

Assignment

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Tuition Service Center

This is a business of providing tuition services which includes online, home tuition and studies help by senior or graduated students to junior students. In this tuition service, students will be able to register themselves online and have the studies online and at their home too by the teachers.

Initially, we need an office for the tuitions registrations and providing information for the tuitions if students want to inquire. Therefore we have rented an office on Abdara Road at Town, Peshawar.

1. On 1st May, the owners invested Rs. 1,000,000 for the business
2. On 1st May, the office was rented for three months and an advance payment of Rs. 30,000 was made. On the same day, the cash as security for the office was paid for an amount of 50,000 along with the commission expense for Rs. 5,000.
3. On 3rd May, the hosting server was bought to make the website for the tuition services. An advance payment of Rs. 10,000 was made for 6 months.
4. On 5th May, Rs. 10,000 was paid to different newspapers for the advertisement of the tuition services.
5. On 10th May, laptops of cost Rs. 300,000 were bought. 100,000 were paid at the time and an amount of Rs. 200,000 is to be paid within the coming six months.
6. On 10th May, furniture for the office was bought for an amount of Rs. 80,000.
7. On 15th May, ACs and refrigerator were bought for an amount of Rs. 120,000.
8. On 20th May, Internet connection was made for the office. The charges of the setup costed Rs. 1,500 and the advance payment for the month was paid for Rs. 3500.
9. On 29th May, 15,000 was paid by six students for home tuitions.
10. On 3rd June, Rs.8,000 was paid by 6 students for online tuitions.
11. On 10th June, 10 students paid Rs. 5,000 for course revision.
12. On 14th June, service revenue was generated for the past 3 days for the course revision by university students.
13. On 16th June, Salaries were paid to the teachers (university students) for providing teaching services to the students, 3,000 each (60% of 5,000).
14. On 30th June, salaries were paid to the employees for the month of June, 20,000 each.
15. On 30th June, salaries were paid to the home tuition teachers for the amount Rs. 67,500 (75%).
16. On 30th June, salaries were paid to online tuition teachers for the amount Rs.28,800.

17. On 1st July, utility bills were paid for the month of June for Rs.17,000.
18. On 2nd July, 15 students were registered for home tuitions and each of them paid Rs.15,000.
19. On 3rd July, new online tuition students were registered and each of them paid Rs.8,000 for the month of July.
20. On 14th July, 20 new students were registered for 3-day tuition service. Each student paid Rs. 5,000.
21. On 30th July, Service revenue was generated through home tuition service.
22. On 30th July, Service revenue was generated through online tuition service.
23. On 30th July, Service revenue was generated through revision course service.
24. On 30th July, salaries were paid to the employees for the month of July for Rs. 20,000, each.
25. On 30th July, salaries were paid to the online tuition teachers for Rs. 57,600.
26. On 30th July, salaries were paid to the home tuition teachers for Rs. 168,750.
27. On 31st July, utilities bills were paid for the amount of Rs. 20,000.
28. On 31st July, one of the owner draws an amount of Rs. 12,000 from the investment, made initially.
29. On 31st July, Internet bill was paid for Rs. 3,500.

General Journal

Date	Description	Dr	Cr
May 1st, 2020	Cash A/C Owner's Equity A/C	1,000,000 (PKR)	1,000,000 (PKR)
May 1st, 2020	Rent Expense A/C Security A/C Commission Expense A/C Cash A/C	30,000 50,000 5,000	85,000
May 3rd, 2020	Pre-paid Hosting A/C Cash A/C	10,000	10,000
May 5th, 2020	Advertisement Expense A/C Cash A/C	10,000	10,000
May 10th, 2020	Laptop A/C Cash A/C A/C Payable A/C	300,000	100,000 200,000
May 10th, 2020	Furniture A/C Cash A/C	80,000	80,000
May 15th, 2020	Electrical Appliances A/C Cash A/C	120,000	120,000
May 20th, 2020	Internet Expense A/C Cash A/C	5,000	5,000
May 29th, 2020	Cash A/C Advance Home Tuition Student Fee A/C	90,000	90,000
June 3rd, 2020	Cash A/C Advance Online Tuition Fee A/C	48,000	48,000

