E3-13

Req. 1

Included with Req. 3 on the next page.

Req. 2

a.	Cash (+A)	500	
	Deferred Revenue (+L)		500
b.	Cash (+A)	300	
	Rent Revenue (+R, +SE)		300
c.	Cash (+A)	14,500	
	Service Revenue (+R, +SE)		14,500
d.	Accounts Receivable (+A)	7,000	
	Service Revenue (+R, +SE)		7,000
e.	Cash (+A)	6,000	
	Accounts Receivable (-A)		6,000
f.	Utilities Expense (+E, -SE)	350	
	Accounts Payable (+L)		350
g.	No transaction because there has been no exchange.		
h.	Accounts Payable (-L)	1,700	
	Cash (-A)		1,700
i.	Salaries and Wages Expense (+E, -SE)	10,000	
	Cash (-A)		10,000
j.	Supplies (+A)	800	
	Cash (-A)		800

E3-13 (continued)

Req. 1 and 3

Cash (A)

Beg. 6,000	1,700 *(h)*
(a) 500	10,000 *(i)*
(b) 300	800 *(j)*
(c) 14,500	
(e) 6,000	
14,800	

Accounts Receivable (A)

Beg. 25,000	6,000 *(e)*
(d) 7,000	
26,000	

Supplies (A)

Beg. 1,200	
(j) 800	
2,000	

Equipment (A)

Beg. 8,000	
8,000	

Land (A)

Beg. 6,000	
6,000	

Building (A)

Beg. 22,000	
22,000	

Accounts Payable (L)

(h) 1,700	8,000 Beg.
	350 *(f)*
	6,650

Deferred Revenue (L)

	3,200 Beg.
	500 *(a)*
	3,700

Notes Payable (L)

	40,000 Beg.
	40,000

Common Stock (SE)

	8,000 Beg.
	8,000

Retained Earnings (SE)

	9,000 Beg.
	9,000

Service Revenue (R)

	0 Beg.
	14,500 *(c)*
	7,000 *(d)*
	21,500

Rent Revenue (R)

	0 Beg.
	300 *(b)*
	300

Salaries and Wages Expense (E)

Beg. 0	
(i) 10,000	
10,000	

Utilities Expense (E)

Beg. 0	
(f) 350	
350	

Item *(g)* is not a transaction; there has been no exchange.

E3-13 (continued)
Req. 4

RICKY'S PIANO REBUILDING COMPANY
Unadjusted Trial Balance
At January 31

	Debit	Credit
Cash	$14,800	
Accounts Receivable	26,000	
Supplies	2,000	
Equipment	8,000	
Land	6,000	
Building	22,000	
Accounts Payable		$ 6,650
Deferred Revenue		3,700
Notes Payable		40,000
Common Stock		8,000
Retained Earnings		9,000
Service Revenue		21,500
Rent Revenue		300
Salaries and Wages Expense	10,000	
Utilities Expense	350	
Total	$89,150	$89,150

RICKY'S PIANO REBUILDING COMPANY
Income Statement
For the Month Ended January 31

Revenues:	
Service Revenue	$ 21,500
Rent Revenue	300
Total Revenues	21,800
Expenses:	
Salaries and Wages Expense	10,000
Utilities Expense	350
Total Expenses	10,350
Net Income	$ 11,450

E3-13 (continued)

RICKY'S PIANO REBUILDING COMPANY
Statement of Retained Earnings
For the Month Ended January 31

Retained Earnings, Jan. 1	$ 9,000
Add: Net Income	11,450
Subtract: Dividends	(0)
Retained Earnings, Jan. 31	$ 20,450

RICKY'S PIANO REBUILDING COMPANY
Balance Sheet
At January 31

Assets	
Current Assets	
Cash	$ 14,800
Accounts Receivable	26,000
Supplies	2,000
Total Current Assets	42,800
Equipment	8,000
Land	6,000
Building	22,000
Total Assets	$78,800
Liabilities	
Current Liabilities	
Accounts Payable	$ 6,650
Deferred Revenue	3,700
Total Current Liabilities	10,350
Notes Payable (long-term)	40,000
Total Liabilities	50,350
Stockholders' Equity	
Common Stock	8,000
Retained Earnings	20,450
Total Stockholders' Equity	28,450
Total Liabilities and Stockholders' Equity	$78,800