

For Solution to IA7-1

Merced Business Services, Inc.										
Worksheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	45,000									
Accounts Receivable	14,200									
Supplies	700									
Prepaid Insurance	1,800									
Office Equipment	20,000									
Accum. Dep'n.— Office Equip.		7,000								
Accounts Payable		5,100								
Unearned Revenue		1,000								
Common Stock		10,000								
Retained Earnings		30,500								
Service Revenue		59,200								
Salaries/Wages Expense	21,700									
Rent Expense	3,300									
Utilities Expense	1,500									
Insurance Expense	2,000									
Dep'n. Expense										
Supplies Expense	500									
Totals	112,800	112,800								

For Solution to IA7-2

Lake Grove Consulting Services, Inc.										
Worksheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	92,750									
Short-term Investments	15,830									
Accounts Receivable	41,320									
Supplies	1,440									
Prepaid Insurance	2,400									
Long-term Investments	14,100									
Office Equipment	26,400									
Accum. Dep'n.—										
Office Equip.		6,100								
Accounts Payable		37,190								
Notes Payable—										
Long Term		25,000								
Common Stock		12,000								
Retained Earnings		110,260								
Dividends	15,000									
Service Revenue		104,880								
Salaries/Wages Expense	40,700									
Rent Expense	16,500									
Utilities Expense	700									
Miscellaneous Expense	2,370									
Insurance Expense	1,800									
Travel Expense	12,500									
Dep'n. Expense										
Supplies Expense										
Advertising Expense	10,220									
Income Tax Expense	1,400									
Totals	295,430	295,430								

For solution to IA7-4

Bellevue Advertising Services, Inc.										
Work Sheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
	Cash	75,620								
Short-term Investments	58,690									
Accounts Receivable	54,200									
Supplies	6,950									
Prepaid Travel	5,740									
Long-term Investments	75,210									
Office Equipment	67,900									
Accum. Dep'n.—										
Office Equip.		20,370								
Trademark	35,100									
Accounts Payable		40,240								
Unearned Revenue		7,500								
Notes Payable—										
Long Term		92,330								
Common Stock		25,000								
Retained Earnings		171,270								
Dividends	35,000									
Print Services Revenue		115,290								
Internet Services Revenue		285,300								
Salaries/Wages Expense	241,100									
Rent Expense	48,000									
Utilities Expense	8,850									
Miscellaneous Expense	4,510									
Insurance Expense	9,400									
Travel Expense	21,200									
Depreciation Expense										
Supplies Expense	4,830									
Income Tax Expense	5,000									
Totals	757,300	757,300								

For solution to IA8-3

Account Titles	Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	39,340					
Short-term Investments	34,770					
Accounts Receivable	23,190					
Supplies	1,800					
Prepaid Travel Expense	3,160					
Office Equipment	91,260					
Accum. Dep'n.—Office Equip.		24,300				
Accounts Payable		19,340				
Unearned Revenue		5,500				
Notes Payable—Long Term		25,000				
Common Stock		12,000				
Retained Earnings		67,930				
Dividends	6,500					
Consulting Revenue		286,900				
Interest Revenue		1,050				
Salaries/Wages Expense	172,100					
Rent Expense	52,000					
Utilities Expense	2,190					
Miscellaneous Expense	1,860					
Insurance Expense	2,400					
Travel Expense	1,730					
Depreciation Expense	4,120					
Income Tax Expense	4,700					
Supplies Expense	900					
Total	442,020	442,020				

For Solution to IA9-1

Boulder Internet Consulting Services, Inc.										
Work Sheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
	Cash	107,620								
Short-term Investments	120,640									
Accounts Receivable	61,900									
Supplies	3,150									
Prepaid Travel	4,400									
Long-term Investments	75,930									
Office Equipment	41,300									
Accum. Dep'n.—										
Office Equip.		22,120								
Patent	55,700									
Accounts Payable		66,740								
Unearned Revenue		2,900								
Notes Payable—										
Long Term		45,000								
Common Stock		15,000								
Retained Earnings		288,990								
Dividends	10,000									
Consulting Services		45,420								
Internet Design Services		381,450								
Salaries/Wages Expense	267,510									
Rent Expense	93,000									
Utilities Expense	8,720									
Miscellaneous Expense	1,120									
Insurance Expense	3,680									
Travel Expense	12,950									
Totals	867,620	867,620								

