

# College Accounting

Chapters 1-30

Sixteenth Edition

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**Sixteenth Edition**

# **College Accounting**

**Chapters 1–30**

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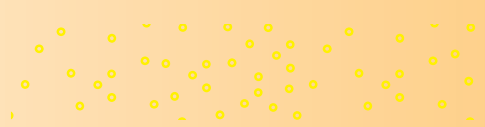
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COLLEGE ACCOUNTING, SIXTEENTH EDITION

Chapters 1–30

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## About the Authors



Courtesy of John Ellis Price

**JOHN ELLIS PRICE** is a retired professor of accounting at the University of North Texas. Dr. Price has more than 36 years of experience in higher education with over half of those years serving in key leadership positions including as founding president and professor of accounting at the University of North Texas at Dallas. Dr. Price has previously held positions of professor and assistant professor, as well as chair and dean, at the University of North Texas, Jackson State University, and the University of Southern Mississippi. Dr. Price has also been active in the Internal Revenue Service as a member of the Commissioner's Advisory Group for two terms and as an Internal Revenue Agent.

Dr. Price is a certified public accountant who has twice received the UNT College of Business Administration's Outstanding Teaching Award and the university's President's Council Award. Majoring in accounting, he received his BBA and MS degrees from the University of Southern Mississippi and his PhD in accounting from the University of North Texas.

Dr. Price is a member of the Mississippi Society of Certified Public Accountants, the American Accounting Association, and the American Taxation Association (serving as past chair of the Subcommittee on Relations with the IRS and Treasury). Dr. Price has also served as chair of the American Institute of Certified Public Accountants Minority Initiatives Committee and as a member of the Foundation Trustees.



Courtesy of M. David Haddock Jr.

**M. DAVID HADDOCK JR.** serves as Chief Leadership Officer for a regional operator of senior living communities. He previously led the training efforts for one of the top 50 CPA firms in the United States. In a 35-year career in higher education, Dr. Haddock served in faculty and administrative roles at Auburn University at Montgomery, the University of Alabama in Birmingham, the University of West Georgia, and Chattanooga State Community College. At his retirement from higher education, he was professor of accounting and associate vice president for academic affairs at Chattanooga State Community College in Tennessee. In addition to his teaching, he also maintained a sole proprietorship accounting and tax practice for more than 20 years.

He received his BS in accounting and MS in adult education from the University of Tennessee and the EdD degree in administration of higher education from Auburn University. He is a licensed CPA in Tennessee.

Dr. Haddock served as chair of the Tennessee Society of CPAs and the Educational & Memorial Foundation of the TSCPAs for 2012–2013 and a member of AICPA Council. He is a frequent speaker for Continuing Professional Education programs.



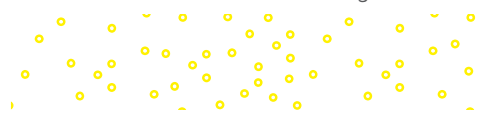
Courtesy of Michael J. Farina

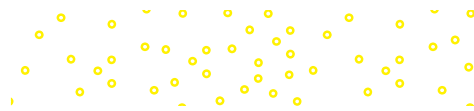
**MICHAEL J. FARINA** retired as professor of accounting and finance at Cerritos College in California June 2018, after 30 years of service to the college. He continues to teach college accounting and other courses as an adjunct professor at Cerritos College. Professor Farina is currently a member of an advisory committee at a credit union serving the educational community in California.

Prior to joining Cerritos College, Professor Farina was a manager in the audit department at a large multinational firm of certified public accountants and held management positions with other companies in private industry.

He received an AA in business administration from Cerritos College; a BA in business administration from California State University, Fullerton; and an MBA from the University of California, Irvine. Professor Farina is a member of Beta Gamma Sigma, an honorary fraternity for graduate business students. He is a licensed certified public accountant in California and a member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants. Professor Farina is also a Chartered Global Management Accountant, a designation bestowed by a joint venture of the American Institute of Certified Public Accountants and the Chartered Institute of Management Accountants.

Professor Farina has received three Outstanding Faculty awards from Cerritos College. He was the co-chair of the Accounting and Finance Department at Cerritos College for over 20 years.





