

Should be handwritten.

Prepare a Title Page (Mentioning the Course Title and Code, Student ID, Student Name & Teacher Name.

Submitted physically as well as online (in PDF File).

ASSIGNMENT NO.1

Fundamentals of Accounting

QUESTION 1

On November 2, 2006, Nicole Oliver established an interior decorating business, Devon Designs. During the remainder of the month, Nicole completed the following transactions related to the business:

Nov. 2. Nicole transferred cash from a personal bank account to an account to be used for the business, \$15,000.

5. Paid rent for period of November 5 to end of month, \$1,750.

6. Purchased office equipment on account, \$8,500.

8. Purchased a used truck for \$18,000, paying \$10,000 cash and giving a note payable for the remainder.

10. Purchased supplies for cash, \$1,115.

12. Received cash for job completed, \$7,500.

15. Paid annual premiums on property and casualty insurance, \$2,400.

23. Recorded jobs completed on account and sent invoices to customers, \$3,950.

24. Received an invoice for truck expenses, to be paid in December, \$600.

29. Paid utilities expense, \$750.

29. Paid miscellaneous expenses, \$310.

30. Received cash from customers on account, \$2,200.

30. Paid wages of employees, \$2,700.

30. Paid creditor a portion of the amount owed for equipment purchased on November 6, \$2,125.

30. Withdrew cash for personal use, \$1,400.

Instructions

Record the above transactions in General Journal, prepare Ledger Accounts (Standard Form) and Trial Balance.

QUESTION 2

The following selected transactions were completed by Salvo Delivery Service during February:

1. Received cash from owner as additional investment, \$35,000.
2. Received cash for providing delivery services, \$15,000.
3. Paid creditors on account, \$1,800.
4. Billed customers for delivery services on account, \$11,250.
5. Paid advertising expense, \$750.
6. Purchased supplies for cash, \$800.
7. Paid rent for February, \$2,000.
8. Received cash from customers on account, \$6,740.
9. Determined that the cost of supplies on hand was \$135; therefore, \$665 of supplies had been used during the month.
10. Paid cash to owner for personal use, \$1,000.

Instructions:

Prepare a Tabular Summary of the above mentioned transactions.