For Solution to IA9-2

Santa Clara Moving Services Inc.										
Work Sheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	57,100									
Short-term Investments	5,650									
Accounts Receivable	67,320									
Supplies	4,200									
Prepaid Insurance	10,500									
Long-term Investments	42,000									
Office Equipment	34,500									
Accum. Dep'n.— Office Equip.		24,150								
Trucks	375,900									
Accum. Dep'n.—Trucks		206,740								
Trademark	7,500									
Accounts Payable		71,070								
Unearned Revenue		7,900								
Notes Payable— Long Term		185,200								
Common Stock		18,000								
Retained Earnings		86,300								
Dividends	5,000									
Commercial Move Revenue		381,400								
Residential Move Revenue		249,120								
Salaries/Wages Expense	529,250									
Office Rental Expense	25,800									
Equipment Rental Expense	16,410									
Utilities Expense	3,100									
Advertising Expense	25,600									
Interest Expense	14,600									
Miscellaneous Expense	1,950									
Insurance Expense	3,500									
Totals	1,229,880	1,229,880								
Totals										

For solution to IA12-3 (Periodic method)

Palomar Enterprises, Inc.										
Worksheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	56,750									
Short-term Investments	10,500									
Accounts Receivable	21,320									
Merchandise Inventory	57,790									
Supplies	1,940			d) 550						
Prepaid Travel	1,500									
Long-term Investments	20,100									
Office Equipment	19,300									
Accum. Dep'n.— Office Equip.		9,650		c) 3,860						
Trademark	10,000									
Wages Payable		4,500								
Accounts Payable		29,680		a) 550						
Unearned Revenue		3,500	b) 700							
Notes Payable (3 years)		17,000								
Common Stock		14,000								
Retained Earnings		119,150								
Dividends	7,500									
Sales		580,200		b) 700						
Sales Returns and Allow.	4,500									
Sales Discounts	8,800									
Purchases	367,090									
Purchase Returns and Allow.		3,800								
Purchase Discounts		7,100								
Freight-Out	7,580		a) 550							
Advertising Expense	40,750									
Insurance Expense	11,200									
Salaries/Wages Expense	99,700									
Utilities Expense	14,360									
Rent Expense	37,200									
Interest Expense	1,700									
Gain on Sale: Equipment		11,000								
Total	799,580	799,580								
Depreciation Expense			c) 3,860							
Supplies Expense			d) 550							
Totals			5,660	5,660						

For solution to IA14-3 (Perpetual method)

Palomar Enterprises, Inc.										
Worksheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	56,750									
Short-term Investments	10,500									
Accounts Receivable	21,320									
Merchandise Inventory	48,390			e) 1,400						
Supplies	1,940			d) 550						
Prepaid Travel	1,500									
Long-term Investments	20,100									
Office Equipment	19,300									
Accum. Dep'n.— Office Equip.		9,650		c) 3,860						
Trademark	10,000									
Wages Payable		4,500								
Accounts Payable		29,680		a) 550						
Unearned Revenue		3,500	b) 700							
Notes Payable (3 years)		17,000								
Common Stock		14,000								
Retained Earnings		119,150								
Dividends	7,500									
Sales		580,200		b) 700						
Sales Returns and Allow.	4,500									
Sales Discounts	8,800									
Cost of Goods Sold	365,590		e) 1,400							
Freight-Out	7,580		a) 550							
Advertising Expense	40,750									
Insurance Expense	11,200									
Salaries/Wages Expense	99,700									
Utilities Expense	14,360									
Rent Expense	37,200									
Interest Expense	1,700									
Gain on Sale: Equipment		11,000								
Total	788,680	788,680								
Depreciation Expense			c) 3,860							
Supplies Expense			d) 550							
Totals			7,060	7,060						