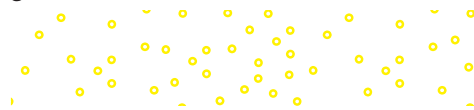
## Price/Haddock/Farina



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**F**or students just embarking on a college career, an accounting course can seem daunting, like a rushing river with no clear path to the other side. As the most trusted and readable text on the market, *College Accounting* by Price, Haddock, and Farina presents material in a way that will help students understand the content better and more quickly. Through proven pedagogy, time-tested and accurate problem material, and a straightforward approach to the basics of accounting, Price/Haddock/Farina **bridges the rushing river**, offering first-time accounting students a path to understanding and mastery.

Whether a student is taking the course in preparation for a four-year degree or as the first step to a career in business, Price/Haddock/Farina guides him or her over the bridge to success. The authors represent the breadth of educational environments—a community college, a career school, and a four-year university—ensuring that the text is appropriate for all student populations. Throughout, they have adhered to a common philosophy about textbooks: They should be readable, contain many opportunities for practice, and be able to make accounting relevant for all.



# How Does Price/Haddock/Farina Bridge the Gap from Learning to Mastery?

**College Accounting** is designed to help students learn and master the material.

## Chapter Opener

Brief features about **real-world companies**—like **Uber, H&R Block, Starbucks, and Carnival Cruise Lines**—allow students to see how the chapter’s information and insights apply to the world outside the classroom. Thinking Critically questions stimulate thought on the topics to be explored in the chapter.

## Accounting: The Language of Business

Chapter **1**

[www.uber.com](http://www.uber.com)

How do you get from the airport to your hotel when traveling on business? How do you get home from a party when it is not safe for you to drive? How do you get into the downtown business district for a meeting when parking is difficult and expensive? How do you get to any destination when taking your own vehicle is not convenient or possible? Taxis are not always available or affordable, and public transportation is difficult when in an unfamiliar city. Uber is a viable alternative to taxis and other forms of public transportation.



©MikeDotta/Shutterstock

Uber was created in 2009 as a private company in San Francisco, California, on a smartphone app used to summon personal transportation from Uber drivers who use their own vehicles to transport customers. Uber’s initial business model as a personal transportation company has transformed to a multifaceted company that provides transportation, food delivery, bicycle-sharing, and a transfer network company that operates in over 785 metropolitan areas worldwide.

Although Uber has had a turbulent history since its founding as a private company, it has raised a massive amount of investment capital to fund its operations. In January 2018, Uber raised \$1.25 billion in cash from an investment group through a financing arrangement that valued the company at \$48 billion. In May 2018, Uber announced plans to have an initial public offering in 2019 that would change the company to a publicly traded company.

As Uber continues to grow and seek additional investment funding, accountants are pivotal in tracking and reporting the company’s financial results and position in terms of revenues earned, expenses used, assets owned, and liabilities owed as well as calculating the company’s net income (revenues – expenses) and net worth (assets – liabilities). Accountants are essential to the company’s continued growth and success by providing financial information necessary for decision making.

### thinking critically

Can you think of any organizations that would be interested in how Uber is performing?

### LEARNING OBJECTIVES

- 1-1 Define accounting.
- 1-2 Identify and discuss career opportunities in accounting.
- 1-3 Identify the users of financial information.
- 1-4 Compare and contrast the three types of business entities.

## Learning Objectives

Appearing in the chapter opener, section opener, and within the margins of the text, learning objectives alert students to what they should expect as they progress through the chapter. Many students question the relevance of what they’re learning, which is why we explain **“Why It’s Important”** at the beginning of each section within the chapter.

### Section 1

SECTION OBJECTIVES	TERMS TO LEARN
<p>&gt;&gt; 2-1 Record in equation form the financial effects of a business transaction.</p> <p><b>WHY IT'S IMPORTANT</b> Learning the fundamental accounting equation is a basis for understanding business transactions.</p> <p>&gt;&gt; 2-2 Define, identify, and understand the relationship between asset, liability, and owner's equity accounts.</p> <p><b>WHY IT'S IMPORTANT</b> The relationship between assets, liabilities, and owner's equity is the basis for the entire accounting system.</p>	<p>accounts payable</p> <p>assets</p> <p>balance sheet</p> <p>business transaction</p> <p>capital</p> <p>equity</p> <p>liabilities</p> <p>on account</p> <p>owner's equity</p>

## Property and Financial Interest

The accounting process starts with the analysis of business transactions. A **business transaction** is any financial event that changes the resources of a firm. For example, purchases, sales, payments, and receipts of cash are all business transactions. The accountant analyzes each business transaction to decide what information to record and where to record it.

