

Comprehensive Problem 1

Name: _____

Section: AC211-01

Score: 71% 91

Key Code: 2

Instructions

Answers are entered in the cells with gray backgrounds.

Cells with non-gray backgrounds are protected and cannot be edited.

An asterisk (*) will appear to the right of an incorrect entry.

In the general ledger accounts, only normal balance columns will be graded. For correct grading in the trial balances, work sheet, and ledger balance columns, enter a zero in cells you would otherwise leave blank.

1. and 2.

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Date	Description	Post. Ref.	Debit	Credit
2019				
May 3	Cash	11	4,500	
	Unearned Fees	23		4,500
5	Cash	11	2,450	
	Accounts Receivable	12		2,450
9	Miscellaneous Expense	59	225	
	Cash	11		225
13	Accounts Payable	21	640	
	Cash	11		640
15	Accounts Receivable	12	9,180	
	Fees Earned	41		9,180
16	Salary Expense	51	630	
	Salaries Payable	22	120	
	Cash	11		750
17	Cash	11	8,360	
	Fees Earned	41		8,360

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Date	Description	Post. Ref.	Debit	Credit
2019				
May 20	Supplies	14	735	
	Accounts Payable	21		735
21	Accounts Receivable	12	4,820	

72
 19
 16
 23

	Fees Earned	41		4,820	
25	Cash	11	7,900		
	Fees Earned	41		7,900	
27	Cash	11	9,520		
	Accounts Receivable	12		9,520	
28	Salary Expense	51	750		
	Cash	11		750	
30	Miscellaneous Expense	59	260		
	Cash	11		260	
31	Miscellaneous Expense	59	810		
	Cash	11		810	
31	Cash	11	3,300		
	Fees Earned	41		3,300	
31	Accounts Receivable	12	2,650		
	Fees Earned	41		2,650	
31	Kelly Pitney, Drawing	32	10,500		
	Cash	11		10,500	

2., 6., and 9.

GENERAL LEDGER

Cash						11
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						
May 1	Balance	✓			22,100	
3		5	4,500		26,600	
5		5	2,450		29,050	
9		5		225		28,825
13		5		640		28,185
16		5		750		27,435
17		5	8,360		35,795	
25		6	7,900		43,695	
27		6	9,520		53,215	
28		6		750		52,465
30		6		260		52,205
31		6		810		51,395
31		6	3,300		54,695	
31		6		10,500		44,195

Accounts Receivable						12
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						

May 1	Balance	✓			3,400	
5		5		2,450		950
15		5		9,180		10,130
21		6		4,820		14,950
27		6		9,520		5,430
31		6		2,650		8,080

Supplies						14
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						
May 1	Balance	✓			1,350	
20		6	735		2,085	
31	Adjusting	6		1,370	715	

Prepaid Rent						15
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						
May 1	Balance	✓			3,200	
31	Adjusting	7		1,600	1,600	

Prepaid Insurance						16
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						
May 1	Balance	✓			1,500	
31	Adjusting	7		275	1,225	

Office Equipment						18
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						
May 1	Balance	✓			14,500	

Accumulated Depreciation						19
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						
May 1	Balance	✓				330
31	Adjusting	7		330		660

Accounts Payable						21
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						
May 1	Balance	✓				800
13		5	640			160
20		6		735		895

Salaries Payable					22	
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						
May 1	Balance	✓				120
16		5	120			
31	Adjusting	7		325		325

Unearned Fees					23	
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						
May 1	Balance	✓				2,500
3		5		4,500		7,000
31	Adjusting	7	3,790			3,210

Kelley Pitney, Capital					31	
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						
May 1	Balance	✓				42,300
31	Closing	8		33,425		75,725
31	Closing	8	10,500			65,225

Kelley Pitney, Drawing					32	
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						
May 31		6	10,500		10,500	
31	Closing	8		10,500		

Fees Earned					41	
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						
May 15		5		9,180		9,180
17		5		8,360		17,540
21		6		4,820		22,360
25		6		7,900		30,260
31		6		3,300		33,560
31		6		2,650		36,210
31	Adjusting	7		3,790		40,000
31	Closing	8	40,000		-	-