For solution to LG7-1

Winslow Tennis Club, Inc.										
Work Sheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	45,750				45,750					
Dues Receivable	2,800				2,800					
Office Supplies	1,100			a 1,050	50					
Tennis Supplies	2,002			a 1,787	215					
Notes Receivable	12,000				12,000					
Prepaid Insurance	600			e 100	500					
Office Equipment	14,520				14,520					
Accum. Dep'n.—										
Office Equip.		11,616		d 242		11,858				
Building	345,000				345,000					
Accum. Dep'n.—										
Building		19,500		d 600		20,100				
Accounts Payable		855				855				
Notes Payable		275,000				275,000				
Common Stock		5,000				5,000				
Retained Earnings		82,161				82,161				
Dividends	1,880				1,880					
Tennis Instruction										
Fees		9,500	f 1,000			8,500				
Dues Revenue		28,500				28,500				
Salaries Expense	4,100				4,100					
Equipment Rent										
Expense	1,750				1,750					
Utilities Expense	280				280					
Insurance Expense	100		e 100		200					
Maintenance Expense	250		g 500		750					
Unearned Revenue				f 1,000		1,000				
Office Supplies										
Expense			a 1,050		1,050					
Tennis Supplies										
Expense			a 1,787		1,787					
Depreciation Expense			d 842		842					
Salaries/Wages										
Payable				g 500		500				
Interest Expense			c 1,375		1,375					
Interest Receivable			b 80		80					
Interest Earned				b 80		80				
Interest Payable				c 1,375		1,375				
Totals	432,132	432,132	6,734	6,734	434,929	434,929				

For solution to LG7-2

Leeward Swimming Pool Services, Inc.										
Worksheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	71,050									
Accounts Receivable	7,200									
Office Supplies	750									
Prepaid Insurance	4,200									
Tools and Equipment	244,500									
Accum. Dep'n.— Tools and Equip.		12,500								
Office Equipment	15,000									
Accum. Dep'n.— Office Equip.		3,700								
Common Stock		25,000								
Retained Earnings		287,500								
Dividends	50,000									
Fees Earned		205,000								
Salaries Expense	110,000									
Rentals Expense	26,200									
Income Tax Expense	2,000									
Utility Expense	2,800									
Totals	533,700	533,700								

For solution to LG7-3

Damon's Car Wash, Inc.										
Work Sheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	43,900									
Marketable Securities	101,250				101,250				101,250	
Accounts Receivable	1,200		a							
Office Supplies	520			c	110					110
Cleaning/Washing Supplies	2,800				1,500					1,300
Prepaid Insurance	4,600				4,600					4,600
Prepaid Rent	1,200			d						
Office Equipment	15,000				15,000					15,000
Accum. Dep'n.—										
Office Equip.		6,000		h	3,000		9,000			9,000
Washing Equipment	225,700				225,700				225,700	
Accum. Dep'n.—										
Wash. Equip.				h	25,000		63,500			63,500
Accounts Payable		3,700		g	750		4,450			4,450
Unearned Revenue		650	b	300			350			350
Notes Payable—Long Term		50,000					50,000			50,000
Common Stock		30,000					30,000			30,000
Retained Earnings		133,650					133,650			133,650
Dividends	3,500				3,500					3,500
Services Revenue		305,200		a	150					
				b						
Wages Expense	114,500				114,500		114,500			
Washing Supplies Expense	7,630		f	1,500	9,130		9,130			
Advertising Expense			g	750	12,750					
Utilities Expense	28,500				28,500		28,500			
Depreciation Expense—										
Office Equip.			h	3,000	3,000		3,000			
Depreciation Expense—										
Wash. Equip.			h	25,000	25,000		25,000			
Office Supplies Expense			c		410		410			
Rental Equipment Expense			d	900			900			
Insurance Expense	5,000				5,000		5,000			
Miscellaneous Expense	400				400		400			
Interest Expense			e		650					
Interest Payable				e						
Totals	567,700	567,700	32,660	32,660	597,250	597,250	200,240		397,010	291,600
										105,410

