



FINANCIAL ACCOUNTING

PROJECT REPORT

FALL-2018

GROUP MEMBERS:

S.NO	NAME	STUDENT ID	COURSE ID
01	Jaweria Asif	9442	67334
02	Javeria Hassan	9517	
03	Hamna Mairaj		

PROBLEM

For the past several years, John Addams has operated a part-time business from his home. As of April 1, 2002, John decided to move rented quarters to operate the business, which was to be known as Addams & Family Inc., on a full time basis. Addams and Family entered into the following transaction during April:

- April 4 The following assets were received from John Addams: cash, \$10,000; accounts receivable, \$1,500; supplies, \$1,250; and office equipment, \$7,500. There were no liabilities received.
- April 4 Paid three months' rent on a lease rental contract, \$4,500.
- April 4 Paid the premium on property and casualty insurance policies for the year, \$1,800
- April 6 Received cash from clients as an advance payment for services to be provided, \$3,000
- April 7 Purchased additional office furniture on account from Morrilton Company, \$1,800
- April 8 Received cash from clients on account , \$800
- April 11 paid cash for newspaper advertisement, \$120
- April 12 Paid Morrilton Company \$800 for debt incurred on April 7
- April 15 Recorded services provided on account for the period April 4-15, \$2,250
- April 15 Paid part-time receptionist for two weeks' salary, \$400
- April 15 Recorded cash from cash clients for fees earned April 4-15, \$3,175
- April 18 Paid cash for supplies, \$750
- April 22 Recorded services provided on account for April 18-22, \$1,100
- April 22 Recorded cash from cash clients for fees earned April 18-22, \$1,850

- April 25 Received cash from clients on account, \$1,600
- April 27 Paid part-time receptionists for two week's salary, \$400
- April 28 Paid telephone bill for April, \$130
- April 29 Paid electric bill for April, \$200
- April 29 Recorded cash from cash clients for fees earned April 25-29, \$2,050
- April 29 Recorded services provided on account for April 25-29, \$1,000
- April 29 John received \$4,500 from the company as his salary
- INSTRUCTIONS: (The first transaction has been recorded and posted for you)
- Record the transactions stated above in good journal form
- Post the transactions to T-Accounts
- Record and post the following adjustments
 - a. Insurance expired in April, \$150
 - b. Supplies on hand April 29, \$1,020
 - c. Depreciation for the office equipment in April, \$500
 - d. Accrued receptionist salary on April 30, \$20
 - e. Rent Expired in April, \$1,500
 - f. Earned \$2,000 of services that were previously paid for on 4/6
- Prepare an income statement, Statement of Retained earnings and Balance Sheet
- Record and post-closing Entries
- Prepare a post-closing trial balance

ADAMS AND FAMILY INCGENERAL JOURNALFOR THE MONTH OF APRIL 2002

Date	Particular's	Debit	Credit
4/4	Cash	10,000	
	Account Receivables	1,500	
	Supplies	1,250	
	Office Equipment's	7,500	
	Contributed Capital		20,250
4/4	Prepaid Rent	4,500	
	Cash		4,500
4/4	Prepaid Insurance	1,800	
	Cash		1,800
4/6	Cash	3,000	
	Unearned Revenue		3,000
4/7	Office Equipment	1,800	
	Accounts Payable		1,800
4/8	Cash	800	
	Account Receivable		800
4/11	Advertising Expense	120	
	Cash		120

Date	Particular's	Debit	Credit
4/12	Accounts Payable	800	
	Cash		800
4/15	Accounts receivable	2,250	
	Service revenue		2,250
4/15	Salaries Expense	400	
	Cash		400
4/15	Cash	3,175	
	Service Revenue		3,175
4/18	Supplies	750	
	Cash		750
4/22	Accounts receivable	1,100	
	Service Revenue		1,100
4/22	Cash	1,850	
	Service Revenue		1,850
4/25	Cash	1,600	
	Accounts Receivable		1,600
4/27	Salaries Expense	400	
	Cash		400

Date	Particular's	Debit	Credit
4/28	Telephone Expense	130	
	Cash		130
4/29	Utilities Expense	200	
	Cash		200
4/29	Cash	2,050	
	Service Revenue		2,050
4/29	Accounts receivable	1,000	
	Service Revenue		1,000
4/29	Salaries Expense	4,500	
	Cash		4,500

