**Accounting - Journal Entry and General Ledger Preparation**

For the past several years, Dustin Larkin has operated a part-time consulting business from his home. As of June 1, 2010, Dustin decided to move to rented quarters and to operate the business, which was to be known as Quixote Consulting, on a full-time basis. Quixote Consulting entered into the following transactions during June:

June 1. The following assets were received from Dustin Larkin: cash, $10,000; accounts receivable, $1,500; supplies, $1,250; and office equipment, $7,500. There were no liabilities received.

June 1. Paid three months' rent on a lease rental contract, $4,500.

June 2. Paid the premiums on property and casualty insurance policies, $1,800.

June 4. Received cash from clients as an advance payment for services to be provided and recorded it as unearned fees, $3,000.

June 5. Purchased additional office equipment on account from Crawford Company, $1,800.

June 6. Received cash from clients on account, $800.

June 10. Paid cash for a newspaper advertisement, $120.

June 12. Paid Crawford Company for part of the debt incurred on June 5, $800.

June 12. Recorded services provided on account for the period June 1-12, $2,250.

June 14. Paid part-time receptionist for two weeks' salary, $400.

June 17. Recorded cash from cash clients for fees earned during the period June 1-16, $3,175.

June 18. Paid cash for supplies, $750.

June 20. Recorded services provided on account for the period June 13-20, $1,100.

June 24. Recorded cash from cash clients for fees earned for the period June 17—24, $1,850.

June 26. Received cash from clients on account, $1,600.

June 27. Paid part-time receptionist for two weeks' salary, $400.

June 29. Paid telephone bill for June, $130.

June 30. Paid electricity bill for June, $200.

June 30. Recorded cash from cash clients for fees earned for the period June 25-30, $2,050.

June 30. Recorded services provided on account for the remainder of June, $1,000.

June 30. Dustin withdrew $4,500 for personal use.

Instructions:

1. Journalize each transaction in a two-column journal, referring to the following chart of accounts in selecting the accounts to be debited and credited.

11 Cash
12 Accounts Receivable
14 Supplies
15 Prepaid Rent
16 Prepaid Insurance
18 Office Equipment
19 Accumulated Depreciation
21 Accounts Payable
22 Salaries Payable
23 Unearned Fees
31 Dustin Larkin, Capital
32 Dustin Larkin, Drawing
41 Fees Earned
51 Salary Expense
52 Rent Expense
53 Supplies Expense
54 Depreciation Expense
55 Insurance Expense
59 Miscellaneous Expense

2. Post the journal to a ledger of four-column accounts.
3. Prepare a trial balance as of June 30, 2010.