For solution to LG7-4

Maui Quick Print Services, Inc.										
Work Sheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	28,300									
Accounts Receivable	4,200									
Printing Supplies	800									
Prepaid Insurance	1,800									
Office Equipment	7,500									
Accum. Dep'n.— Office Equip.		1,000								
Printing/Copying Equipment	35,500									
Accum. Dep'n.— Print/Copy Equip.		14,500								
Accounts Payable		1,400								
Unearned Revenue		3,500								
Notes Payable		36,000								
Common Stock		10,000								
Retained Earnings		25,550								
Dividends	12,000									
Services Revenue		108,700								
Salaries Expense	57,300									
Office Supplies Expense	1,300									
Rent Expense	36,000									
Travel Expense	3,250									
Printing Supplies Expense	4,200									
Interest Expense	3,300									
Utilities Expense	5,200									
Totals	200,650	200,650								

For solution to LG7-5

Anaheim Appraisal Services, Inc.										
Work Sheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	61,350									
Short Term Investments	15,200									
Accounts Receivable	34,800									
Office Supplies	700									
Prepaid Insurance	900									
Prepaid Airline Tickets	3,750									
Office Equipment	18,400									
Accum. Dep'n.— Office Equip.		9,150								
Automotive Equipment	28,000									
Accum. Dep'n.— Automotive Equip.		5,000								
Accounts Payable		4,850								
Unearned Revenue		6,280								
Notes Payable		41,000								
Common Stock		30,000								
Retained Earnings		52,280								
Dividends	2,000									
Appraisal Revenue		39,300								
Wages Expense	10,600									
Rent Expense	2,150									
Income Tax Expense	1,300									
Auto and Gas Expense	260									
Travel Expense	4,500									
Advertising Expense	3,600									
Utilities Expense	350									
Totals	187,860	187,860								

For Solution to LG8-3

Tallahassee Company, Inc.										
Work Sheet										
(000's)										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	200				200				200	
Accounts Receivable	30		e 8		38				38	
Office Supplies	15			a 3	12				12	
Prepaid Insurance	20			b 10	10				10	
Office Equipment	100				100				100	
Accum. Dep'n.—										
Office Equip.		20		c 2		22				22
Common Stock		30				30				30
Retained Earnings		302				302				302
Dividends	10				10				10	
Fees Earned		40		e 8		48				
Salaries Expense	5		d 5		10					
Rent Expense	11				12					
Income Tax Expense	1									
Totals	392	392								
Office Supplies										
Expense			a 3		3					
Depreciation Expense			c 2		2					
Insurance Expense			b 10		10					
Salaries Payable				d 5		5				
Totals			28	28	407	407			370	359
										11
									370	370

For Solution to LG9-1

Johnson's Cleaning Service, Inc.										
Work Sheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
	Cash	17,800								
Short-Term Investments	10,200									
Accounts Receivable	9,620									
Cleaning Supplies	5,700									
Prepaid Insurance	4,600									
Office Equipment	18,400									
Accum. Dep'n—Office Equip.		9,150								
Cleaning Equipment	58,000									
Accum. Dep'n.—Clean. Equip.		5,000								
Vans	123,500									
Accum. Dep'n.—Vans		28,980								
Accounts Payable		25,850								
Unearned Revenue		7,500								
Note Payable		40,100								
Common Stock		25,000								
Retained Earnings		93,940								
Dividends	5,000									
Cleaning Service Revenue		68,100								
Wages Expense	39,800									
Rent Expense	4,500									
Auto and Gas Expense	550									
Advertising Expense	2,900									
Utilities Expense	450									
Repairs Expense	1,100									
Income Tax Expense	1,500									
Totals	303,620	303,620								

For Solution to LG12-2

Northern Colorado Company, Inc.										
Work Sheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	95,160									
Accounts Receivable	15,200									
Merchandise Inventory	22,100									
Store Supplies	1,100			b 700						
Prepaid Insurance	2,950			c 2,000						
Office Equipment	15,500									
Accum. Dep'n.—										
Office Equip.		10,250		a 500						
Store Equipment	127,800									
Accum. Dep'n.—										
Store Equip.		127,800								
Accounts Payable		51,300								
Sales Tax Payable		750								
Common Stock		10,000								
Retained Earnings		57,900								
Dividends	25,000									
Sales		510,500								
Sales Returns and Allow.	2,500									
Sales Discounts	3,250									
Merchandise Purchases	345,000									
Purchase Discounts		800								
Purchase Returns and Allow.		900								
Freight-in	1,100									
Insurance Expense	1,590		c 2,000							
Admin. Salaries/Wages	85,500									
Rent Expense	18,500									
Income Tax Expense	5,500									
Utilities Expense	2,450									
Supplies Expense			b 700							
Depreciation Expense			a 500							
Totals	770,200	770,200								

