Adm. Exp.</i></td> <td style="padding: 5px; text-align: right;"><i>7,800.00</i></td> </tr> <tr> <td style="padding: 5px;"></td> <td style="padding: 5px; text-align: right;"><i>EM</i></td> </tr> </table>		Vo # 180	Ext	Rec	Prices	Quantity	Charge <i>Mfg. Expense 200.00</i>	<i>Adm. Exp.</i>	<i>7,800.00</i>		<i>EM</i>
Vo # 180	Ext										
Rec	Prices										
Quantity	Charge <i>Mfg. Expense 200.00</i>										
<i>Adm. Exp.</i>	<i>7,800.00</i>										
	<i>EM</i>										

INTERNAL VOUCHER

G & S MFG. CO.
47 W. ALDERS
CHICAGO, IL

PAYMENT MADE TO	12/30/13
	AMOUNT
Arthur Holmes, Rent January	\$ 250.00

Vo # 181	Ext
Rec	Prices <i>gc</i>
Quantity	
Charge <i>Rent</i>	

HEILPERN IRON WORKS



Invoice: 12/30/13

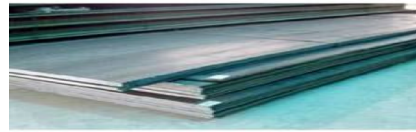
SOLD TO: G & S MFG. CO. 47 W. ALDERS CHICAGO, IL	SHIP TO: G & S MFG. CO. 47 W. ALDERS CHICAGO, IL
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Terms: 2/10

20,000 LBS. Iron Bars ¼ in. @ 60.00 ton	\$600.00
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Vo # <i>182</i>	Ext
<i>WCK</i>	
Rec 12/31	Prices <i>WJ</i>
Quantity <i>RC</i>	
Charge <i>Raw Materials</i>	
	<i>EM</i>

Invoice 12/30/13



CARTWELL MFG.

SOLD TO:
G & S MFG. CO.
47 W. ALDERS
CHICAGO, IL

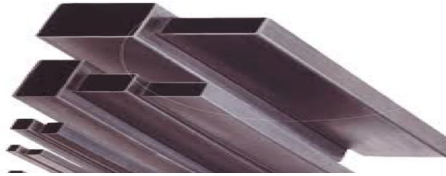
SHIP TO:
G & S MFG. CO.
47 W. ALDERS
CHICAGO, IL

Terms: Net 30 days

12 tons Sheet Steel, hot annealed @ \$113.00 ton \$1,356.00

Vo # 183 Ext MK
Rec 1/3 Prices WJ
Quantity RC
Charge Raw Materials
EM

JOHNSON SUPPLY



Invoice: 12/30/13

SOLD TO:
G & S MFG. CO.
47 W. ALDERS
CHICAGO, IL

SHIP TO:
G & S MFG. CO.
47 W. ALDERS
CHICAGO, IL

Terms: 2/10

50 TONS Cold Drawn Bar Steel @ \$72.00 ton \$3,600
20 TONS Rerolling Billets @ \$56.00 ton 720
\$ 4,320

Vo # 184
Ext MK
Rec 12/31 Prices JC
Quantity RC
Charge Raw Materials
EM