

2-5A – Journal Entry Bootcamp

JOURNAL ENTRY BOOTCAMP

Done Right Landscaping has been in business for years. The company has the following transactions during the month of August:

- Aug 1** Borrowed \$50,000 from the bank. Signed a note payable.
- Aug 2** Purchased landscaping equipment for cash - \$10,000
- Aug 3** Paid \$100 to repair a broken wheel on a lawn mower.
- Aug 4** Provided landscaping service for a customer, the customer paid cash of \$75 for the service.
- Aug 5** Purchased (and used) fuel in the lawn mowers, it cost \$150 cash.
- Aug 6** Provided landscaping service for 3 customers, \$100 each. 2 paid, one will pay next week.
- Aug 7** Received, but did not pay the telephone bill - \$50. The bill is due in 30 days.
- Aug 8** Purchased a new piece of landscaping equipment – a line trimmer – for \$500 on account.
- Aug 9** Did social media advertising – paid \$200.
- Aug 10** Completed a sod installation job. Billed \$2,000, payment is due in 30 days.
- Aug 11** Collected the amount owing from the August 6 transaction.
- Aug 12** Completed a major landscaping job. Billed \$4,500, collected half.
- Aug 13** Received and paid the electricity bill - \$400.
- Aug 14** Purchased a new trailer for \$1,200 cash.
- Aug 15** Paid wages to employees of \$2,000.
- Aug 16** Had a lawnmower repaired. Cost \$600. Payment is due in 30 days.
- Aug 17** Paid the phone bill from August 7.
- Aug 18** Collected the other half of the amount owing from August 12.
- Aug 19** Judy Smith invested \$25,000 into the company in exchange for common shares.
- Aug 20** Rented tools for a special job – paid \$350 cash.
- Aug 21** Completed and billed for the special job – client paid \$1,800.
- Aug 22** An upset client threatened to sue – our company paid legal fees of \$400 to consult with a lawyer – the client eventually changed their mind about suing.
- Aug 23** Took a local business development training course through the local college – paid \$180.
- Aug 24** Purchased a used leaf blower on account – the \$275 bill is due next month.
- Aug 25** Completed lawnmowing work at 8 houses. Billed \$50 per house. Received payment from 3 of the 8 clients.
- Aug 26** Received a bill for business license fees - \$240. The bill has not yet been paid.
- Aug 27** Collected full payment from the August 10 job.
- Aug 28** Paid the lawnmower repair bill from August 16.
- Aug 29** Paid wages to employees of \$2,000.
- Aug 30** Paid interest of \$250 on the note (from August 1).
- Aug 31** Declared and paid a cash dividend of to the shareholders \$1,000.

Required:

Record all necessary journal entries based on the transactions above.