Quick Questions On Recording Balance Sheet Transactions

1. Write the accounting equation at the top of these three T accounts. Place the abbreviation DR. and CR. on the proper side of all T accounts. Also, use a plus or minus sign to indicate the directional change each side of the T account represents.

Assets		-	Liabi	lities	=	Owner's Equity	
DR.	CR.		DR.	CR.		DR.	CR.
+	_		+	-		-	+

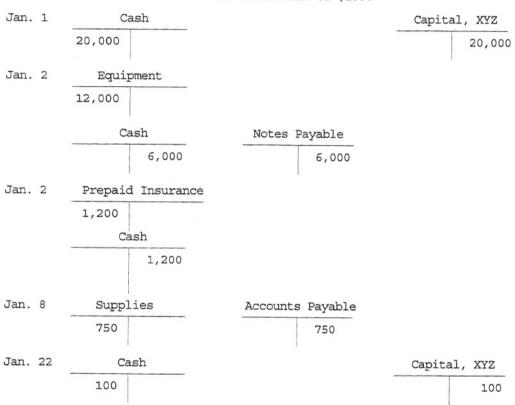
- 2. Record the following directly to T accounts assuming a one-month accounting cycle. Be sure to arrange the T accounts according to the balance sheet equation.

 - Jan. 1 Mr. X started the XYZ Company with an investment of \$20,000.

 2 Bought equipment with a five-year useful life for \$12,000 paying half down and signing a five-year Note for the balance.

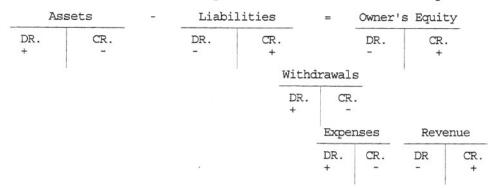
 2 Paid \$1,200 for a three-month energy policy.

 - Purchased supplies on credit for \$750.
 - Mr. X made an additional investment of \$100.



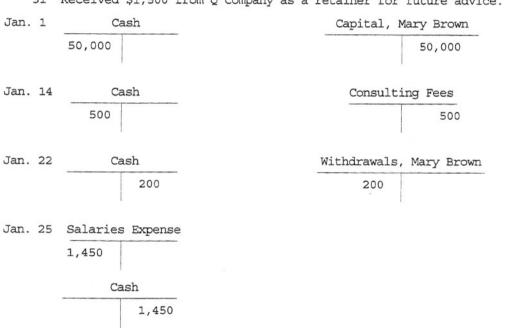
Quick Questions On Recording Expense And Revenue Transactions

1. Write the expanded accounting equation above these T accounts. Place the abbreviation DR. and CR. on the proper side of all T accounts. Also, use a plus or minus sign to indicate the directional change each side of the T account represents.



- 2. Record the following in T accounts assuming a one-month accounting cycle.
 - Jan. 1 Mary Brown started A & B Consultants with an investment of \$50,000.
 - Collected Consulting Fees of \$500 cash. Mary withdrew \$200 for personal use.

 - 25 Paid salaries of \$1,450.
 - Billed Z Corporation \$5,000 for consulting work completed today. Received \$1,500 from Q Company as a retainer for future advice. 28





Jan. 28 Accounts Receivable

5,000

Consulting Fees

5,000