

One of your old friends, Frank Hardy, recently started up a local private investigation business, "I Spy, Private Eye". He has asked for your help in preparing the monthly accounting records. A chart of accounts is provided to help you record these transactions in the General Journal on the next page.

Selected business transactions for I Spy, Private Eye are listed below. Record each of these transactions in the General Journal on the next page. Note: Checks are considered cash.

- March 1 Owner made an investment of \$5,000 cash. R1.
- 2 Paid rent expense, \$700. C1.
- 3 Issued invoice to Mr. Patterson for fees earned, \$275. S1.
- 6 Cash fees earned for the week are deposited, \$2,150. T1.
- 8 Purchased supplies on UnitedCity Visa, \$250. M1.
- 9 Received cash fees earned in the amount of \$1,250 for some surveillance work. T2.
- 10 Performed work for the Smiths and issued an invoice for \$550. S2.
- 12 Issued invoice to Ms. Settles for investigative services performed, \$105. S3.
- 15 Purchased \$100 of supplies on account from PhotoFinish. M2.
- 17 Purchased supplies on account from Gadgets-R-Us, \$25. M3.
- 18 Made payment on UnitedCity Visa, \$250. C2.
- 20 Received \$150 cash payment from the Smiths on their account, \$225. R2.
- 21 Earned fees of \$175 from the Posts, credit customers, and issued an invoice. S4.
- 22 Received cash payment from Mr. Patterson to pay off his account, \$100. R3.
- 24 Purchased supplies on account from Disguise Discounter, \$225. M4.
- 26 Issued invoice to Mr. Cooper for fees earned, \$700. S5.
- 27 Purchased supplies on account from Zears, \$650. M5.
- 29 Paid off PhotoFinish account by check, \$100. C3.
- 30 Paid wages to employee with a check, \$400. C4.
- 31 Owner withdrew \$100 for personal use. C5.

Chart of Accounts	
These are the accounts you'll be using.	
Account Name	Number
ASSETS	
Cash	100
Accounts Receivable – Cooper	131
Accounts Receivable – Patterson	132
Accounts Receivable – Posts	133
Accounts Receivable – Settles	134
Accounts Receivable – Smiths	135
Supplies	150
LIABILITIES	
Accounts Payable – Disguise Discounter	221
Accounts Payable – Gadgets-R-Us	222
Accounts Payable – PhotoFinish	223
Accounts Payable – UnitedCity Visa	224
Accounts Payable – Zears	225
OWNER'S EQUITY	
Frank Hardy, Capital	300
Frank Hardy, Drawing	310
REVENUES	
Fees Earned	400
EXPENSES	
Rent Expense	510
Wages Expense	520

T-Accounts

Record all of the business transactions in the T-Accounts below. Put the date of the transaction next to each amount. Total each account, showing the ending balance in the appropriate "normal balance" location. Circle the ending balances.

ASSETS		LIABILITIES		OWNER'S EQUITY	
Cash #100		Accounts Payable – Disquise Disc #221		Frank Hardy, Capital #300	
Debit +	Credit -	Debit -	Credit +	Debit -	Credit +
		Accounts Payable – Gadgets R Us #222		Frank Hardy, Drawing #310	
		Debit -	Credit +	Debit +	Credit -
		Accounts Payable – Photo Finish #223		Fees Earned #400	
		Debit -	Credit +	Debit -	Credit +
Accounts Receivable - Cooper #131		Accounts Payable - UnitedCity Visa #224			
Debit +	Credit -	Debit -	Credit +		
Accounts Receivable - Patterson #132		Accounts Payable - Zears #225			
Debit +	Credit -	Debit -	Credit +		
Accounts Receivable - Posts #133					
Debit +	Credit -				
Accounts Receivable - Settles #134				Rent Expense #510	
Debit +	Credit -			Debit +	Credit -
Accounts Receivable - Smiths #135				Wages Expense #520	
Debit +	Credit -			Debit +	Credit -
Supplies #150					
Debit +	Credit -				