Salary Expense					51	
Date	Item	Post. Ref.	Dr.	Cr.	Balance	
					Dr.	Cr.
2019						

May 16	5	630		630	
28	6	750		1,380	
31 Adjusting	7	325		1,705	
31 Closing	8		1,705		

Rent Expense					52
Date	Item	Post. Ref.	Dr.	Cr.	Balance
					Dr. Cr.
2019					
May 31 Adjusting		7	1,600		1,600
31 Closing		8		1,600	

Supplies Expense					53
Date	Item	Post. Ref.	Dr.	Cr.	Balance
					Dr. Cr.
2019					
May 31 Adjusting		7	1,370		1,370
31 Closing		8		1,370	

Depreciation Expense					54
Date	Item	Post. Ref.	Dr.	Cr.	Balance
					Dr. Cr.
2019					
May 31 Adjusting		7	330		330
31 Closing		8		330	

Insurance Expense					55
Date	Item	Post. Ref.	Dr.	Cr.	Balance
					Dr. Cr.
2019					
May 31 Adjusting		7	275		275
31 Closing		8		275	

Miscellaneous Expense					59
Date	Item	Post. Ref.	Dr.	Cr.	Balance
					Dr. Cr.
2019					
May 9		5	225		225
30		6	260		485
31		6	810		1,295
31 Closing		8		1,295	

3.

KELLY CONSULTING Unadjusted Trial Balance May 31, 2019			
	Acct. No.	Debit Balances	Credit Balances
Cash	11	44,195	
Accounts Receivable	12	8,080	

Supplies	14	2,085	
Prepaid Rent	15	3,200	
Prepaid Insurance	16	1,500	
Office Equipment	18	14,500	
Accumulated Depreciation	19		330
Accounts Payable	21		895
Salaries Payable	22		-
Unearned Fees	23		7,000
Kelley Pitney, Capital	31		42,300
Kelley Pitney, Drawing	32	10,500	
Fees Earned	41		36,210
Salary Expense	51	1,380	
Rent Expense	52	-	
Supplies Expense	53	-	
Depreciation Expense	54	-	
Insurance Expense	55	-	
Miscellaneous Expense	59	1,295	
		<u>86,735</u>	<u>86,735</u>

5. **KELLY CONSULTING**
End-of-Period Spreadsheet (Work Sheet)
For the Month Ended May 31, 2019

Account Title	Unadjusted Trial Balance		Adjustments		Ad Trial
	Dr.	Cr.	Dr.	Cr.	Dr.
Cash	44,195				44,195
Accounts Receivable	8,080				8,080
Supplies	2,085			1,370	715
Prepaid Rent	3,200			1,600	1,600
Prepaid Insurance	1,500			275	1,225
Office Equipment	14,500		-	-	14,500
Accum. Depreciation		330		330	
Accounts Payable		895	-	-	
Salaries Payable				325	
Unearned Fees		7,000	3,790		
Kelley Pitney, Capital		42,300	-	-	
Kelley Pitney, Drawing	10,500		-	-	10,500
Fees Earned		36,210		3,790	
Salary Expense	1,380		325		1,705
Rent Expense			1,600		1,600
Supplies Expense			1,370		1,370
Depreciation Expense			330		330
Insurance Expense			275		275
Miscellaneous Expense	1,295				1,295
	<u>86,735</u>	<u>86,735</u>	<u>7,690</u>	<u>7,690</u>	<u>87,390</u>
Net Income					

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Date	Description	Post. Ref.	Debit	Credit
2019	Adjusting Entries			
May 31	Insurance Expense	55	275	

justed Balance		Income Statement		Balance Sheet	
Cr.	Dr.	Cr.	Dr.	Cr.	
			44,195		
			8,080		
			715		
			1,600		
			1,225		
			14,500		
660					660
895					895
325					325
3,210					3,210
42,300					42,300
			10,500		
40,000		40,000			
	1,705				
	1,600				
	1,370				
	330				
	275				
	1,295				
87,390	6,575	40,000	80,815		47,390
	33,425				33,425
	40,000	40,000	80,815		80,815

	Prepaid Insurance	16		275
31	Supplies Expense	53	1,370	
	Supplies	14		1,370
31	Depreciation Expense	54	330	
	Accumulated Depreciation	19		330
31	Salary Expense	51	325	
	Salaries Payable	22		325
31	Rent Expense	52	1,600	
	Prepaid Rent	15		1,600
31	Unearned Fees	23	3,790	
	Fees Earned	41		3,790

7.

