

Practice Answers for Chap 1,2 Acctg 1

Multiple Choice

- | | |
|------|------|
| 1 A | 12 C |
| 2 D | 13 A |
| 3 A | 14 C |
| 4 D | 15 B |
| 5 E | 16 C |
| 6 B | 17 B |
| 7 B | 18 D |
| 8 B | 19 A |
| 9 B | 20 D |
| 10 D | 21 D |
| 11 D | 22 A |

Problem #1

1-Jun Cash	12,000	
Capital (Quark)		12,000
3-Jun Equipment	1,800	
A/P		1,800
4-Jun Prepaid Insurance	360	
Cash		360
6-Jun Office Supplies	300	
Cash		300
9-Jun Computer	7,500	
Cash		1,500
A/P		6,000
10-Jun A/R	40	
Revenue		40
14-Jun A/P	1,800	
Cash		1,800
25-Jun Cash	35	
Revenue		35
30-Jun Cash	40	
A/R		40
30-Jun Withdrawals	500	
Cash		500

Problem #2

Merry Mowers
Trial Balance
May 31, xx

	<u>DR</u>	<u>CR</u>
Cash	9,440	
Office Supplies	500	
Equipment	3,000	
A/P		500
N/P		2,000
Capital (M.Sanchez)		8,000
Withdrawals (M.Sanchez)	550	
Lawn care revenue		3,200
Gas and Oil expense	210	
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TOTAL	13,700	13,700

Problem #3

PC Partners Income Statement For month ended 9-30-04		
Revenue:		
Installation Revenue	15,600	
Repair Revenue	8,650	
Misc Revenue	<u>800</u>	
Total Revenue		25,050
Expense:		
Rent Expense	1,300	
Entertainment Expense	600	
Photocopying Expense	150	
Advertising Expense	<u>420</u>	
		<u>2,470</u>
Net Income		22,580

PC Partners
 Stmt of Equity
 For month ended 9-30-04

Capital, Ed Connor at 8/31/04	56,000
ADD:	
Net Income	22,580
LESS:	
Withdrawals (Ed Connor)	<u>-7,000</u>
Capital, Ed Connor at 9/30/04	71,580

PC Partners
 Balance Sheet
 9/30/2004

Assets:		Liabilities:	
Cash	35,460	A/P	4,200
A/R	8,480	Unearned Revenue	<u>760</u>
Equipment	15,700	Total Liabilities	4,960
Supplies	8,400		
Truck	<u>8,500</u>	Equity:	
TOTAL ASSETS	76,540	Capital (Ed Connor)	<u>71,580</u>
		Total Equity	<u>71,580</u>
		Total Liabilities and Equity	76,540