recognition, valuation, and classification essay sample

Technology, Computer

Normal Balances

SE4. Tell whether the normal balance of each accounts in SE1is a debit or a credit. Transaction Analysis

SE5. Shawn Michael started a computer programming business, Michael's Programming Service. For each transaction that follows, indicate which account is debited and which account is credited. May 2) Shawn Michael invested $10, 000.

5) Purchased a computer for $5, 000 in cash.

7) Purchased supplies on credit for $600.

19) Received cash for programming services performed, $1, 000. 22) Received cash for programming services to be performed, $1, 200. 25) paid the rent for May, $1, 300.

31) Billed a customer for programming services performed, $500. Recording Transactions in T Accounts

E6A. Open the following T accounts: Cash; Repair Supplies; Repair Equipment; Accounts Payable; C. Ferdinand, Capital; Withdrawals; Repair Fees Earned; Salaries Expense; and Rent Expense. Record the following transactions for the month of June directly in the T accounts; use the letters to identify the transactions in your T accounts. Determine the balance in each account. A. Collin Ferdinand opened Ferdinand Repair Service by investing $8, 600 in cash and $3, 200 in repair equipment. B. Paid $800 for the current month's rent.

C. Purchased repair supplies on credit, $1, 000.

D. Purchased additional repair equipment for cash, $600.

E. Paid salary to an employee, $900.

F. Paid $400 of amount purchased on credit in c

G. Accepted cash for repairs completed, $3, 720.

H. Withdrew $1, 200 in cash.

Trial Balance

E9A. After recording the transactions in E6A, prepare a trial balance in

proper sequence for Ferdinand Repair Service as of June 30, 2014.