CASE STUDY - THE COMPLETE ACCOUNTING CYCLE

Name: ___________________________________

This Case Study is worth 100 points, or 10% of your final course grade.

This Case Study relates to TCOs E and F, and Chapters 3 and 4.

MAKE SURE TO COMPLETE ALL REQUIREMENTS WHICH ARE LISTED BELOW.

There are 10 sheets in the Workbook, including this one.
All of the information that you need for the project is located in this Workbook.

Requirements	***Sheet in Workbook***
Requirement 1—Prepare the Journal Entries in the General Journal	Journal Entries
Requirement 2—Post Journal Entries to the General Ledger	General Ledger
Requirement 3—Prepare a Trial Balance	Trial Balance
Requirement 4—Prepare the Adjusting Entries	Adjusting Entries
Requirement 5—Post Adjusting Entries to the General Ledger	General Ledger
Requirement 6—Prepare an Adjusted Trial Balance	Adjusted Trial Balance
Requirement 7—Prepare the Financial Statements	Financial Statements
Requirement 8—Prepare the Closing Entries	Closing Entries
Requirement 9—Post Closing Entries to the General Ledger	General Ledger
Requirement 10—Prepare the Post Closing Trial Balance	Post-Closing Trial Balance

Hint for success: Review the Week 2 and 3 Activities prior to starting this

You can hover over the red pointer at the top right-hand corner of the cel

Hints are provided for the following balances:
1) The debits for the journal entries are on the Journal Entries tab.
2) The credits for the journal entries are on the Journal Entries tab.
3) The cash balance is on the General Ledger tab.
4) The debits for the trial balance are on the Trial Balance tab.
5) The credits for the trial balance are on the Trial Balance tab.
6) The debits for the adjusted trial balance are on the Adjusted Trial Balance tab.
7) The credits for the adjusted trial balance are on the Adjusted Trial Balance tab.
8) Net income for the income statement is on the Financial Statements tab.
9) Retained earnings as of July 31 are on the Financial Statements tab.
10) Total assets for the balance sheet are on the Financial Statements tab.
11) Total liabilities and shareholders' equity for the balance sheet are on the Financial Statements tab.
12) The debits for the post-closing trial balance are on the Post-Closing Trial Balance tab.
13) The credits for the post-closing trial balance are on the Post-Closing Trial Balance tab.

During its first month of operation, the True Consulting Corporation, which specializes in management consul
completed the following transactions.

July 1 Issued 15,000 shares of the company's common stock in exchange for $15,000.

July 3 Purchased a truck for $8,000. A down payment of $3,000 was made, with the balance on account.

July 5 Paid $1,200 to cover rent from July 1 through September 30.

July 7 Purchased $2,000 of supplies on account.

July 10 Billed customers for consulting services performed, $3,700.

July 14 Paid $500 toward the amount owed for the supplies purchased on July 7.

July 15 Paid $1750 in cash for employee wages.

July 19 Collected $1600 in cash from customers that were billed on July 10.

July 21 Received $4,200 cash from customers for services performed.

July 31 Paid $350 in cash for truck repairs.

July 31 Declared and Paid $700 in cash dividends.

Prepare journal entries to record the July transactions in the General Journal below.

General Journal

Date	*Description(Account Name)*	*Debit*	*Credit*
1-Jul	Cash	15,000	
	Common Stock		15,000
3-Jul	Equipment	8,000	
	Cash		3,000
	Account Payable		5,000
5-Jul	Prepaid Rent	1,200	
	Cash		1,200
7-Jul	Supplies	2,000	
	Account Payable		2,000
10-Jul	Accounts Receivable	3,700	
	Service Revenue		3,700

This Sheet will be used for Requirements 2, 5, and 9.

Requirement #2:

Post the July journal entries to the following T-accounts and compute ending balances.

Cash

07/01	15000	07/03	3000
07/19	1600	07/05	1200
7/21	4200	07/14	500
		07/15	1750
		07/31	350
		07/31	700
Bal	**13,300**	**Bal**	**13,300**

Service Revenue

07/21	4200	07/10	3700
Bal	**500**		

Accounts Receivable

07/10	3700	7/19	1600
Bal	**2100**		

Rent Expense

07/31	350		
Bal	**350**		

Supplies

7/7	2000	7/31	1400
Bal	**600**		

Wages Expense

7/15	1750		
Bal	**1750**		

Prepaid Rent

7/5	1200	7/31	400
Bal	**800**		

Repairs & Maintenance Expense

7/31	350		
Bal	**350**		

Equipment

7/2	8000		
Bal	**8000**		

Supplies Expense

7/31	400		
Bal	**400**		

Accumulated Depreciation-Equipment

7/31	100		
Bal	**100**		

Depreciation Expense

7/31	100		
Bal	**100**		