>> 2-1 OBJECTIVE  
Record in equation form the financial effects of a business transaction.

### Beginning with Analysis

Let’s analyze the transactions of Eli’s Consulting Services, a firm that provides a wide range of accounting and consulting services. Trayton Eli, CPA, has a master’s degree in accounting. He is the sole proprietor of Eli’s Consulting Services. Sergio Sanchez, the office manager, has an associate’s degree in business and has taken 12 semester hours of accounting. The firm is located in a large office complex.

## About Accounting

These notes contain interesting examples of how accounting is used in the real world, providing relevance to students who might not be going on to a career in accounting.

### ABOUT ACCOUNTING

#### Accounting Software

The use of accounting software eliminates the need to prepare a worksheet. However, adjusting entries must always be made to properly reflect account balances at the end of a reporting period.

## recall

### Expense

An expense is an outflow of cash, the use of other assets, or the incurring of a liability.

## important!

### Balance Sheet Accounts

The amounts on the balance sheet are carried forward to the next accounting period.

## Recall and Important!

**Recall** is a series of brief reinforcements that serve as reminders of material covered in *previous* chapters that are relevant to the new information being presented. **Important!** draws students' attention to critical materials introduced in the *current* chapter.

## Business Transaction Analysis Models

Instructors say mastering the ability to properly analyze transactions is critical to success in this course. Price/Haddock/Farina's step-by-step transaction analysis illustrations show how to identify the appropriate general ledger accounts affected, determine debit or credit activity, present the transaction in T-account form, and record the entry in the general journal.

**BUSINESS TRANSACTION**

On January 8, Brandon Express Company wrote five checks for payroll, check numbers 1601–1605.

**ANALYSIS**

The liability account *Salaries and Wages Payable* is decreased by \$1,840.56. The asset account *Cash* is decreased by \$1,840.56.

**DEBIT-CREDIT RULES**

**DEBIT** Decreases to liability accounts are recorded as debits. Debit *Salaries and Wages Payable* for \$1,840.56.

**CREDIT** Decreases to assets are credits. Credit *Cash* for \$1,840.56.

**T-ACCOUNT PRESENTATION**

Salaries and Wages Payable	Cash								
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; border-bottom: 1px solid black;">-</td> <td style="width: 50%; border-bottom: 1px solid black;">+</td> </tr> <tr> <td style="text-align: center;">1,840.56</td> <td style="text-align: center;"> </td> </tr> </table>	-	+	1,840.56		<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; border-bottom: 1px solid black;">+</td> <td style="width: 50%; border-bottom: 1px solid black;">-</td> </tr> <tr> <td style="text-align: center;"> </td> <td style="text-align: center;">1,840.56</td> </tr> </table>	+	-		1,840.56
-	+								
1,840.56									
+	-								
	1,840.56								

**GENERAL JOURNAL ENTRY**

GENERAL JOURNAL						PAGE	1
DATE	DESCRIPTION	POST. REF.	DEBIT	CREDIT			
Jan. 8	Salaries and Wages Payable		1,840.56			11	
	Cash			1,840.56		12	
	To record payment of salaries and wages for week ended Jan. 6						
						14	

**THE BOTTOM LINE**

**Issue Paychecks**

**Income Statement**

No effect on net income

**Balance Sheet**

Assets ↓ \$1,840.56

Liabilities ↓ \$1,840.56

No effect on equity

## The Bottom Line

Appears in the margins alongside select transactions and concepts in the text. These visuals offer a summary of the effects of these transactions—the end result—on the financial statements of a business.

## MANAGERIAL IMPLICATIONS <<

### FINANCIAL INFORMATION

- Managers of a business make sure that the firm's accounting system produces financial information that is timely, accurate, and fair.
- Financial statements should be based on generally accepted accounting principles.
- Each year a publicly traded company must submit financial statements, including an independent auditor's report, to the SEC.
- Internal reports for management need not follow generally accepted accounting principles but should provide useful information that will aid in monitoring and controlling operations.

- Financial information can help managers to control present operations, make decisions, and plan for the future.
- The sound use of financial information is essential to good management.

### THINKING CRITICALLY

If you were a manager, how would you use financial information to make decisions?


## Managerial Implications

Puts your students in the role of managers and asks them to apply the concepts learned in the chapter.

