

John Doe opened a business called Doe Consulting and for the month of January 2003, completed the following business transactions:

- a. John Doe invested \$50,000 cash and office equipment worth \$20,000 into the new business
- b. Purchased land valued at \$60,000 and an office building valued at \$230,000 by paying cash of \$43,500 and signing a long-term note payable for the balance.
- c. Purchased office supplies on account for \$480
- d. John Doe contributed his personal automobile, which had a \$17,200 value, to the company.
- e. Purchased additional office equipment on account for \$2,500
- f. Paid the executive office assistant's salary of \$800.
- g. Sold bookkeeping services and collected a cash fee of \$3,500.
- h. Paid \$450 for a magazine advertisement
- i. Paid for the supplies purchased in transaction c above.
- j. Purchased a new printer by paying \$1,000 cash and trading in an old printer that was on the books for \$200.
- k. Completed a consulting job on account and billed the customer \$1,300.
- l. Paid the executive office assistant's salary of \$800.
- m. Received payment in full for the marketing research on transaction k above.
- n. John Doe withdrew \$1,800 from the business for personal expenses.

Required:

Prepare the journal entries to record the above transactions using the following Chart of Accounts:

ACCOUNT NAME	TYPE	NORMAL BALANCE
CASH IN BANK	ASSET	DEBIT
ACCOUNTS RECEIVABLE	ASSET	DEBIT
OFFICE SUPPLIES	ASSET	DEBIT
AUTOMOBILE	ASSET	DEBIT
OFFICE EQUIPMENT	ASSET	DEBIT
BUILDING	ASSET	DEBIT
LAND	ASSET	DEBIT
ACCOUNTS PAYABLE	LIABILITY	CREDIT
LONG-TERM NOTE PAYABLE	LIABILITY	CREDIT
JOHN DOE, CAPITAL	EQUITY	CREDIT
JOHN DOE, WITHDRAWALS	EQUITY	DEBIT
BOOKKEEPING FEES EARNED	REVENUE	CREDIT
CONSULTING FEES EARNED	REVENUE	CREDIT
OFFICE SALARIES EXPENSE	EXPENSE	DEBIT
ADVERTISING EXPENSE	EXPENSE	DEBIT

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DATE	ACCOUNT	TYPE	DEBIT	CREDIT
a)				
	Explain:			
b)				
	Explain:			
c)				
	Explain:			
d)				
	Explain:			
e)				
	Explain:			
f)				
	Explain:			
g)				
	Explain:			
h)				
	Explain:			
i)				
	Explain:			
j)				
	Explain:			

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DATE	ACCOUNT	TYPE	DEBIT	CREDIT
k)				
	Explain:			
l)				
	Explain:			
m)				
	Explain:			
n)				
	Explain:			

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DATE	ACCOUNT	TYPE	DEBIT	CREDIT
a)	Cash in Bank	A	50,000	
	Office Equipment	A	20,000	
	John Doe, Capital	EQ		70,000
	Investment by Owner			
b)	Land	A	60,000	
	Building	A	230,000	
	Cash in Bank	A		43,500
	Long Term Note Payable	L		246,500
	Purchased Land & Building			
c)	Office Supplies	A	480	
	Accounts Payable	L		480
	Purchase supplies on account			
d)	Automobile	A	17,200	
	John Doe, Capital	EQ		17,200
	Investment by Owner			
e)	Office Equipment	A	2,500	
	Accounts Payable	L		2,500
	Purchased equipment on account			
f)	Office Salaries Expense	EX	800	
	Cash in Bank	A		800
	Paid office assistant's salary			
g)	Cash in Bank	A	3,500	
	Bookkeeping Fees Earned	R		3,500
	Did work and got paid			
h)	Advertising Expense	EX	450	
	Cash in Bank	A		450
	Purchased and paid for advertising			
i)	Accounts Payable	L	480	
	Cash in Bank	A		480
	Paid for c) above			
j)	Office Equipment (new printer)	A	1,200	
	Cash in Bank	A		1,000
	Office Equipment (old printer)	A		200
	Traded in printer			

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DATE	ACCOUNT	TYPE	DEBIT	CREDIT
k)	Accounts Receivable	A	1,300	
	Consulting Fees Earned	R		1,300
	Did work & didn't get paid			
l)	Office Salaries Expense	EX	800	
	Cash in Bank	A		800
	Paid office assistant's salary			
m)	Cash in Bank	A	1,300	
	Accounts Receivable	A		1,300
	Received payment from k) above			
n)	John Doe, Withdrawals	EQ	1,800	
	Cash in Bank	A		1,800
	Gave cash to owner			