ADAMS AND FAMILY INC
GENERAL LEDGERS
FOR THE MONTH OF APRIL 2002

Cash					
4/4	Contributed Capital	10,000	4/4	Salaries Expense	4,500
4/6	Unearned Revenue	3,000	4/4	Prepaid Insurance	1,800
4/8	A/C Receivables	800	4/11	Advertising Expense	120
4/15	Service Revenue	3,175	4/12	A/C Payable	800
4/22	Service Revenue	1,850	4/15	Salaries Expense	400
4/25	A/C Receivables	1,600	4/18	Supplies	750
4/29	Service Revenue	2,050	4/27	Salaries Expense	400
			4/28	Telephone Expense	130
			4/29	Utilities Expense	200
			4/29	Salaries Expense	4,500
End Balance		8,875			

Account Receivable					
4/4	Contributed Capital	1,500	4/8	Cash	800
4/15	Service Revenue	2,250	4/25	Cash	1,600
4/22	Service Revenue	1,100			
4/29	Service Revenue	1,000			
End Balance		3,450			

ADAMS AND FAMILY INC
GENERAL LEDGERS
FOR THE MONTH OF APRIL 2002

Supplies	
4/4	Contributed Capital 1,250
4/18	Supplies 750
End Balance	2,000

Prepaid Rent	
4/4	Cash 4,500
End Balance	4,500

Prepaid Insurance	
4/4	Cash 1,800
End Balance	1,800

ADAMS AND FAMILY INC
GENERAL LEDGERS

FOR THE MONTH OF APRIL 2002

Office Equipment's		
4/4	Contributed Capital	7,500
4/7	A/C payable	1,800
End Balance	9,300	

Accounts Payable		
4/12	Cash	800
4/7	Office Equipment	1,800
	End Balance	1,000

Unearned Revenue		
4/6	Cash	3,000
	End Balance	3,000

ADAMS AND FAMILY INC
GENERAL LEDGERS
FOR THE MONTH OF APRIL 2002

Contributed Capital		
	4/4 Cash	10,000
	Accounts Receivable	1,500
	Supplies	1,250
	Office Equipment's	7,500
	End Balance	20,250

Service Revenue		
	4/15 Accounts Receivable	2,250
	4/15 Cash	3,175
	4/22 Accounts Receivable	1,100
	4/22 Cash	1,850
	4/29 Cash	2,050
	4/29 Accounts Receivable	1,000
	End Balance	11,425

ADAMS AND FAMILY INC
GENERAL LEDGERS
FOR THE MONTH OF APRIL 2002

Salaries Expense		
4/15	Cash	400
4/27	Cash	400
4/29	Cash	4,500
End Balance		5,300

Telephone Expense		
4/28	Cash	130
End Balance		130

Utilities Expense		
4/29	Cash	200
End Balance		200

ADAMS AND FAMILY INC
GENERAL LEDGERS
FOR THE MONTH OF APRIL 2002

Advertising Expense		
4/11	Cash	120
	End Balance	120

ADAMS AND FAMILY INC
UN-ADJUSTED TRIAL BALANCE
FOR THE MONTH OF APRIL 30, 2002

	<u>Debit</u>	<u>Credit</u>
Cash	8,875	
A/C receivable	3,450	
Supplies	2,000	
Prepaid Rent	4,500	
Prepaid Insurance	1,800	
Office Equipment	9,300	
A/C payable		1,000
Unearned Revenue		3,000
Contributed Capital		20,250
Service Revenue		11,425
Salaries Expense	5,300	
Telephone Expense	130	
Utilities Expense	200	
Advertising Expense	120	
	<u>35,675</u>	<u>35,675</u>

ADAMS AND FAMILY INC
ADJUSTING GENERAL ENTRIES
FOR THE MONTH OF APRIL 2002

Date	Particular's	Debit	Credit
4/30	Insurance Expense	150	
(a)	Prepaid Insurance		150
4/30	Supplies Expense	980	
(b)	Supplies		980
4/30	Depreciation Expense	500	
(c)	Accumulated Depreciation		500
4/30	Salaries Expense	20	
(d)	Salaries Payable		20
4/30	Rent Expense	1,500	
(e)	Prepaid Rent		1,500
4/30	Unearned Revenue	2,000	
(f)	Service Revenue		2,000

