**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.