KELLY CONSULTING Adjusted Trial Balance May 31, 2019			
	Acct. No.	Debit Balances	Credit Balances
Cash	11	44,195	
Accounts Receivable	12	8,080	
Supplies	14	715	
Prepaid Rent	15	1,600	
Prepaid Insurance	16	1,225	
Office Equipment	18	14,500	
Accumulated Depreciation	19		660
Accounts Payable	21		895
Salaries Payable	22		325
Unearned Fees	23		3,210
Kelley Pitney, Capital	31		42,300
Kelley Pitney, Drawing	32	10,500	
Fees Earned	41		40,000
Salary Expense	51	1,705	
Rent Expense	52	1,600	
Supplies Expense	53	1,370	
Depreciation Expense	54	330	
Insurance Expense	55	275	
Miscellaneous Expense	59	1,295	
		<u>87,390</u>	<u>87,390</u>

8.

KELLY CONSULTING Income Statement For the Month Ended May 31, 2019	
Revenues:	
Fees earned	\$ 40,000
Expenses:	
Salary expense	\$ 1,705

Rent expense	1,600	
Supplies expense	1,370	
Depreciation expense	330	
Insurance expense	275	
Miscellaneous expense	1,295	
Total expenses		6,575
Net income		\$ 33,425

KELLY CONSULTING Statement of Owner's Equity For the Month Ended May 31, 2019		
Kelley Pitney, capital, May 1, 2019		\$ 42,300
Net income for the month	\$ 33,425	
Withdrawals	(10,500)	
Increase in owner's equity		22,925
Kelley Pitney, capital, May 31, 2019		\$ 65,225

KELLY CONSULTING Balance Sheet May 31, 2019		
Assets		
Current assets:		
Cash	\$ 44,195	
Accounts receivable	8,080	
Supplies	715	
Prepaid rent	1,600	
Prepaid insurance	1,225	
Total current assets		\$ 55,815
Property, plant, and equipment:		
Office equipment	\$ 14,500	
Accumulated depreciation	660	
Total property, plant, and equipment		13,840
Total assets		\$ 69,655
Liabilities		
Current assets:		
Accounts payable	\$ 895	
Salaries payable	325	
Unearned fees	3,210	
Total liabilities		\$ 4,430
Owner's Equity		
Kelley Pitney, capital		65,225
Total liabilities and owner's equity		\$ 69,655

9.

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Date	Description	Post. Ref.	Debit	Credit	
2019	Closing Entries				

May 31	Fees Earned	41	40,000	
	Salary Expense	51		1,705
	Rent Expense	52		1,600
	Supplies Expense	53		1,370
	Depreciation Expense	54		330
	Insurance Expense	55		275
	Miscellaneous Expense	59		1,295
	Kelley Pitney, Capital	31		33,425
31	Kelley Pitney, Capital	31	10,500	
	Kelley Pitney, Drawing	32		10,500

10.

KELLY CONSULTING Post-Closing Trial Balance May 31, 2019			
	Acct. No.	Debit Balances	Credit Balances
Cash	11	44,195	
Accounts Receivable	12	8,080	
Supplies	14	715	
Prepaid Rent	15	1,600	
Prepaid Insurance	16	1,225	
Office Equipment	18	14,500	
Accumulated Depreciation	19		660
Accounts Payable	21		895
Salaries Payable	22		325
Unearned Fees	23		3,210
Kelley Pitney, Capital	31		65,225
		<u>70,315</u>	<u>70,315</u>