

Exercise #3

Grace's Resin is owned and operated by Grace da Costa.
Create a general journal. Starting date: March 1st, 2022.
Use page No. 1.

Assets		Liabilities	
Bank	\$6 300	A/P-Computer Tech	\$ 500
Supplies	200	Bank loan	65 000
Equipment	650		
Automobile	18 000		

Chart of accounts

Assets

105 Bank

110 A/R - J. Smith

115 Supplies

120 Equipment

125 Automobile

Owners' Equity

305 G. da Costa, Capital

310 G. da Costa, Drawings

405 Fees Earned

415 Rent Expense

416 Loan Interest Expense

Liabilities

205 A/P-Computer Tech

210 Bank loan

Transactions

1. Paid \$300 for glitter (to be used up in 30 days);
cheque No. 3
3. Paid \$400 to Computer Tech on account; cheque No. 12
4. Grace withdrew \$4000 for personal use; cheque No. 182 was
made out to her name.
5. purchased supplies costing \$400; cheque No. 130
6. Jane Doe bought 3 pieces of resin from Grace. Each
piece of resin sold for \$20. sales invoice; 313
8. Jane Doe recommended Grace's resin to her friend Jack
Smith. Jack bought 1 piece of resin at sales price (\$20)
on account
11. Paid the regular monthly installment for the Bank loan, \$500
The loan interest was \$100, the other \$400 reduced the
amount owed; cheque No 91.
12. Purchased another company computer from Computer
Tech for \$500. \$300 was paid in cash, the remaining on
account; cheque No. 5; payment invoice No. 9
13. Grace Paid off ALL the money she owed to Computer
Tech; cheque No. 552.
15. Sally Sue purchased 20 pieces of resin in cash. sales price
per piece is \$20; cheque No. 49
17. Jack Smith paid \$20; cheque No. 11
18. Paid March rent for \$800