

I-01.05

Bingo Corporation is a newly formed company. Below are the first 10 transactions that Bingo encountered. Prepare an income statement, statement of retained earnings, and balance sheet immediately following each of these consecutive transactions.

- (1) Issued capital stock for \$50,000 cash.
- (2) Purchased building for \$120,000, making a \$20,000 down payment and signing a promissory note payable for the balance.
- (3) Paid wages expense of \$5,000.
- (4) Provided services to customers for \$15,000 cash.
- (5) Paid utilities expense of \$2,000.
- (6) Reduced note payable with an \$8,000 cash payment (ignore interest costs).
- (7) Provided services to customers on account, \$10,000.
- (8) Incurred wages expense of \$3,000, to be paid in the future.
- (9) Collected \$4,000 on an outstanding account receivable.
- (10) Declared and paid dividend of \$6,000.