FINANCIAL ACCOUNTING
PROJECT
SUMMER SESSION, 2016

During the month of October of the current year, Dan's Accounting Service was opened. The following transactions occurred.

Oct 1 Dan sold $70,000 worth of stock (50 shares) to start the business.
Oct 1 Dan purchased $9,500 worth of office equipment on account from Noe's Furniture Supply.
Oct 1 Dan paid October's rent on the office. He wrote a check for $2,500.
Oct 2 Dan purchased $400 worth of office supplies for cash.
Oct 4 The telephone was installed. We paid $95 (Utilities Expense).
Oct 4 Dan placed an advertisement in the Anoka County Shopper. It cost $150 (cash).
Oct 4 Dan started a petty cash fund with $50 for a fund balance.
Oct 5 We purchased (for cash) $45 worth of stamps (Miscellaneous Expense).
Oct 5 A three-month umbrella insurance policy was purchased for $720 (cash).
Oct 7 Pola's Automotive Supply Company paid us $2,800 (cash) for setting up their books.
Oct 9 We earned $3,200 from Esparsen's Fine Furniture Company for setting up their books. They will pay us later.
Oct 12 We paid a part-time employee $90 for running errands. There are no taxes to be withheld.
Oct 14 Frisque's Food Service, Inc. paid us $1,700 for helping them with their taxes. The actual bill was for $3,500. They will pay us the rest next month.
Oct 19 We paid our part-time employee $80 for running errands. There are no taxes to be withheld.
Oct 23 We sent a check for $1,000 to Noe's Furniture Supply for the office equipment purchased on October 1st.
Oct 26 We earned $800 for consulting with Strodthoff's Clothing Outlet. They will pay us later.
Oct 26 We paid our part-time employee $50 for running errands. There are no taxes withheld.
Oct 30 Esparsen's Fine Furniture Company paid us $900 on account for the work we did for them on October 9.
Oct 30 Dan paid the stockholders $600 in dividends.
Oct 31 Dan paid the electric bill which was $90.
Oct 31 Dan replenished the petty cash fund. He had used $12 for office supplies and $18 for miscellaneous expenses.

REQUIRED:

1) Journalize the above entries using the accounts from the Chart of Accounts. Be sure to use asset accounts instead of expense accounts whenever possible.
2) Post the transactions to the ledger. (Use T- Accounts.)
3) Prepare a trial balance as of October 31 of the current year.