1. Sold inventory, costing $50,000, on account for $90,000 (recognize both the revenue and the expense). What is the journal entry?

2. Los Pollos Hermanos Inc. received $500,000 to start the business, and issued 200 shares of stock to Gus. What is the journal entry?

3. Los Pollos Hermanos Inc. entered a three year lease with a total value of $36,000. The company paid $3,000 immediately; this was the first and last month's rent in advance (total $2,000) plus a security deposit ($1,000). What is the journal entry?

4. On January 1, 2013, Los Pollos Herrnanos Inc. took out a one-year loan of $10,000 from a bank; interest of 1 % will be due at the end of each month. What would Los Pollos Hennanos Inc. record on the day they receive the loan. ·what is the journal entry?

5. On January 1, 2013, Los Pollos Hermanos Inc. purchased $4,800 in bakery equipment using cash; Los Pollos Hermanos Inc. expects to use this machine for 2 years and expects to depreciate it evenly over that period using a residual value of zero. Record the purchase of the machine and the first year's depreciation expense. What is the journal entry?

6. Paid $20,000 cash to pm-chase equipment costing $80,000. The remaining amount was recognized as a one year note payable with interest rate of 9%. ·what is the journal entry?

7. A major machine in our firm is broken beyond repair after a fire. The machine had a book value of$1,000 and had accumulated depreciation of $800. What is the journal entry for the scraped machine?

8. Provided $50,000 worth of Kitten Mittens inventory to customers. They pa.id $30,000 in cash and promised to pay the remaining $40,000. What are the journal entries?

9. Paid $500,000 in dividends. What is the journal entry?

10. Los Polios Hermanos Inc. net credit sales of $75,000 and estimates that bad debts are approximately 3% of net credit sales. The year end balance in accounts receivable is $200,000 and $2,000 of accounts receivable were written off. What is the bad debt expense journal entry?

11.