## Section Reviews—Now in Connect!

Each section concludes with a Self Review consisting of multiple-choice questions that are also available in Connect. A Comprehensive Self Review appears at the end of each chapter. Answers to the Comprehensive Self Review are provided at the end of the chapter.


### Section 1 Review



1. The names of three accounting jobs include all but:
  - a. logistics manager.
  - b. accountant.
  - c. bookkeeper.
  - d. accounts payable clerk.
2. Accounting is called:
  - a. the language of economics.
  - b. the language of finance.
  - c. the language of business.
  - d. the language of commerce.
3. Financial statements are:
  - a. accumulated financial data summarized in periodic reports.
  - b. accumulated transactions of the firm's sales activities.
  - c. a summary of records and procedures that make up the accounting system.
  - d. a summarized description of a firm's accounting system.
4. The organization that has the final say on financial accounting issues faced by publicly owned corporations is the:
  - a. Federal Trade Commission.
  - b. Securities and Exchange Commission.
  - c. Internal Revenue Service.
  - d. U.S. Treasury.
5. As the owner of a small business, you have decided to apply for a loan to expand your locations. Information that you most likely will need to provide to the lender include all but:
  - a. current sales and expense figures.
  - b. projected sales and expense figures.
  - c. the cost of the expansion.
  - d. the average value of homes in your neighborhood.

### APPLICATIONS

#### Exercises



**Exercise 2.1** ▶ **Determining accounting equation amounts.**  
Objectives 2-1, 2-2

Just before Henderson Laboratories opened for business, Eugene Henderson, the owner, had the following assets and liabilities. Determine the totals that would appear in the firm's fundamental accounting equation (Assets = Liabilities + Owner's Equity).

Cash	\$ 99,000
Laboratory Equipment	155,000
Laboratory Supplies	21,600
Loan Payable	30,400
Accounts Payable	22,750

**Exercise 2.2** ▶ **Completing the accounting equation.**  
Objectives 2-1, 2-2

The fundamental accounting equations for several businesses follow. Supply the missing amounts.


Assets	=	Liabilities	+	Owner's Equity
1. \$64,700				
2. \$57,800				
3. \$96,150				
4. \$ ?				
5. \$108,000				

## End of Chapter Material

Price/Haddock/Farina includes robust end-of-chapter material to reinforce the content of the chapter, including Discussion Questions, Exercises, Problem Sets A and B, and Critical Thinking Problems. Problem Sets A and B and Critical Thinking Problems conclude with an **Analyze** question asking the student to evaluate each problem critically.

### PROBLEMS

#### Problem Set A



**Problem 5.1A** ▶ **Completing the worksheet.**  
Objectives 5-2, 5-3


The trial balance of Ortiz Company as of January 31, 20X1, after the company completed the first month of operations, is shown in the partial worksheet below.

**INSTRUCTIONS**  
Complete the worksheet by making the following adjustments: supplies on hand at the end of the month, \$4,200; expired insurance, \$5,500; depreciation expense on equipment for the period, \$1,600.  
**Analyze:** How does the insurance adjustment affect *Prepaid Insurance*?

Ortiz Company					
Worksheet (Partial)					
Month Ended January 31, 20X1					
ACCOUNT NAME	TRIAL BALANCE		ADJUSTMENTS		
	DEBIT	CREDIT	DEBIT	CREDIT	
Cash	105	0	0	0	00
Accounts Receivable	21	8	0	0	00
Supplies	39	4	0	0	00
Prepaid Insurance	66	0	0	0	00
Equipment	109	0	0	0	00
Accumulated Depreciation—Equipment					
Accounts Payable		25	8	0	00
Owner's Capital		0	0	0	00



# How Can Price/Haddock/Farina Bridge the Gap from Learning to “Doing”?

**Mini-Practice Set 1** 

**Service Business Accounting Cycle**

**Eli's Consulting Services**

*This project will give you an opportunity to apply your knowledge of accounting principles and procedures by handling all the accounting work of Eli's Consulting Services for the month of January 2020.*

Assume that you are the chief accountant for Eli's Consulting Services. During January, the business will use the same types of records and procedures that you learned about in Chapters 1 through 6. The chart of accounts for Eli's Consulting Services has been expanded to include a few new accounts. Follow the instructions to complete the accounting records for the month of January.