For solution to LG12-3

Sioux City Enterprises										
Work Sheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	11,300									
Short-Term Investments	28,250									
Accounts Receivable	26,700		a 2,750							
Merchandise Inventory	34,020									
Office Supplies	920									
Office Equipment	25,800									
Accum. Dep'n.—										
Office Equip.		6,700		b 150						
Store Equipment	314,500									
Accum. Dep'n.—										
Store Equip.		91,500		b 1,400						
Wages Payable				d 3,200						
Accounts Payable		34,200								
Notes Payable (10 years)		135,000								
Common Stock		15,000								
Retained Earnings		105,260								
Dividends	4,500									
Sales		378,500		a 2,750						
Sales Returns and Allow.	8,150									
Sales Discounts	4,200									
Purchases	258,000									
Purchase Discounts		5,720								
Purchase Returns and Allow.		2,500								
Freight-in	1,850									
Admin. Wages Expense	21,500		d 2,000							
Sales Wages Expense	17,000		d 1,200							
Income Tax Expense	3,500									
Insurance Expense	2,150									
Rent Expense	4,000									
Advertising Expense	3,880									
Freight-out	2,960									
Utilities Expense	3,200									
Dep'n. Expense—										
Office Equip.			b 150							
Dep'n. Expense—										
Store Equip.			b 1,400							
Interest Expense			c 1,450							
Interest Payable				c 1,450						
Rental Income		2,000								
Totals	776,380	776,380								

For solution to LG14-2

Northern Colorado Company, Inc.										
Work Sheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	95,160									
Accounts Receivable	15,200									
Merchandise Inventory	13,200									
Store Supplies	1,100			b 700						
Prepaid Insurance	2,950			c 2,000						
Office Equipment	15,500									
Accum. Dep'n.— Office Equip.		10,250		a 500						
Store Equipment	127,800									
Accum. Dep'n.— Store Equip.		127,800								
Accounts Payable		51,300								
Sales Tax Payable		750								
Common Stock		10,000								
Retained Earnings		57,900								
Dividends	25,000									
Sales		510,500								
Sales Returns and Allow.	2,500									
Sales Discounts	3,250									
Cost of Goods Sold	353,300									
Insurance Expense	1,590		c 2,000							
Admin. Salary Wages	85,500									
Rent Expense	18,500									
Income Tax Expense	5,500									
Utilities Expense	2,450									
Supplies Expense			b 700							
Depreciation Expense			a 500							
Totals	768,500	768,500								

For solution to LG14-4

Sioux City Enterprises										
Work Sheet										
Account Titles	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
	Cash	11,300								
Short-Term Investments	28,250									
Accounts Receivable	26,700		a 2,750							
Merchandise Inventory	19,950									
Office Supplies	920									
Office Equipment	25,800									
Accum. Dep'n.— Office Equip.		6,700		b 150						
Store Equipment	314,500									
Accum. Dep'n.— Store Equip.		91,500		b 1,400						
Wages Payable				d 3,200						
Accounts Payable		34,200								
Notes Payable		135,000								
Common Stock		10,000								
Retained Earnings		110,260								
Dividends	4,500									
Sales		378,500		a 2,750						
Sales Returns and Allow.	8,150									
Sales Discounts	4,200									
Cost of Goods Sold	265,700									
Admin. Wages Expense	21,500		d 2,000							
Sales Wages Expense	17,000		d 1,200							
Income Tax Expense	3,500									
Insurance Expense	2,150									
Rent Expense	4,000									
Advertising Expense	3,880									
Freight-out	2,960									
Utilities Expense	3,200									
Dep'n. Expense— Office Equip.			b 150							
Dep'n. Expense— Store Equip.			b 1,400							
Interest Expense			c 1,450							
Interest Payable				c 1,450						
Rental income		2,000								
Totals	768,160	768,160								