June 10th, 2020	Cash A/C Advance Course Revision Fee A/C	50,000	50,000
June 14th, 2020	Advance Course Revision Fee A/C Course Revision Service Revenue A/C	50,000	50,000
June 16th, 2020	Revision Teacher's Salary Expense A/C Cash A/C	30,000	30,000
June 30th, 2020	Advance Online Tuition Fee A/C Online Tuition Service Revenue A/C	48,000	48,000
June 30th, 2020	Advance student Tuition Fee A/C Home Tuition Service Revenue A/C	90,000	90,000
June 30th, 2020	Employee Salary Expense A/C Cash A/C	40,000	40,000
June 30th, 2020	Tuition Teacher's Salary Expense A/C Cash A/C	67,500	67,500
June 30th, 2020	Online Tuition Teacher Salary Expense A/C Cash A/C	28,000	28,000
July 1st, 2020	Utility Bills Expense A/C Cash A/C	17,000	17,000
July 2nd, 2020	Cash A/C Advance Student Home Tuition Fee A/C	225,000	225,000
July 3rd, 2020	Cash A/C Advance Online	96,000	

	Tuition Fee A/C		96,000
July 14th, 2020	Cash A/C Advance Course Revision Fee A/C	100,000	100,000
July 30th, 2020	Revision Teacher's Salary Expense A/C Cash A/C	60,000	60,000
July 30th, 2020	Advance Course Revision Fee A/C Course Revision service revenue A/C	100,000	100,000
July 30th, 2020	Employee Salary Expense A/C Cash A/C	40,000	40,000
July 30th, 2020	Advance Online Tuition Fee A/C Online Tuition Service Revenue A/C	96,000	96,000
July 30th, 2020	Advance Student Home Tuition Fee A/C Home Student Service Revenue A/C	225,000	225,000
July 30th, 2020	Online Teachers Salary Expense A/C Cash A/C	57,600	57,600
July 30th, 2020	Home Tuition Teachers Salary expense A/C Cash A/C	168,750	168,750
July 31th, 2020	Utility Bills Expense A/C Cash A/C	20,000	20,000
July 31th, 2020	Owner's Drawing A/C Cash A/C	12,000	12,000
July 31th, 2020	Internet Expense A/C	3,500	

	Cash A/C		3,500
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Ledgers

Cash A/C

Debit	Credit	Balance
1,000,000		1,000,000
	85,000	915,000
	10,000	905,000
	10,000	895,000
	100,000	795,000
	80,000	715,000
	120,000	595,000
	5,000	590,000
90,000		680,000
48,000		728,000
50,000		778,000
	30,000	748,000
	40,000	708,000
	67,500	640,500
	28,800	611,700
	17,000	594,700

225,000		819,700
96,000		915,700
100,000		1,015,700
	60,000	955,700
	40,000	915,700
	57,600	858,100
	168,750	689,350
	20,000	669,350
	12,000	657,350
	3,500	653,850