**INTRODUCTION**

Eli's Consulting Services Chart of Accounts	
<b>Assets</b>	<b>Revenue</b>
101 Cash	401 Fees Income
111 Accounts Receivable	<b>Expenses</b>
121 Supplies	511 Salaries Expense
134 Prepaid Insurance	514 Utilities Expense
137 Prepaid Rent	517 Supplies Expense
141 Equipment	520 Rent Expense
142 Accumulated Depreciation—Equipment	523 Depreciation Expense—Equipment
<b>Liabilities</b>	526 Advertising Expense
202 Accounts Payable	529 Maintenance Expense
<b>Owner's Equity</b>	532 Telephone Expense
301 Trayton Eli, Capital	535 Insurance Expense
302 Trayton Eli, Drawing	
309 Income Summary	

## Mini-Practice Sets—Now in Connect!

Four Mini-Practice Sets are interspersed throughout the text. These practice sets are now assignable in Connect for completion online. Additionally, there are two full-length practice sets available as resources to complete offline. This means additional practice, but less cost, for your students.

## Business Connections

Reinforces chapter materials from practical and real-world perspectives:

**Managerial Focus:** Applies accounting concepts to business situations.

**Internal Control and Fraud Prevention:** Applies techniques discussed throughout the text for different classes of assets including cash, payroll, inventories, and property, plant, and equipment.

**Financial Statement Analysis:** Uses excerpts from real-world annual reports to illustrate actual business applications of chapter concepts. Excerpts from the **2018 Home Depot Financial Statements** are included in Appendix A for use with some exercises. In others, students research a company's most recent financial reports on the Internet.

**TeamWork:** Provides a collaborative learning activity to prepare students for team-oriented projects and work environments.

**Certified Bookkeeper Designation:** Throughout the text, end-of-chapter materials now include questions that will help aspiring bookkeepers to achieve the Certified Bookkeeper Designation.

**BUSINESS CONNECTIONS**

**Managerial FOCUS**

**Know Accounting**

- As an owner or manager of a business, what questions would you ask to judge the firm's performance, control operations, make decisions, and plan for the future?
- Why is financial information important?
- Besides earning a profit, what other objectives might a business have? Can financial information play an important role in these objectives?
- What kind of problems can you foresee if a business owner and/or manager does not have a basic knowledge of accounting?
- What would you tell a small business owner who says he does not see a need for an accounting system in his business because he closely supervises the day-to-day operations and knows exactly what is happening with the business?
- What is the role of the manager versus the accountant?
- Does a business owner/manager need to worry about the separate entity assumption? Why or why not?
- Why are international accounting standards important to management?

**Choosing the Right Employees**

Selecting the right employees is a critical step for enhancing the entity's system of internal control and fraud prevention. Reflected below are several possible ways to check the background of employees. For each item listed, indicate why the background check is important, what type of information should be sought, and whether or not you believe you should get the candidate's consent before acquiring the information.

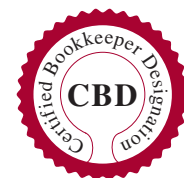
- References
- Employment history
- Education, certifications, and licenses
- Drug screening

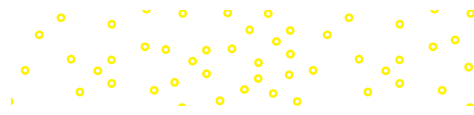
**Notes to Financial Statements**

Within a company's annual report, a section called "Notes to Consolidated Financial Statements" offers general information about the company along with detailed notes related to its financial statements.

**Analyze Online:** On the American Eagle Outfitters, Inc., website ([www.ae.com](http://www.ae.com)), click on About AEO located at the bottom of the page. Then click on Investor Relations.

