

Journal Entry || Trial Balance or CSE & ALL.

Assets	+ = Debit
Expense	
Withdraw	- = Credit

Accounts Payable	+ = Credit
Revenue	
Capital/Common Stock	- = Debit

Journal Entry || Trial Balance || T-Accounts with Example For CSE & ALL

Assets	+ = Debit
Expense	
Withdraw	- = Credit

Accounts Payable	+ = Credit
Revenue	
Capital/Common Stock	- = Debit





P2-48B 4 5 Journalizing transactions, posting to accounts in four-column format, and preparing a trial balance [45–60 min]

Vince Smith opened a law office on April 2, 2012. During the first month of operations, the business completed the following transactions:

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- | | |
|--------|---|
| Apr. 2 | Smith deposited \$32,000 cash in the business bank account |
| | Vince Smith, Attorney, P.C. and the business gave Smith common stock. |
| 3 | Purchased supplies, \$500, and furniture, \$2,000, on account. |
| 4 | Performed legal service for a client and received cash, \$1,900. |
| 7 | Paid cash to acquire land for a future office site, \$24,000. |
| 11 | Prepared legal documents for a client on account, \$1,100. |
| 15 | Paid secretary's bi-monthly salary, \$460. |
| 16 | Paid for the supplies purchased April 3 on account. |
| 18 | Received \$1,700 cash for helping a client sell real estate. |
| 19 | Defended a client in court and billed the client for \$700. |
| 29 | Received cash on account, \$800. |
| 30 | Paid secretary's bi-monthly salary, \$460. |
| 30 | Paid rent expense, \$730. |
| 30 | Paid cash dividend of \$2,700. |
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Requirements

1. Open the following T-accounts: Cash, Accounts receivable, Supplies, Furniture; Land, Accounts payable, Common stock, Dividends, Service revenue, Salary expense, and Rent expense.
2. Record each transaction in the journal, using the account titles given. Key each transaction by date. Explanations are not required.
3. Post the transactions to T-accounts, using transaction dates as posting references in the ledger. Label the balance of each account *Bal*, as shown in the chapter.
4. Prepare the trial balance of Vince Smith, Attorney, P.C., at April 30, 2012.

-  **T Accounts (Declare)**
-  **Journal Entry**
-  **T-Accounts (Initialize)**
-  **Trial Balance**

Journal Entry

Transaction	Accounts	Debit	Credit		Accounts payable ✓	✓ 500	
2	✓ Cash	✓ 32000		18	Cash	1700	
	Common stock		✓ 32000		Revenue		1700
3	✓ Supplies	500		19	Account Receivable	700	
	Accounts payable		500		Service revenue		700
3	✓ Furniture	2000		29	Cash	✓ 800	
	Accounts payable		✓ 2000		Account receivable ✓		800
4	✓ Cash	✓ 1900		30	Cash		460
	✓ Revenue		✓ 1900		Salary expense	✓ 460	
7	Cash		24000	30	Cash		730
	Land	24000			Rent expense	730	
11	Accounts Receivable	1100		30	Cash		2700
	Revenue		✓ 1100		Dividends	2700	
15	Cash		✓ 460				
	Salary expense	460					
16	cash		✓ 500				

T - Accounts

Cash	
✓ 3) 32000	
4) 1900	
	7) 24000
	15) 460
	10) 500
18) 1700	
22) 800	
	30) 460
	30) 730
	30) 2700
✓ 36400	✓ 28850
7550	

Supplies	
✓ 3) 500	

Furniture	
3) 2000	
2000	

Accounts Receivable	
11) 1100	
19) 700	
	29) 800
1800	800

Land	
✓ 7) 24000	
24000	

Accounts Payable	
	✓ 3) 500
	3) 2000
16) 500	
500	2500
	2000

Common Stock	
	2) 32000
	32000

Service Revenue	
	4) 1900
	11) 1100
	18) 1700
	19) 700

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Dividends	
30) 2700	

Rent Expense	
30) 730	

Salary Expense	
15) 460	
✓ 30) 460	

Trial Balance

Accounts	Debit	Credit
Cash	7550	
Supplies	500	
Furniture	2000	
Accounts Receivable	1000	
Land	24000	
Accounts Payable		2000
Common Stok		32000
Service Revenue		5400
Dividends	2700	
Rent Expense	730	
Salary Expense	920	
	39400	39400