1. The steps in the accounting cycle are listed in random order below. List the steps in proper

sequence, assuming no worksheet is prepared, by placing numbers 1-9 in the blank

spaces. a. Prepare a trial balance.

b. Journalize the transactions.

c. Journalize and post-closing entries.

d. Prepare financial statements.

e. Journalize and post adjusting entries.

f. Post to ledger accounts.

g. Prepare a post-closing trial balance.

h. Prepare an adjusted trial balance.

i. Analvze business transactions.

2. The balance sheet debit column of the worksheet for Shaw Company includes the following accounts: Accounts Receivable $12,500; Prepaid Insurance $3,600; Cash $4,100: Supplies $5,200, and Short-term Investments $6.700. Prepare the current assets section of the balance sheet, listing the accounts in proper sequence.

WILLOW TURENNE COMPANY

Adjusted Trial Balance

For the Month Ended June 30, 2012

|  |  |
| --- | --- |
|  | **Adjusted Trial Balance** |
| **Account Titles** | Debits | Credits  |
| Cash | $3,712 |  |
| Accounts Receivable | 3,904 |  |
| Supplies | 480 |  |
| Accounts payable |  | $1,556 |
| Unearned Service Revenue |  | 160 |
| Owner’s Capital |  | 5,760 |
| Owner’s Drawings | 628 |  |
| Service Revenues |  | 4,300 |
| Salaries and Wages Expense | 1,344 |  |
| Miscellaneous expense | 256 |  |
| Supplies expense | 1,900 |  |
| Salaries and Wages payable  |  | 448 |
|  | $12,224 | $12,224 |

Instructions

(a) Prepare closing entries at June 30.2012.

(b) Prepare a post-closing trial balance.

3. The following are the major balance sheet classifications.

Current assets (CA, Current liabilities (CL), Long-term investments (LTI) Long-term liabilities (LTL) Property, plant, and equipment (PPE) Owner's equity (OE) Intangible assets (IA)

Classify each of the following accounts taken from E. Williams Company's balance sheet.

\_\_\_a. Accounts payable Accumulated depreciation

\_\_\_b. Accounts receivable Buildings

\_\_\_c. Cash Land

\_\_\_d. Owner's capital Long-term debt

\_\_\_e. Patents Supplies

\_\_\_f. Salaries and wages payable Equipment

\_\_\_g .Inventory Prepaid expenses

\_\_\_h. Investments

4. The trial balance columns of the worksheet for Gibson Roofing on March 31, 2012 are as follows.

GIBSON ROOFING

Worksheet

For the Month Ended March 31, 2012

|  |  |
| --- | --- |
|  | **Trial Balance** |
| **Account Titles** | Debits | Credits  |
| Cash | 4,500 |  |
| Account Receivable | 3,200 |  |
| Supplies | 2,000 |  |
| Equipment | 11,000 |  |
| Accumulated Depreciation-Equipment |  | 1,250 |
| Accounts Payable |  | 2,500 |
| Unearned Service Revenue |  | 550 |
| Owner’s Capital |  | 12,900 |
| Owner’s Drawings | 1,100 |  |
| Service Revenues |  | 6,300 |
| Salaries and Wages Expense | 1,300 |  |
| Miscellaneous Expense | 400 |  |
|  | **23,500** | **23,500** |

Other data:

1. A physical count reveals only $550 of roofing supplies on hand.

2. Depreciation for March is $250.

3. Unearned revenue amounted to $210 at March 31.

4. Accrued salaries are $700.

Instructions

(a) Enter the trial balance on a worksheet and complete the worksheet.

(b) Prepare an income statement and owner's equity statement for the month of March and a

classified balance sheet at March 31. T. Gibson did not make any additional investments in

the business in March.

(c) Journalize the adjusting entries from the adjustments columns of the worksheet.

(d) Journalize the closing entries from the financial statement columns of the worksheet.