ADAMS AND FAMILY INC
ADJUSTED TRIAL BALANCE
FOR THE MONTH ENDED APRIL 30th, 2002

	<u>Debit</u>	<u>Credit</u>
Cash	8,875	
Accounts Receivable	3,450	
Prepaid Rent	3,000	
Prepaid Insurance	1,650	
Supplies	1,020	
Office Equipment	9,300	
Accumulated Depreciation, Equipment		500
Accounts Payable		1,000
Salaries Payable		20
Unearned Revenue		1,000
Contributed Capital		20,250
Retained Earnings		0
Dividends Declared		0
Service Revenue		13,425
Insurance Expense	150	
Depreciation Expense	500	
Rent Expense	1,500	
Supplies Expense	980	
Salaries Expense	5,320	
Telephone Expense	130	
Utilities Expense	200	
Advertising Expense	120	
	<u>36,195</u>	<u>36,195</u>

ADAMS AND FAMILY INC
INCOME STATEMENT
FOR THE MONTH OF APRIL, 30, 2002

Revenues:

Service Revenue	13,425
Total Revenues	<u>13,425</u>

Expenses:

Insurance Expense	150
Depreciation Expense	500
Rent Expense	1,500
Supplies Expense	980
Salaries Expense	5,320
Telephone Expense	130
Utilities Expense	200
Advertising Expense	120
Total Expenses	<u>8,900</u>
Net Income (Loss)	<u><u>4,525</u></u>

ADAMS AND FAMILY INC
STATEMENT OF RETAINED EARNINGS
FOR THE MONTH OF APRIL 30, 2002

Beg Retained Earnings, 4/1/10	0
Add: Net Income	4,525
Less: Dividends	<u>0</u>
End Retained Earnings, 4/30/10	<u><u>4,525</u></u>

ADAMS AND FAMILY INC
BALANCE SHEET
FOR THE MONTH OF APRIL 30, 2002

Assets:		Liabilities	
Current Assets		Short Term Liabilities	
Cash	8,875	Account Payable	1,000
Accounts Receivable	3,450	Salaries Payable	<u>20</u>
Prepaid Rent	3,000	Total Current Liabilities	<u>1,020</u>
Prepaid Insurance	1,650		
Supplies	<u>1,020</u>	Unearned Revenue	<u>1,000</u>
Total Current Assets	<u>17,995</u>	Total Liabilities	<u>2,020</u>
Fixed Assets		Owner's Equity	
Office Equipment	9,300	Contributed Capital	20,250
Accumulated Depreciation	<u>(500)</u>	Retained Earnings	<u>4,525</u>
Total Fixed Assets	<u>8,800</u>	Total Equity	<u>24,775</u>
Total Assets	<u>26,795</u>	Total O.E and Liabilities	<u>26,795</u>

ADAMS AND FAMILY INC
CLOSING GENERAL ENTRIES
FOR THE MONTH OF APRIL 2002

Date	Particular's	Debit	Credit
4/30	Service Revenue	13,425	
CJE#01	Income summary Account		13,425
	(To record service revenue in income summary account)		
4/30	Income summary account	8900	
CJE#02	Insurance Expense		150
	Depreciation Expense		500
	Rent Expense		1,500
	Supplies Expense		980
	Salaries Expense		5,320
	Telephone Expense		130
	Utilities Expense		200
	Advertising Expense		120
	(To close Expense in income summary account)		
4/30	Income summary Account	4,525	
CJE#03	Retained Earnings		4,525
	(To close retained earnings in income summary account)		

ADAMS AND FAMILY INC
POST CLOSING TRIAL BALANCE
FOR THE MONTH ENDED APRIL 30th, 2002

	<u>Debit</u>	<u>Credit</u>
Cash	8,875	
Accounts Receivable	3,450	
Prepaid Rent	3,000	
Prepaid Insurance	1,650	
Supplies	1,020	
Office Equipment	9,300	
Accumulated Depreciation, Equipment		500
Accounts Payable		1,000
Salaries Payable		20
Unearned Revenue		1,000
Contributed Capital		20,250
Retained Earnings		4,525
	<u>27,295</u>	<u>27,295</u>