

E3-3. Identifying Expenses

Required:

For each of the transactions, if an expense is to be recognized in January, indicate the expense account title and the amount. If an expense is not to be recognized in January, indicate why.

Activity	Expense Account Affected	Amount of Expense Incurred in January
a	Utilities expense	3800
b	Advertising expense	$1,350/3=450$
c	Salaries expense	$403,000/2=201,500$
d	None	Expense will be recorded when the related revenue has been earned.
e	None	Expense will be recorded when the related revenue has been earned.
f	Cost of goods sold	$400 \times 210=84,000$
g	None	December expense paid in January.
h	Commission expense	55,560
i	None	Expense will be recorded as depreciation (used portion of asset's cost) over the equipment's useful life.
j	Supplies expense	$3,500+2,600-1,400=4,700$
k	Wages expense	$23 \times 8=184$
l	Insurance expense	$4,800 / 12=400$
m	Repairs expense	600
n	Utilities expense	154

o	Consulting expense	2,034
p	None	December expense paid in January.
q	Cost of goods sold	$450 \times 21 = 9,450$

E3-4. Determining Financial Statement Effects of Various Transactions**Required:**

For each of the transactions, complete the tabulation, indicating the effect (+ for increase and – for decrease) of each transaction. (Remember that $A = L + SE$; $R - E = NI$; and NI affects SE through Retained Earnings.) Write NE if there is no effect. The first transaction is provided as an example.

Transaction	BALANCE SHEET			INCOME STATEMENT		
	Assets	Liabilities	Stockholders' Equity	Revenues	Expenses	Net Income
a	+623	NE	+623	NE	NE	NE
b	+1,427	+1,427	NE	NE	NE	NE
c	-5,300	-5,000	-300	NE	+300	-300
d	+280,522	NE	+280,522	+280,522	NE	+280,522
e	NE	+25,249	-25,249	NE	+25,249	-25,249
f	-118,241	-118,241	NE	NE	NE	NE
g	-18,878	NE	-18,878	NE	+18,878	-18,878
h	NE	NE	NE	NE	NE	NE
i	+16,231	+16,231	NE	NE	NE	NE
j	-165,536	NE	-165,536	NE	+165,536	-165,536
k	-830	-830	NE	NE	NE	NE

E3-8. Recording Journal Entries

Required:

Prepare journal entries for each transaction. Be sure to categorize each account as an asset (A), liability (L), stockholders' equity (SE), revenue (R), or expense (E).

a.	Rent Expense (+E)	275	
	Cash (-A)		275
b.	Fuel Supplies (+A)	490	
	Accounts Payable (+L)		490
	(注: 直接确认为 Fuel supplies expense 也算正确, 这里没有说清楚。尤其是 2 月 7 日的飞行是相应的耗费)		
c.	Cash (+A)	820	
	Unearned Revenue (+L)		820
d.	Cash (+A)	910	
	Transport revenue (+R)		910
e.	Advertising Expense (+E)	175	
	Cash (-A)		175
	(注: 可以在 2 月 10 日先确认预付费用, 到月底转入广告费用, 两笔分录合计的结果也相当于上面一个分录)		
f.	Wage Payable (-L)	2,300	
	Cash (-A)		2,300
g.	Cash (+A)	1,600	
	Account Receivable (+A)	2,200	
	Transport Revenue (+R)		3,800
h.	Supplies (+A)	2,550	
	Account Payable (+L)		2,550
i.	Retained Earnings (-SE)	200	
	Dividends Payable (+L)		200

rent 和 lease 的区别:

rent 意思为“租金”;而 lease 意思为“租约”

1、意思不一样, 所涉及的事项也不一样

rent 意思为“租金”;而 lease 意思为“租约”。前者涉及的是租赁协议/合同中的利益关系, 后者牵涉的是租赁协议/合同中的义务权利以及责任。

2、使用方式上不一样

从灵活性/口语(书面)来说。Lease 用法较为死板，只出现在合同/协议等正式文稿中，不能在口语里，而 Rent 则可在口语或书面语中出现。

会计学原理中看到 rent，一般不用记作使用权资产，看到 lease 要分情况，负债那一章会详细介绍

Wage 和 salary 区别

wage : a fixed regular payment earned for work or services, typically paid on a daily or weekly basis.

salary: a fixed regular payment, typically paid on a monthly basis but often expressed as an annual sum.

简单区分，兼职、临时工等拿到的工资叫 wage，而白领等有稳定工作的工资为 salary

会计学原理中 wage 和 salary 混着用，题目上说哪个科目名称，就用哪个科目名称

E3-17. Analyzing the Effects of Transactions Using T-Accounts and Interpreting the Net Profit Margin Ratio as a Financial Analyst

Required:

1. Using the data from this list, amounts for the following on January 1, 2024, were
Assets \$ 17,600 = Liabilities \$ 9,600 + Stockholders' Equity \$ 8,000
2. Create T-accounts and start with the list above as beginning balances. Then, enter in the T-accounts the following transactions for 2024:
 - a. Provided \$58,000 in services to clients who paid \$48,000 in cash and owed the rest on account.
 - b. Received \$5,600 cash from clients on account.
 - c. Received \$400 in cash as interest revenue on investments.
 - d. Paid \$36,000 in wages, \$12,000 in travel, \$7,600 in rent, and \$1,600 on accounts payable.
 - e. Received \$1,600 in cash from clients in advance of services Massa will provide next year.
 - f. Received a utility bill for \$800 for 2024 services.
 - g. Declared and immediately paid \$480 in dividends to stockholders.

(Please attempt to create T-accounts on your own.)

Cash		Account Receivable		Long – term Investment	
Beg.	3,200	Beg.	8,000	Beg.	6,400
(a)	4,800	(a)	10,000		
(b)	5,600		5,600 (b)		
(c)	400				
(e)	1,600				
End.	<u>1,120</u>	End.	<u>12,400</u>	End.	<u>6,400</u>
Accounts Payable		Long – term Notes Payable		Unearned Revenue	
	2,400 Beg.		1,600 Beg.		5,600 Beg.
(d)	1,600				1,600 (e)
	<u>1,600</u> End.		<u>1,600</u> End.		<u>7,200</u> End.
Common Stock		Additional Paid-in Capital		Retained Earnings	
	800 Beg.		4,000 Beg.		3,200 Beg.
				(f) 480	
	<u>800</u> End.		<u>4,000</u> End.		<u>2,720</u> End.
Consulting Fee Revenue		Interest Revenue			
	0 Beg.		0 Beg.		
	58,000 (a)		400 (c)		
	<u>58,000</u> End.		<u>400</u> End.		

Rent Expense		Travel Expense		Wage Expense	
Beg.	0	Beg.	0	Beg.	0
(d)	7,600	(d)	12,000	(d)	36,000
End.	<u>7,600</u>	End.	<u>12,000</u>	End.	<u>36,000</u>

Utilities Expense	
Beg.	0
(d)	800
End.	<u>800</u>

3. Compute ending balances in the T-accounts to determine amounts for the following on December 31, 2024:

Revenues \$ 58,400__ – Expenses \$ _56,400_ = Net Income \$ 2,000__

Assets \$ _19,920_ = Liabilities \$ _10,400_ + Stockholders' Equity \$ _9,520__

4. Calculate the net profit margin ratio for 2024. If the company had a net profit margin ratio of 2.9 percent in 2023 and 2.5 percent in 2022, what does your computation suggest to you about Massa Company? What would you say in your report?

$$\text{Net profit margin ratio} = 2,000 \div 58,000 = 3.4\%$$