

# Jim's Lawn Care

## Recording Journal Entries

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Our old friend Jim is back! The transactions are a little different than before, but the name on the lawnmower is still the same.

- May 1. Jim Hamilton began a lawn care business in May by depositing \$3,200 in a business bank account.
- May 2. Purchased lawnmowers and other lawn equipment on account, \$1,000.
- May 3. Paid cash for supplies, \$250.
- May 4. Performed lawn care services for credit customers and billed them \$750.
- May 6. Paid \$1,000 cash for lawn equipment purchased on May 2.
- May 8. Paid for an advertisement in a local newspaper, \$180.
- May 10. Performed lawn care services for cash customers and immediately received \$600.
- May 12. Received \$750 cash from the customers billed on May 4.
- May 15. Paid wages to a part-time assistant, \$90.
- May 20. Performed lawn care services for credit customers and billed them \$550.
- May 30. Jim withdrew \$350 from the business for personal use.
- May 31. Completed inventory and saw \$100 of supplies were left. Expense the supplies that had been used.

<b>Chart of Accounts</b>	
These are the accounts you'll be using.	
Account Name	Number
<b>ASSETS</b>	
Cash	11
Accounts Receivable	12
Supplies	13
Equipment	14
<b>LIABILITIES</b>	
Accounts Payable	21
<b>OWNER'S EQUITY</b>	
Jim Hamilton, Capital	31
Jim Hamilton , Drawing	32
<b>REVENUES</b>	
Fees Earned	41
<b>EXPENSES</b>	
Advertising Expense	51
Supplies Expense	52
Wages Expense	53





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### T-Accounts

- Record all of the business transactions for Jim's Lawn Care in the T-Accounts below. Make sure to 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.
- Write the two-digit account number next to each account name.

#### ASSETS

Cash	
Debit	Credit
+	-

Accounts Receivable	
Debit	Credit
+	-

Supplies	
Debit	Credit
+	-

Equipment	
Debit	Credit
+	-

#### LIABILITIES

Accounts Payable	
Debit	Credit
-	+

#### OWNER'S EQUITY

Jim Hamilton, Capital (Investments)	
Debit	Credit
-	+

Jim Hamilton, Drawing (Withdrawals)	
Debit	Credit
+	-

#### REVENUES

Fees Earned	
Debit	Credit
-	+

#### EXPENSES

Salaries Expense	
Debit	Credit
+	-

Supplies Expense	
Debit	Credit
+	-

Utilities Expense	
Debit	Credit
+	-