Owner Equity A/C

Debit	Credit	Balance
	1,000,000	1,000,000
12,000		988,000
	350	988,350

Rent Expense A/C

Debit	Credit	Balance
30,000		30,000
	30,000	0

Security A/C

Debit	Credit	Balance
50,000		50,000

Commission Expense A/C

Debit	Credit	Balance
5,000		5,000
	5,000	0

Prepaid Hosting A/C

Debit	Credit	Balance
10,000		10,000
	5,000	5,000

Advertisement Expense A/C

Debit	Credit	Balance
10,000		10,000
	10,000	0

Laptop A/C

Debit	Credit	Balance
300,000		300,000

Furniture A/C

Debit	Credit	Balance
80,000		80,000

A/Payable A/C

Debit	Credit	Balance
	200,000	200,000

Electrical Appliances A/C

Debit	Credit	Balance
120,000		120,000

Internet Expense A/C

Debit	Credit	Balance
5,000		5,000
3,500		8,500
	8,500	

Advance Student Home Fee A/C

Debit	Credit	Balance
	90,000	90,000
90,000		0
	225,000	225,000
225,000		0

Advance Online Tution Fee A/C

Debit	Credit	Balance
	48,000	48,000
48,000		0
	96,000	96,000
96,000		0

Advance Course Revision Fee A/C

Debit	Credit	Balance
	50,000	50,000
50,000		0
	100,000	100,000
100,000		0

Course Revision Service Revenue A/C

Debit	Credit	Balance
	50,000	50,000
	100,000	150,000
150,000		0

Online Tutition Service Revenue A/C

Debit	Credit	Balance
	48,000	48,000
	96,000	144,000
144,000		0

Home Tuition Service Revenue A/C

Debit	Credit	Balance
	90,000	90,000
	225,000	315,000
315,000		0

Revision Teacher Salary Expense A/C

Debit	Credit	Balance
30,000		30,000
60,000		90,000
	90,000	0

Home Tution Teacher Salary Expense A/C

Debit	Credit	Balance
675,00		675,00
168,750		236,250
	236,250	0

Online Tution Teacher Salary Expense A/C

Debit	Credit	Balance
28,800		28,800
57,600		86,400
	86,400	0

Employee Salary Expense A/C

Debit	Credit	Balance
40,000		40,000
40,000		80,000
	80,000	0

Utility Bills Expense A/C

Debit	Credit	Balance
17,000		17,000
20,000		37,000
	37,000	0

Owner Drawing A/C

Debit	Credit	Balance
12,000		12,000
	12,000	0

Tuition Service Center

Trail Balance

31, July 2020

Accounts	Debit	Credit
Cash A/C	653,850	
Owner Equity		1,000,000
Rent Expense A/C	30,000	
Security A/C	50,000	
Commission Expense A/C	5,000	
Prepaid Hosting A/C	10,000	
Advertisement Expense A/C	10,000	
Laptop A/C	300,000	
A/Payable A/C		200,000
Furniture A/C	80,000	
Electrical Appliances A/C	120,000	
Internet Expense A/C	8,500	
Course Revision Service Revenue A/C		150,000
Online Tuition Service Revenue A/C		144,000
Home Tuition Service Revenue A/C		315,000
Revision Teacher Salary Expense A/C	90,000	

Home Tuition Teacher Salary Expense A/C	236,250	
Online Tuition Teacher Salary Expense A/C	86,400	
Employee Salary Expense A/C	80,000	
Utility Bills Expense A/C	37,000	
Owner Drawing A/C	12,000	
Total	1,809,500	1,809,500

Adjusted Entries

Date	Description	Debit	Credit
July 31, 2020	Depreciation Expense:Laptop A/C Accumulated Depreciation: Laptop A/C	12,500	12,500
July 31, 2020	Depreciation Expense:Furniture A/C Accumulated Depreciation: Furniture A/C	2,000	2,000

July 31, 2020	Depreciation Expense:Laptop A/C Accumulated Depreciation: Electrical Appliances A/C	6,000	6,000
July 31, 2020	Depreciation Expense: Prepaid Hosting A/C Prepaid Hosting A/C	5,000	5,000

Depreciation Expense:Laptop A/C

Debit	Credit	Balance
12,500		12,500
	12,500	0

Depreciation Expense:Furniture A/C

Debit	Credit	Balance
2,000		2,000
	2,000	0

Depreciation Expense:Electrical Appliances A/C

Debit	Credit	Balance
6,000		6,000
	6,000	0

Depreciation Expense:Prepaid Hosting A/C

Debit	Credit	Balance
5,000		5,000
	5,000	0

Accumulated Depreciation: Laptop A/C

Debit	Credit	Balance
	12,500	12,500

Accumulated Depreciation: Furniture A/C

Debit	Credit	Balance
	2,000	2,000

Accumulated Depreciation: Electrical Appliances A/C

Debit	Credit	Balance
	6,000	6,000

Tuition Service Center

Adjusted Trial Balance

31, July 2020

Accounts	Debit	Credit
Cash A/C	653,850	
Owner Equity		1,000,000
Rent Expense A/C	30,000	
Security A/C	50,000	
Commission Expense A/C	5,000	
Prepaid Hosting A/C	5,000	
Advertisement Expense A/C	10,000	
Laptop A/C	300,000	
A/Payable A/C		200,000
Furniture A/C	80,000	
Electrical Appliances A/C	120,000	
Internet Expense A/C	8,500	
Course Revision Service Revenue A/C		150,000
Online Tutuon Service Revenue A/C		144,000
Home Tuition Service		315,000

Revenue A/C		
Revision Teacher Salary Expense A/C	90,000	
Home Tuition Teacher Salary Expense A/C	236,250	
Online Tuition Teacher Salary Expense A/C	86,400	
Employee Salary Expense A/C	80,000	
Utility Bills Expense A/C	37,000	
Owner Drawing A/C	12,000	
Depreciation Expense: Laptop A/C	12,500	
Depreciation Expense: Furniture A/C	2,000	
Depreciation Expense: Electrical Appliances A/C	6,000	
Accumulated Depreciation: Laptop A/C		12,500
Accumulated Depreciation: Furniture A/C		2,000
Accumulated Depreciation: Electrical Appliances A/C		6,000
Depreciation Expense: Prepaid Hosting A/C	5,000	
Total	1,830,000	1,830,000

Tuition Service Center

Income Statement

July 31, 2020

Home Tuition Service Revenue A/C	315,000
Online Tution Service Revenue A/C	144,000
Course Revision Service Revenue	150,000
Total Service Revenue	609,000
Salary Expense A/C	80,000
Internet Expense A/C	8,500
Utility Bills Expense A/C	37,000
Commision Expense A/C	5,000
Rent Expense A/C	30,000
Advertisement Expense A/C	10,000
Depreciation Expense: Laptop A/C	12,500
Depreciation Expense: Electrical Appliances A/C	6,000
Depreciation Expense: Furniture A/C	2,000
Depreciation Expense: Prepaid Hosting A/C	5,000
Home Tution Teacher Salary Expense A/C	236,250
Course Revision Teacher Salary Expense A/C	90,000

Online Teacher Salary Expense A/C	86,400
Total Expenses	608,650
Net Income	350

Closing Entries

Date	Description	Debit	Credit
July 31, 2020	Home Tuition Service Revenue A/C Online Tuition Service Revenue A/C Course Revision Service Revenue A/C Income Summary A/C	315,000 144,000 150,000	 609,000
July 31, 2020	Income Summary A/C Online Teacher Salary Expense A/C	86,400	 86,400
July 31, 2020	Income Summary A/C Course Revision Teacher Salary Expense A/C	90,000	 90,000
July 31, 2020	Income Summary A/C Home Tution Teacher Salary Expense	236,250	 236,250

	A/C		
July 31, 2020	Income Summary A/C Depreciation Expense: Furniture A/C	2,000	2,000
July 31, 2020	Income Summary A/C Depreciation Expense: Laptop A/C	12,500	12,500
July 31, 2020	Income Summary A/C Depreciation Expense: Electrical Appliances A/C	6,000	6,000
July 31, 2020	Income Summary A/C Depreciation Expense: Prepaid Hosting A/C	5,000	5,000
July 31, 2020	Income Summary A/C Advertisement Expense A/C	10,000	10,000
July 31, 2020	Income Summary A/C Internet Expense A/C	8,500	8,500
July 31, 2020	Income Summary A/C Rent Expense A/C	30,000	30,000
July 31, 2020	Income Summary A/C	5,000	

	Commision Expense A/C		5,000
July 31, 2020	Income Summary A/C Utility Bills Expense A/C	37,,000	37,000
July 31, 2020	Income Summary A/C Salary Expense A/C	80,000	80,000
July 31, 2020	Income Summary A/C Owner Equity A/C	350	350
July 31, 2020	Owner Equity A/C Owner Drawing A/C	12,000	12,000

Income Summary A/C Ledger

Debit	Credit	Balance
	609,000	609,000
86,400		522,600
90,000		432,600
236,250		196,350
2,000		194,350
12,500		181,850
6,000		175,850
5,000		170,850
10,000		160,850
8,500		152,350
30,000		122,350
5,000		117,350
37,000		80,350
80,000		350
350		0

Home Tuition Center

After Closing Trial Balance

July 31, 2020

Accounts	Debit	Credit
Cash A/C	653,850	
Owner Equity		988,350
Security A/C	50,000	
Prepaid Hosting A/C	5,000	
Laptop A/C	300,000	
A/Payable A/C		200,000
Furniture A/C	80,000	
Electrical Appliances A/C	120,000	
Accumulated Depreciation: Laptop A/C		12,500
Accumulated Depreciation: Furniture A/C		2,000
Accumulated Depreciation: Electrical Appliances A/C		6,000
Total	1,208,850	1,208,850

Home Tuition Center

Balance Sheet

July 31, 2020

Assets		Liabilities	
Cash A/C	653,850	A/Payable A/C	200,000
Security A/C	50,000	Owner Equity A/C	988,350
Prepaid Hostig A/C	5,000		
Laptop A/C	300,000		
	12,500		
Net book value	287,500		
Furniture A/C	80,000		
	2,000		
Net book value	78,000		
Electrical appliances A/C	120,000		
	6,000		
Net book value	114,000		
Total	1,188,350	Total	1,188,350