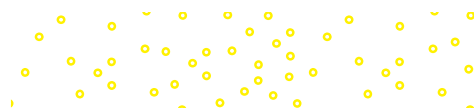




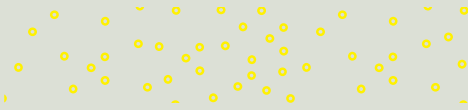
# New to the Sixteenth Edition

- **NEW** Many bookkeepers aspire to become *Certified Bookkeepers (CB)*, a designation that assures an individual possesses the level of knowledge and skills needed to carry out all key accounting functions through the adjusted trial balance, including payroll. Throughout the text, end-of-chapter materials now include questions that will help aspiring bookkeepers to achieve the Certified Bookkeeper Designation.
- **NEW** Throughout the text, internal control and fraud prevention techniques are discussed for different classes of assets including cash, payroll, inventories, and property, plant, and equipment. **Internal Control and Fraud Prevention** problems are included in every chapter.
- **Chapter openers** have been revised, featuring companies such as Apple, Boeing, Costco, Deloitte, Dr Pepper Snapple, Facebook, Ford, Southwest, Starbucks, Uber, and UPS, and the Financial Accounting Standards Board.
- **Real-world examples** throughout the text have been updated.
- **End-of-chapter** exercises, problems, and critical thinking problems have been revised and updated throughout the text.
- **Section Reviews** have been updated throughout and are now available in Connect.
- **Chapter 1:** New coverage on Internal Control, Fraud, and Certified Bookkeeper added.
- **Chapter 4:** Section on Correcting Journal and Ledger Errors rewritten to reflect current practice.
- **Chapter 9:** Updated and expanded the section Using Online Banking.
- **Chapter 10:** Updated and revised with the 2019 maximum earnings taxable for social security taxes throughout.
- **Chapter 11:** Examples updated throughout text, including social security amounts per new limits of taxable amount. Auto-graded tax form problems are now in Connect.
- **Chapter 13:** New real-world example focused on the inventory turnover, using Amazon's financial data.
- **Chapter 14:** Chapter content updated for IASB Conceptual Framework, and Revenue Recognition discussion updated and expanded.
- **Chapter 20:** Clarification of LLC entities added.
- **Chapter 21:** Content updated to include the corporate income tax rate change and all cumulative effects of that change. The corporate income tax rate change from new tax law to a flat 21% rate on taxable income has a major impact, not just on this chapter, but on all the corporate chapters.
- **Chapter 29:** Real-world examples updated and now include focus on injury prevention programs and workers' compensation.





# connect<sup>®</sup>



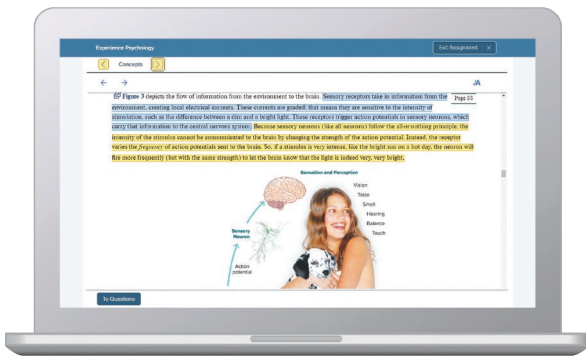
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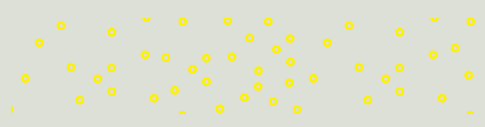
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### Solutions for your challenges.



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**SUPPORT** AT  
*every step*

# FOR STUDENTS

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**Within Connect**, instructors and students have a wealth of material at their fingertips to help make the most of a course in accounting.

## Student Resources

### SmartBook 2.0®

A personalized and adaptive learning tool used to maximize the learning experience by helping students study more efficiently and effectively. Smartbook 2.0 highlights where in the chapter to focus, asks review questions on the materials covered, and tracks the most challenging content for later review recharge. Smartbook 2.0 is available both online and offline.

### Narrated PowerPoint Presentations

For students, the additional student resources include PowerPoint presentations for each chapter, in both narrated and non-narrated versions.

### General Ledger Problems

General Ledger Problems expose students to general ledger software similar to that in practice, without the expense and hassle of downloading additional software. They offer students the ability to record financial transactions and see how these transactions flow into financial statements. Easy minimal-scroll navigation, instant “Check My Work” feedback, and fully integrated hyperlinking across tabs show how input data affect each stage of the accounting process. Algorithmic versions are available. All are auto-gradable.

