

The following transactions completed during May 2016 for Raina Company:

- May 1: Invested cash for BD21,500 in the business.
- May 4: Purchased trucks for BD14,900 cash.
- May 6: Purchased furniture BD2,600 on account from Asia Company.
- May 8: Paid half due to Asia Company.



Required:

Prepare journal entries for the previous transactions.

Date	Account Title and Explanation	PR	Debit	Credit



The following transactions occurred during July 2016 for Mona Company.

July 01: Invested cash for BD16,000 and supplies for BD4,000 in the business.

July 03: Purchased Supplies for BD1,800 on credit.

July 05: Performed services for BD8,200 to customer Salman on account.

July 07: Received 20% from customer Salman.

July 08: Withdrew cash for BD900 for personal use.

July 09: Paid repair expenses for BD400 cash.

July 11: Paid rent for BD1,500 in advance for next 3 months.

July 15: Received BD3,600 in advance for services performing in Aug.

Required: Prepare journal entries for the previous transactions.



Date	Account Title and Explanation	PR	Debit	Credit



The following transactions completed during January 2015 for Abdulla Est.

Jan 01: Invested cash BD24,000 in the business.

Jan 03: Purchased trucks for BD9,200 cash.

Jan 05: Bought supplies for BD3,600 from Mega Est, paid cash BD1600 and balance on credit.

Jan 06: Completed services to customer for BD11,500 cash.

Jan 08: Provided services to customer Mona for BD6,100 on account.

Jan 09: Paid 20% cash of balance due to creditor Mega Est.

Jan 10: Received full amount due from customer Mona.

Jan 12: Paid rent office for BD900 cash.

Jan 15: Withdrew cash BD2,400 for personal use.

Jan 19: Hired a new employee by monthly salary BD820.

Jan 20: Supplies BD300 has been used during the previous period.

Required:

Journalize the January transactions.

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Account Title and Explanation	PR	Debit	Credit
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	Account Title and Explanation	Account Title and Explanation PR	Account Title and Explanation PR Debit



Indicate whether a debit or credit will decrease the normal balance of the following accounts. (Using \checkmark in the appropriate column.)

No.	Account title	Decreases in		
		DR CR		
1	Supplies			
2	Lands			
3	Fees Earned			
4	Cash			
5	Building			
6	Services Revenues			
7	Prepaid Insurance			
8	Capital			
9	Motor Van			
10	Interest Payable			
11	Drawings			
12	Notes Receivable			



Activity 5

Identify whether a debit or credit yields the Indicated change for each of the following accounts.

No.	Accounts	Answer
1	To increase furniture	
2	To increase account payable	
3	To increase capital	
4	To increase Drawings	
5	To increase building	
6	To decrease machines	
7	To decrease loans	
8	To decrease cash	
9	To decrease notes receivable	
10	To increase revenues	





Selected transactions for Essa Company in his first month of business are as follows.

Jan. 01 Invested BD40,000 cash in the business.

Jan. 03 Purchased furniture on credit for BD3,500.

Jan. 05 Billed customers BD6,200 for services performed.

Jan. 07 Paid cash BD1,500 to creditor purchased on Jan. 3.

Jan. 10 Paid BD800 cash for repair expenses.

Jan. 12 Received BD2,200 cash from customers billed on Jan. 5.

Jan. 15 Withdrew BD1,600 cash for personal use by owner.

Required:

For each transactions, indicate the following.



- (a) The basic type of account debited and credited (Assets, liability, Owner's Equity).
- (b) The specific account debited and credited (cash, Capital, Repair Expenses, Services Revenues, etc.).
- (c) Whether the specific account is increased or decreased.
- (d) The normal balance of the specific account.

Use the following format, in which the January 1 transaction is given as an example.

		Accoun	t Debited		Account Credited			
Date	Basic Type. (a)	Specific Account (b)	Effect (c)	Normal Balance (d)	Basic Type. (a)	Specific Account (b)	Effect (c)	Normal Balance (d)
Jan.1	Assets	Cash	Increase	Debit	Owner's Equity	Owner's Capital	Increase	Credit
Jan.3								
Jan.5								
Jan.8								
Jan.10								
Jan.12								
Jan.15								



Hamad was started his business on May 1 2016. The following selected events and transactions occurred during May.

- May 01: Invested BD35,000 cash and BD5000 equipment in the business.
- May 03: Bought building BD64,000 from Salman. Paid cash BD34,000 and balance on credit.
- May 06: Ordered supplies BD2,000 from Ebrahim.
- May 08: Completed services to customer BD4,800 for cash.
- May 09: Incurred advertising expenses BD1,100 on account.
- May 10: Paid the amount due to creditor Salman.
- May 15: Paid salaries BD1,400 for cash.
- May 18: Withdrew cash BD2,300 for private use.

Required:

Journalize the May transactions.



Date	Account Title and Explanation	PR	Debit	Credit
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The following transactions completed during the month of April 2007 for ABC, Est.:

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April 01: Amina invested cash BD31,000 in the business.

April 05: Bought Furniture BD1,050 for cash.

April 07: Performed service to Rana BD5,400 on account.

April 09: Paid BD940 for advertising expense.

April 11: Purchased supplies on account for BD650.

April 13: Received BD100 from Rana for the service performed On April 7.

April 16 Found that BD400 of supplies has been used.

Required: Prepare the Journal Entries.

Date	Account Title and Explanation	PR	Debit	Credit