Accounting Cycle - Steps 1-4

- 1) Collect source docs
- 2) Analyze transactions into DR/CR
- 3) Record in journal
- 4) Post to ledger

(T-Accounts serve as journal/ledger)

(from Inv. A - 1997)

Kellan Moore began business operations on March 1, 2022, designing and building web pages for the public. His March transactions are below. For questions 1-26, indicate in the table below the account number of the accounts that are debited and credited for each transaction.

Acct #	Account Title	Acct #	Account Title
100	Cash in Bank	200	Accounts Payable
105	Accounts Receivable	300	Kellan Moore, Capital
110	Office/Computer Supplies	305	Kellan Moore, Drawing
115	Prepaid Insurance	400	Prof. Fees Revenue
120	Office Furniture	500	Cellphone Expense
125	Computer Equipment	505	Internet Expense

Transactions

- 1 Kellan used his personal savings of \$3,000 to invest in the business
- 2 Purchased paper, and various other supplies for \$160 with check #101
- 3 Invested computer and printer, valued at \$1,800, in the business
- 4 Used check #104 to purchase a used computer desk for \$75
- 5 Bought a new printer from BJ's Computers for \$1,200 on account
- 6 Withdrew with check #106 \$50 for personal use
- 7 Paid \$100 with check #105 on account to BJ's Computers
- Paid the cellphone bill for the current month, \$35 with check #102
- 9 Paid L.A. Company a fee of \$25 with check #103 for internet access for March
- Billed Steven Parks, a client, \$100 to set up a 10-page web site
- 11 Upon completion of a multilevel web site, received \$300 from Acme Builders
- 12 Received \$100 on account from Steven Parks
- 13 Paid \$200 for six months of insurance on the last day of March, effective April 1

TRANSACTION NUMBER	DEBIT	CREDIT
1	#1	#2
2	#3	#4
3	#5	#6
4	#7	#8
5	#9	#10
6	#11	#12
7	#13	#14
8	#15	#16
9	#17	#18
10	#19	#20
11	#21	#22
12	#23	#24
13	#25	#26

Early Super Problem for Practice - 2

In the spaces provided below, indicate the March 31 balance in each account from the unadjusted TB.

Acct #	Account Title	TB Amt.	Acct #	Account Title	TB Amt.
100	Cash in Bank	#27	200	Accounts Payable	#33
105	Accounts Receivable	#28	300	Kellan Moore, Capital	#34
110	Office/Comp. Supplies	#29	305	Kellan Moore, Drawing	#35
115	Prepaid Insurance	#30	400	Prof. Fees Revenue	#36
120	Office Furniture	#31	500	Cellphone Expense	#37
125	Computer Equipment	#32	505	Internet Expense	#38

110 Office/Comp. Supplies	#29	305	Kellan Moore, Drawir	ng #35
115 Prepaid Insurance	#30	400	Prof. Fees Revenue	#36
120 Office Furniture	#31	500	Cellphone Expense	#37
125 Computer Equipment	#32	505	Internet Expense	#38
39. On the trial balance for March A. \$645 B. \$3,400 C. \$			ne cash account were \$605	
40. The total payments on account A. zero B. \$100 C. \$1,0		ualed 00 E.\$	1,200	
41. The account with a debit balaA. Cash in BankB. Office FurnitureC. Computer Equipment	Ē). Accoun	ts Payable Moore, Capital	
42. The net income or loss beforeA. zeroB. net loss \$60C. net loss \$340	D. net ir	nts is ncome \$3 ncome \$2		
43. The total of the debits on the A. \$6,170 B. \$6,270			s \$6,500 E. \$6,945	
*44. If the inventory of computer/of to adjust out of the supplies as A. \$160 B. \$120 C. \$40	sset account a	nd transfe	er to a Supplies Expen	
*45. If the adjustment discussed in Income or Net Loss? A. zero B. net loss \$100	•		what would be the adj	
*46. If the adjusting entry discusse is \$120, which of the following		#32 is ma	de, and if a physical co	ount of these supplies
A. the adjusting entry would inB. the ending balance of OfficeC. the adjusting entry would roomD. the cash account would no	ce & Computer not affect the over	Supplies erall net	after adjustment would income or loss.	
47. What is the net amount of the	transactions in	volving o	wner activities?	
Bonus Question: Why would there	not be an adii	istment to	the asset Prepaid Ins	surance for March?

Early Super Problem for Practice - 3						
100 Cash in Bank - Asset	105 Accts R	<u> lec. (A/R) – A</u>	110 Office/C	omp. Supp A		
B+ —	B+	-	B+	_		
	115 Prepaid II B+	nsur. (PPI) A —	120 Office F B+	Furniture - A —		
B+ —	201 Accts. Pa	<u>yable – Liab.</u> B+	(Inc. Summ.)	<u>Trial Balance</u>		
300	KELLEN MO	ORE, CAPITAL	– O/E			
— B+ TWO OWNER ACTIVITIES:						
305 Kellen Moore, Drawing — D B+		Investments by Owner				
TWO INCOME ACTIVITIES:						
500 Cellphone Exp. 505 Into	<u>400 l</u>	Prof. Fees Reve	nue - R			
B+			- B+ 			