Requirement	General Journal	General Ledger	Trial Balance	Income Statement	Stmt of Owners Eqty	Balance Sheet	Accounting Equation		
<p><b>No input required.</b> Each journal entry is posted automatically to the general ledger. <b>Selecting the date below will determine which values populate the remaining tabs.</b></p> <p>Dates: <b>Aug 31</b> to: <b>Oct 31</b></p>									
General Ledger Account									
Cash					Accounts receivable				
No.	Date	Debit	Credit	Balance	No.	Date	Debit	Credit	Balance
				0					0
1	Oct 01	70,000		70,000	7	Oct 12	1,800		1,800
2	Oct 02		4,000	66,000	11	Oct 26	4,800		6,600
4	Oct 06		4,100	61,900	13	Oct 30		4,200	2,400
5	Oct 07		1,670	60,230					
6	Oct 10		800	59,430					
7	Oct 12	4,200		63,630					
8	Oct 15		300	63,930					
9	Oct 18		1,750	62,180					
10	Oct 20		9,500	52,680					
12	Oct 27		375	52,305					
13	Oct 30		4,200	56,505					
14	Oct 30		1,080	55,425					
15	Oct 30		9,000	46,425					
Supplies					Art equipment				
No.	Date	Debit	Credit	Balance	No.	Date	Debit	Credit	Balance
				0					0

## Guided Examples

Guided Examples provide a narrated, animated, step-by-step walk-through of Exercises similar to those assigned. These short presentations, which can be turned on or off by instructors, provide reinforcement when students need it most.

Clark Computer Maintenance and Repair Shop had the following revenues and expenses during the month ended June 30. Did the firm earn a net income or incur a net loss for the period? What was the amount?

Fees for computer repairs	\$39,600
Advertising expense	5,300
Salaries expense	18,100
Telephone expense	650
Fees for printer repairs	9,550
Utilities expense	1,100

Clark Computer Maintenance and Repair Shop	
Income Statement	
Month Ended June 30	
Revenues:	
Fees income	(\$39,600 + \$9,550)
Expenses:	
Advertising expense	\$5,300
Salaries expense	18,100
Telephone expense	650
Net income (loss)	

## Instructor Resources

### Instructor's Resource Manual

This manual provides for each chapter a map of related assignment materials; teaching objectives; a chapter overview and learning objectives; and a topical outline.

### Solutions Manual

The Solutions Manual includes detailed solutions for every question, exercise, problem, and case in the text.

### Test Bank / Test Builder

The Test Bank for each chapter has been updated to stay current with new and revised chapter material, with all questions available for assignment through Connect. Available within Connect, Test Builder is a cloud-based tool that enables instructors to format tests that can be printed or administered within an LMS. Test Builder offers a modern, streamlined interface for easy content configuration that matches course needs, without requiring a download. Test Builder provides a secure interface for better protection of content and allows for just-in-time updates to flow directly into assessments.



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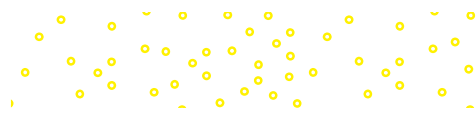
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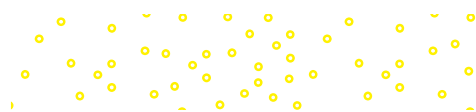
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*John Price • David Haddock • Michael Farina*





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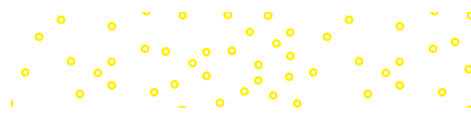
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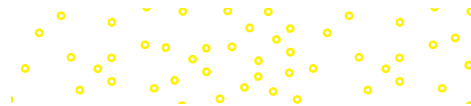


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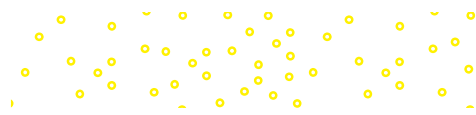


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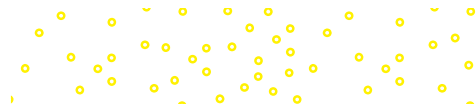
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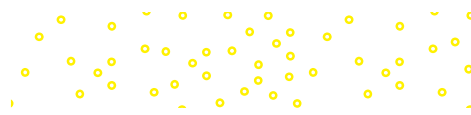
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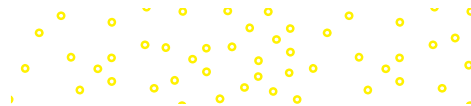


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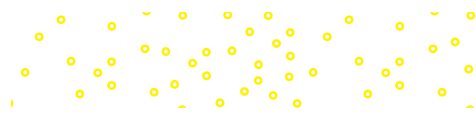
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