
Seatwork

Problem 15

Ludivina Victorino, a veteran photographer, opened a studio for her professional practice on July 1. Transactions completed during the month follow:

- a. Deposited P146,200 in a bank account in the name of the business, Victorino PhotoProfiles.
- b. Bought new photography equipment on account from Canon Equipment, P71,210
- c. Invested personal photography equipment into the business, P51,620.
- d. Paid office rent for the month, P5,500.
- e. Bought photography supplies for cash, P7,960.
- f. Paid premium for insurance cover on photography equipment, P1,240.
- g. Received P8,960 as professional fees for services rendered.
- h. Paid salary of part-time assistant, P6,000.
- i. Received and paid bill for telephone service, P640.
- j. Paid Canon Equipment part of the amount owed on the purchase of photography equipment, P4,200.
- k. Received P15,480 as professional fees for services rendered.
- l. Paid for minor repairs to photography equipment, P760.
- m. Victorino withdrew cash for personal use, P9,600.

Required:

Record the transactions for the month of July 2016 using a T Account. Use the following accounts: Cash; Accounts Receivable; Supplies; Prepaid Insurance; Photography Equipment; Accounts Payable; and Victorino, Capital. If the owner's equity account is affected by a transaction, identify it as revenue, expense, investment or withdrawal.

Problem 16

Ruth Russell started Russell Industrial Spray Service on April 1, 2016. During April, Russell completed the following transactions:

- a. Invested cash in the business, P60,000.
- b. Bought a service vehicle from CDO Motors for P112,500, paying P22,500 in cash, with the remainder due in thirty days.
- c. Bought spray equipment on account from Misa Omis Farm Supplies, P18,000.
- d. Paid rent for the month, P5,600.
- e. Paid cash for insurance on service vehicle for the year, P5,760.
- f. Received cash for spray services done on a building, P21,750.
- g. Bought supplies for cash P5,730.
- h. Billed customers on account for services performed, P4,440.
- i. Paid cash for utilities P960.
- j. Received bill for gasoline used by the service vehicle during the month, P3,270.
- k. Receipts from cash customers, P16,420.
- l. Russell withdrew cash for personal use, P10,500.
- m. Paid salaries to employees, P20,400.

Required: 1. Record the transaction for the month of April 2016 using a T-account. Use the following accounts: Cash; Accounts Receivable; Supplies; Prepaid Insurance; Spray Equipment; Service Vehicle; Accounts Payable; and Russell, Capital. 2. Prepare Trial Balance