

Transactions: Susie's Consulting

Susie Johnson is a certified genius. She is so smart and knows so much, that people hire her to tell them what to do. As you can imagine, a smart young lady like Susie is very busy. Perhaps YOU would like to hire Susie to help you, however, since you are doing so well in *Accounting* class, you will not need to hire Susie to help you with this project.

Here are the opening balances:

1. Cash \$800
2. Office Equipment \$200
3. Accounts Payable \$100
4. Joe's Capital \$900

Here are the transactions:

1. Buy a used computer at the office supply store and pay cash \$200
2. Buy new printer for \$100 with company credit card (this is a liability!)
3. Buy a ream of printer paper for \$10 (supplies)
4. Perform and charge client for consulting, Net 30, \$600
5. Pay monthly rent \$400
6. Pay \$50 for a tank of gas – this vehicle will only be used for business travel.
7. Pay credit card company \$50 for new computer
8. Customer pays you \$600 for services rendered
9. Perform and charge client for consulting, Net 30, \$400
10. Buy printer toner cartridge for cash, \$250
11. Perform and charge client for consulting, Net 30, \$400

Please use small numbers in parenthesis to “key” you ledger entries. Remember your debits & credits! When you have complete recording the transactions in the appropriate T-account(s), then “foot” each so that you have a total for all accounts.

Then we will create:

1. Trial Balance
2. Income Statement
3. Owner's Equity Statement
4. Balance Sheet

Ledger

Assets

Liabilities

CASH

Supplies

Accounts Pay

Office Equipment

Accounts Rec

Owners' Equity

Capital

A T-account with a horizontal top line and a vertical stem extending downwards.

Rent Exp

A T-account with a horizontal top line and a vertical stem extending downwards.

Service Fees

A T-account with a horizontal top line and a vertical stem extending downwards.

Gas Exp

A T-account with a horizontal top line and a vertical stem extending downwards.