

# Assignment problems

Analyze transactions and journalize.

(LO 1, 2)

**E2-7** Halladay Enterprises had the following selected transactions.

1. Bo Halladay invested \$4,000 cash in the business.
2. Paid office rent of \$840.
3. Performed consulting services and billed a client \$5,200.
4. Bo Halladay withdrew \$750 cash for personal use.

## Instructions

- (a) Indicate the effect each transaction has on the accounting equation (Assets = Liabilities + Owner's Equity), using plus and minus signs.
- (b) Journalize each transaction. (Omit explanations.)

**E2-10** The T-accounts below summarize the ledger of Daggett Landscaping Company at the end of the first month of operations.

Journalize transactions from account data and prepare a trial balance.

(LO 2, 4)

Cash		No. 101	
4/1	12,000	4/15	1,300
4/12	900	4/25	1,500
4/29	400		
4/30	1,000		

Accounts Receivable		No. 112	
4/7	3,200	4/29	400

Supplies		No. 126	
4/4	1,800		

Accounts Payable		No. 201	
4/25	1,500	4/4	1,800

Unearned Service Revenue		No. 209	
	4/30		1,000

Owner's Capital		No. 301	
	4/1		12,000

Service Revenue		No. 400	
	4/7		3,200
	4/12		900

Salaries and Wages Expense		No. 726	
4/15	1,300		

## Instructions

- (a) Prepare the complete general journal (including explanations) from which the postings to Cash were made.
- (b) Prepare a trial balance at April 30, 2017.

**P2-1A** Holz Disc Golf Course was opened on March 1 by Ian Holz. The following selected events and transactions occurred during March.

*Journalize a series of transactions.*

(LO 1, 2)



- Mar. 1 Invested \$20,000 cash in the business.  
3 Purchased Rainbow Golf Land for \$15,000 cash. The price consists of land \$12,000, shed \$2,000, and equipment \$1,000. (Make one compound entry.)  
5 Paid advertising expenses of \$900.  
6 Paid cash \$600 for a one-year insurance policy.  
10 Purchased golf discs and other equipment for \$1,050 from Stevenson Company payable in 30 days.  
18 Received \$1,100 in cash for golf fees (Holz records golf fees as service revenue).  
19 Sold 150 coupon books for \$10 each. Each book contains 4 coupons that enable the holder to play one round of disc golf.  
25 Withdrew \$800 cash for personal use.  
30 Paid salaries of \$250.  
30 Paid Stevenson Company in full.  
31 Received \$2,700 cash for golf fees.

Holz Disc Golf uses the following accounts: Cash, Prepaid Insurance, Land, Buildings, Equipment, Accounts Payable, Unearned Service Revenue, Owner's Capital, Owner's Drawings, Service Revenue, Advertising Expense, and Salaries and Wages Expense.

**Instructions**

Journalize the March transactions.

**P2-2A** Emily Valley is a licensed dentist. During the first month of the operation of her business, the following events and transactions occurred:

*Journalize transactions, post, and prepare a trial balance.*

(LO 1, 2, 3, 4)



- April 1 Invested \$20,000 cash in her business.  
1 Hired a secretary-receptionist at a salary of \$700 per week payable monthly.  
2 Paid office rent for the month \$1,100.  
3 Purchased dental supplies on account from Dazzle Company \$4,000.  
10 Performed dental services and billed insurance companies \$5,100.  
11 Received \$1,000 cash advance from Leah Mataruka for an implant.  
20 Received \$2,100 cash for services performed from Michael Santos.  
30 Paid secretary-receptionist for the month \$2,800.  
30 Paid \$2,400 to Dazzle for accounts payable due.

Emily uses the following chart of accounts: No. 101 Cash, No. 112 Accounts Receivable, No. 126 Supplies, No. 201 Accounts Payable, No. 209 Unearned Service Revenue, No. 301 Owner's Capital, No. 400 Service Revenue, No. 726 Salaries and Wages Expense, and No. 729 Rent Expense.

**Instructions**

- (a) Journalize the transactions.  
(b) Post to the ledger accounts.  
(c) Prepare a trial balance on April 30, 2017.

(c) Trial balance totals  
\$29,800