I Spy, Private Eye

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				



Journal Entries

Complete the journal entries for the business transactions above.

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I Spy, Private Eye

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		LIABI	LITIES	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 Receiva	ble - Cooper #131	Accounts Payable -	UnitedCity Visa #224				
Debit +	Credit -	Debit -	Credit +				
Accounts Receivab	le - Patterson #132	Accounts Paya	ble - Zears #225				
Debit +	Credit -	Debit -	Credit +				
Accounts Receiv	able - Posts #133	ı					
Debit +	Credit -						
				Rent Exp	ense #510		
Assessments Describer	bla Camba #124			Debit +	Credit -		
Debit +	ble - Settles #134 Credit -						
				Wages Ex	pense #520		
Accounts Receivable - Smiths #135				Debit +	Credit -		
Debit +	Credit -						
Supplie	es #150						
Debit +	Credit -						



Trial Balance

Using the information in your T-Accounts, prepare a trial balance.

- 1. List the account names in the correct order and the ending balance for each.
- 2. Total the debit and credit columns to make sure they balance.

I Spy, Private Eye Trial Balance March 31, 2019

Account Name	Debit	Credit
TOTAL		