**PRACTICE QUESTION**

**Question 1**

The Zuni Co. has the following accounts in its ledger: Cash; Accounts Receivable; Supplies; Office Equipment; Accounts Payable; Gayle McCall, Capital; Gayle McCall, Drawing; Fees Earned; Rent Expense; Advertising Expense; Utilities Expense; Miscellaneous Expense.

Following transactions took place during the month of August:

August 1. Paid rent for the month, $1,500.

2. Paid advertising expense, $700.

4. Paid cash for supplies, $1,050.

6. Purchased office equipment on account, $7,500.

8. Received cash from customers on account, $3,600.

12. Paid creditor on account, $1,150.

20. Withdrew cash for personal use, $1,000.

25. Paid cash for repairs to office equipment, $500.

30. Paid telephone bill for the month, $195.

31. Fees earned and billed to customers for the month, $10,150.

31. Paid electricity bill for the month, $380.

**Required**

1. Journalize the following selected transactions for August 2005 in a two-column journal.
2. Post the entries prepared in (a) to the following T accounts

**Question 2**

Shaun Wilcox, an architect, opened an office on April 1, 2006. During the month, he completed the following transactions connected with his professional practice:

a. Transferred cash from a personal bank account to an account to be used for the business, $17,500.

b. Purchased used automobile for $15,300, paying $4,000 cash and giving a note payable for the remainder.

c. Paid April rent for office and workroom, $2,200.

d. Paid cash for supplies, $660.

e. Purchased office and computer equipment on account, $5,200.

f. Paid cash for annual insurance policies on automobile and equipment, $1,200.

g. Received cash from a client for plans delivered, $3,725.

h. Paid cash to creditors on account, $1,800.

i. Paid cash for miscellaneous expenses, $235.

j. Received invoice for blueprint service, due in May, $650.

k. Recorded fee earned on plans delivered, payment to be received in May, $3,500.

l. Paid salary of assistant, $1,300.

m. Paid cash for miscellaneous expenses, $105.

n. Paid installment due on note payable, $200.

o. Paid gas, oil, and repairs on automobile for April, $115.

**Required**

1. Journalize the following selected transactions for August 2005 in a two-column journal.
2. Post the entries prepared in (a) to the following T accounts
3. Prepare Trial Balance