

## Practice: Chart of Accounts

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1. Spiffy Interiors is owned and operated Shawn Spiffy, an interior decorator. In the ledger of Spiffy Interiors, the first digit of the account number indicates its major account classification (1-assets, 2-liabilities, 3-owner's equity, 4-revenues, 5-expenses). The second digit of the account number indicates the specific account within each of the major account classifications.

Match each account number with its most likely account in the list below. The account numbers are: 11, 12, 13, 21, 31, 32, 41, 51, 52, and 53.

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|---------------------------|----------------------------|
| ___ Accounts Payable      | ___ Fees Earned            |
| ___ Accounts Receivable   | ___ Land                   |
| ___ Cash                  | ___ Miscellaneous Expenses |
| ___ Shawn Spiffy, Capital | ___ Supplies Expense       |
| ___ Shawn Spiffy, Drawing | ___ Wages Expense          |

2. The following accounts appeared in the recent financial statements of Delta Airlines. Identify each account as either a balance sheet (BS) or an income statement (IS) account. For each balance sheet account, identify it as an asset (A), liability (L), or owner's equity (OE). For each income statement account, identify it as a revenue (R) or expense (E).

<i>Cash</i>	<i>BS – A</i>
Accounts Payable	_____
Aircraft Fuel Expense	_____
Air Traffic Liability	_____
Cargo and Mail Revenue	_____
Commissions	_____
Flight Equipment	_____
Landing Expenses	_____
Passenger Revenue	_____
Spare Parts and Supplies	_____

3. The Inflorescence School is a newly organized business that teaches people how to inspire and influence others. The list of accounts to be opened in the general ledger is shown below. **List the accounts in the order in which they should appear in the chart of accounts and assign numbers.** Each account number is to have 2 digits: the first digit is to indicate the major classification (1-assets, etc.) and the second digit is to identify the specific account within each of the major account classifications (1 for cash, etc.).

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|---------------------------|---------------------------|
| Accounts Payable          | Millard Fillmore, Drawing |
| Accounts Receivable       | Miscellaneous Expense     |
| Cash                      | Rent Expense              |
| Equipment                 | Supplies                  |
| Fees Earned               | Supplies Expense          |
| Insurance Expense         | Wages Expense             |
| Millard Fillmore, Capital |                           |