**Problem 2-4**

Muanim company was organized on October 1, 20XX to provide transportation for office and household furniture. The account titles, numbers and beginning balances on November 1 are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| 110 | Cash $300,000 | 202 | Unearned service revenue |
| 150 | Accounts receivable $100,000 | 300 | Share capital – ordinary $200,000 |
| 180 | Land | 301 | Retained earnings $102,000 |
| 191 | Equipment $52,000 | 302 | Dividends |
| 192 | Building | 400 | Moving service revenue |
| 194 | Trucks | 500 | Gasoline expense |
| 200 | Notes payable | 501 | Salaries expense |
| 201 | Accounts payable $150,000 | 502 | Utilities expenses |
| The transactions for November were as follows: | | | |

|  |  |
| --- | --- |
| 1 | Paid the amount due of $30,000 on the October 20 invoice, from EquipTox Company. |
| 3 | Purchased land for $170,000 and building for $360,000 and signed a note payable for the same to Meanoi Company. |
| 5 | Purchased six moving vans from Kotono Company at a total cost of $ 300,000. A note payable was issued for the purchase price. |
| 7 | Collected $80,000 of the amounts billed to Miss Susy, a customer on October 29. |
| 9 | Additional investments were made by the shareholders in exchange for ordinary shares $200,000. |
| 11 | Moved furniture for various clients for $50,000 and collected the cash in full. |
| 13 | Mr. Stup paid $8,000 in advance for services to be provided in December. |
| 15 | Paid dividends to shareholders $8,000. |
| 17 | Paid $300,000 to Kotono Company for the amount due. |
| 19 | Purchased facsimile equipment on account $1,900 from Sonyo Co. |
| 21 | Moved furniture for Wook Adver Agency from New york to LA for $29,500 on credit. |
| 23 | Received a gasoline bill for the month of November from Red Gas in the amount of $25,000 to be paid by December 10. |
| 25 | Paid salaries to employees in November $19,000. |
| 27 | Accrued utilities expense not yet paid for November $6,000. |

##### Instructions:

1. Journalize the transactions with the explanation.
2. Post to the ledger accounts.
3. Prepare a trial balance as on November 30, 20XX.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | GENERAL JOURNAL |  |  | Page 1 |
| Date | Account Titles and Explanations | Ref | Debit | Credit |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

2. General Ledgers

|  |  |
| --- | --- |
| Cash | No. 110 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date | Explanation | Ref | Debit | Credit | Balance |
| Nov 1 | Beginning balance |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Accounts Receivable | | | | | No. 150 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| Land | | | | | No. 180 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Equipment | | | | | No. 191 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Building | | | | | No. 192 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Trucks | | | | | No. 194 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Notes Payable | | | | | No. 200 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Accounts Payable | | | | | No. 201 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Unearned Service Revenue | | | | | No. 202 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Share Capital – Ordinary | | | | | No. 300 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Retained Earnings | | | | | No. 301 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Dividends | | | | | No. 302 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Moving Service Revenue | | | | | No. 400 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Gasoline Expense | | | | | No. 500 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Salaries Expense | | | | | No. 501 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Utilities Expense | | | | | No. 502 |
| Date | Explanation | Ref. | Debit | Credit | Balance |
|  |  |  |  |  |  |

c.

|  |
| --- |
|  |
|  |
|  |

|  |  |  |  |
| --- | --- | --- | --- |
| Account Number | Account Titles | Debit | Credit |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |