**Name:** JOHN JOEL C. ALFABETE **Date:** March 10, 2024

**Course & Section:** BSCS\_3A  **Score:**

**Sample Business Transaction 1: Queen’s Beauty Shop**

Queen’s Beauty Shop was formed on June 1, 2017 of the current year by Johnny Bee. The transactions for the month of operations are listed below.

|  |  |
| --- | --- |
| June 1 | Johnny invested P45, 000 cash in the business. |
| 2 | Purchase supplies for cash for P2, 250. |
| 4 | Purchased equipment on account for P7, 200. |
| 6 | Purchased furniture and fixtures for P40, 000, giving a down payment of P4, 800 and a short term note for the balance. |
| 8 | Rendered services to customers, receiving cash P10, 750. |
| 10 | Rendered services to customers on account, P3, 960. |
| 11 | Borrowed P7, 500 from a bank, signing a note. |
| 13 | Paid salaries of beauticians, P4, 550. |
| 17 | Paid creditors on account, P4, 500. |
| 22 | The owner withdrew P2, 700 cash for his personal use. |
| 25 | Paid the bank, P3, 750 |
| 28 | Paid miscellaneous expenses, P855. |
| 29 | Paid billing from water and electricity companies, P750. |
| 29 | Paid P3, 000 for the first month of rent on the shop. |
| 30 | Collected P2, 790 from customers on account. |

**Queen’s Beauty Shop**

**Chart of Account**

|  |  |
| --- | --- |
| **ASSETS**  **Account No. Account Title** | **REVENUE**  **Account No. Account Title** |
| 11 Cash  12 Accounts Receivable  13 Supplies  14 Equipment  15 Furniture and Fixtures  **LIABILITIES**  21 Accounts Payable  22 Notes Payable  **EQUITY**  31 Johnny Bee, Capital  32 Johnny Bee, Drawing  33 Income Summary | 41 Service Sales    **EXPENSES**  51 Salaries Expense  52 Rent Expense  53 Utilities Expense  54 Miscellaneous Expense |

**Step 2: Journalizing Transactions**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **GENERAL JOURNAL** | | | | | **GJ-** | |
| Date | | Description | Ref. | Debit | | Credit |
| June | 1 | Cash |  | 45,000 | |  |
|  |  | Johnny Bee, Capital |  |  | | 45,000 |
|  |  | To record the investment of the owner |  |  | |  |
| June | 2 | Supplies |  | 2,250 | |  |
|  |  | Cash |  |  | | 2,250 |
|  |  | To record the purchase of supplies |  |  | |  |
| June | 4 | Equipment |  | 7,200 | |  |
|  |  | Accounts Payable |  |  | | 7,200 |
|  |  | To record the purchase of equipment on account |  |  | |  |
| June | 6 | Furniture and Fixtures |  | 40,000 | |  |
|  |  | Cash |  |  | | 4,800 |
|  |  | Notes Payable |  |  | | 35,200 |
|  |  | To record the purchase of furniture and fixture on cash and on account |  |  | |  |
| June | 8 | Cash |  | 10,750 | |  |
|  |  | Service Sales |  |  | | 10,750 |
|  |  | To record income/revenue |  |  | |  |
| June | 10 | Accounts Receivable |  | 3,960 | |  |
|  |  | Service Sales |  |  | | 3,960 |
|  |  | To record revenue on account |  |  | |  |
| June | 11 | Cash |  | 7,500 | |  |
|  |  | Notes Payable |  |  | | 7,500 |
|  |  | To record the money borrowed from the bank |  |  | |  |
| June | 13 | Salaries Expense |  | 4,550 | |  |
|  |  | Cash |  |  | | 4,550 |
|  |  | To record payment of salaries |  |  | |  |
| June | 17 | Accounts Payable |  | 4,500 | |  |
|  |  | Cash |  |  | | 4,500 |
|  |  | To record payment on account |  |  | |  |
| June | 22 | Johnny Bee, Drawing |  | 2,700 | |  |
|  |  | Cash |  |  | | 2,700 |
|  |  | To record the withdrawals of the owner |  |  | |  |
| June | 25 | Notes Payable |  | 3,750 | |  |
|  |  | Cash |  |  | | 3,750 |
|  |  | To record payment on bank |  |  | |  |
| June | 28 | Miscellaneous Expense |  | 855 | |  |
|  |  | Cash |  |  | | 855 |
|  |  | To record payment of miscellaneous expense |  |  | |  |
| June | 29 | Utilities Expense |  | 750 | |  |
|  |  | Cash |  |  | | 750 |
| June | 29 | Rent Expense |  | 3,000 | |  |
|  |  | Cash |  |  | | 3,000 |
| June | 30 | Cash |  | 2,790 | |  |
|  |  | Accounts Receivable |  |  | | 2,790 |

**Step 3: Ledger Posting**

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| **Ledger 1** | | **Account No.: 11** | | **Account Title: Cash** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 1 | |  | | GJ-1 | 45,000 |  | 45,000 |  |
| June | 2 | |  | | GJ-1 |  | 2,250 | 42,750 |  |
| June | 6 | |  | | GJ-1 |  | 4,800 | 37,950 |  |
| June | 8 | |  | | GJ-1 | 10,750 |  | 48,700 |  |
| June | 11 | |  | | GJ-1 | 7,500 |  | 56,200 |  |
| June | 13 | |  | | GJ-1 |  | 4,550 | 51,650 |  |
| June | 17 | |  | | GJ-1 |  | 4,500 | 47,150 |  |
| June | 22 | |  | | GJ-1 |  | 2,700 | 44,450 |  |
| June | 25 | |  | | GJ-1 |  | 3,750 | 40,700 |  |
| June | 28 | |  | | GJ-1 |  | 855 | 39,845 |  |
| June | 29 | |  | | GJ-1 |  | 750 | 39,095 |  |
| June | 29 | |  | | GJ-1 |  | 3,000 | 36,095 |  |
| June | 30 | |  | | GJ-1 | 2,790 |  | 38,885 |  |

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| **Ledger 2** | | **Account No.: 12** | | **Account Title: Accounts Receivable** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 10 | |  | | GJ-1 | 3,960 |  | 3,960 |  |
| June | 30 | |  | | GJ-1 |  | 2,790 | 1,170 |  |

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| **Ledger 3** | | **Account No.: 13** | | **Account Title: Supplies** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 2 | |  | | GJ-1 | 2,250 |  | 2,250 |  |

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| **Ledger 4** | | **Account No.: 14** | | **Account Title: Equipment** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 4 | |  | | GJ-1 | 7,200 |  | 7,200 |  |

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| **Ledger 5** | | **Account No.: 15** | | **Account Title: Furniture and Fixture** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 6 | |  | | GJ-1 | 40,000 |  | 40,000 |  |

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| **Ledger 6** | | **Account No.: 21** | | **Account Title: Accounts Payable** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 4 | |  | | GJ-1 |  | 7,200 |  | 7,200 |
| June | 17 | |  | | GJ-1 |  | 4,500 |  | 11,700 |

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| **Ledger 7** | | **Account No.: 22** | | **Account Title: Notes Payable** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 6 | |  | | GJ-1 |  | 35,200 |  | 35,200 |
| June | 11 | |  | | GJ-1 |  | 7,500 |  | 42,700 |
| June | 25 | |  | | GJ-1 | 3,750 |  |  | 38,950 |

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| **Ledger 8** | | **Account No.: 31** | | **Account Title: Johnny Bee, Capital** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 1 | |  | | GJ-1 |  | 45,000 |  | 45,000 |

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| **Ledger 9** | | **Account No.: 32** | | **Account Title: Johnny Bee, Drawing** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 22 | |  | | GJ-1 | 2,700 |  | 2,700 |  |

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| **Ledger 10** | **Account No. :33** | | **Account Title: Income Summary** | | | | **Balance** | |
| Date | | Item | | Ref. | Debit | Credit | Debit | Credit |

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| **Ledger 11** | | **Account No.: 41** | | **Account Title: Service Sales** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 8 | |  | | GJ-1 |  | 10,750 |  | 10,750 |
| June | 10 | |  | | GJ-1 |  | 3,960 |  | 14,710 |

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| **Ledger 12** | | **Account No.: 51** | | **Account Title: Salaries Expense** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 13 | |  | | GJ-1 | 4,550 |  | 4,550 |  |

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| **Ledger 13** | | **Account No.: 52** | | **Account Title: Rent Expense** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 29 | |  | | GJ-1 | 3,000 |  | 3,000 |  |

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| **Ledger 14** | | **Account No.: 53** | | **Account Title: Utilities Expense** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 29 | |  | | GJ-1 | 750 |  | 750 |  |

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| **Ledger 15** | | **Account No.: 54** | | **Account Title: Miscellaneous Expense** | | | | **Balance** | |
| Date | | | Item | | Ref. | Debit | Credit | Debit | Credit |
| June | 28 | |  | | GJ-1 | 855 |  | 855 |  |