Accounts Receivable

Debit		Credit	
Oct. 6	800	Oct. 20	700
20	920		

Dividends

Debit		Credit	
Oct. 30	300		

Supplies

Debit		Credit	
Oct. 4	400	Oct. 31	180

Service Revenue

Debit		Credit	
		Oct. 6	800
		10	980
		20	920

Equipment

Debit		Credit	
Oct. 3	3,000		

Salaries and Wages Expense

Debit		Credit	
Oct. 31	500		

Notes Payable

Debit		Credit	
		Oct. 10	8,000

Supplies Expense

Debit		Credit	
Oct. 31	180		

Accounts Payable

Debit		Credit	
Oct. 12	1,500	Oct. 3	3,000

Rent Expense

Debit		Credit	
Oct. 15	250		

Instructions

(a) Reproduce the journal entries for only the transactions that **occurred on October 1, 10, and 20,** and provide explanations for each.

(b) Prepare a trial balance at October 31, 2017. (*Hint:* Compute ending balances of T-accounts first.)

E3-18 Beyers Corporation provides security services. Selected transactions for Beyers are presented below.

Oct.	1	Issued common stock in exchange for $66,000 cash from investors.
	2	Hired part-time security consultant. Salary will be $2,000 per month. First day of work will be October 15.
	4	Paid 1 month of rent for building for $2,000.
	7	Purchased equipment for $18,000, paying $4,000 cash and the balance on account.
	8	Paid $500 for advertising.
	10	Received bill for equipment repair cost of $390.
	12	Provided security services for event for $3,200 on account.
	16	Purchased supplies for $410 on account.
	21	Paid balance due from October 7 purchase of equipment.
	24	Received and paid utility bill for $148.
	27	Received payment from customer for October 12 services performed.
	31	Paid employee salaries and wages of $5,100.

Instructions

(a) Journalize the transactions. Do not provide explanations.

(b) Post the transactions to T-accounts.

(c) Prepare a trial balance at October 31, 2017. (*Hint:* Compute ending balances of T-accounts first.)

E3-19 The bookkeeper for Birmingham Corporation made these errors in journalizing and posting.

1. A credit posting of $400 to Accounts Receivable was omitted.
2. A debit posting of $750 for Prepaid Insurance was debited to Insurance Expense.