Problem Set A : Problem 2

Transaction Analysis In tabular form

Asset Liability + O/E Exp

Cash A/R Supplies Office Equ A/P N/P

1.9000 1700 600 6000 3600 13700 Balance B/D

1.-2900 -2900

2.+1300 -1300

3. -800 2100 1300

4.+2500 +5500 +8000 Revenue

5.-1000 -1000 Drawings

6. -2900 -1700 Salary

-900 Rent

- 300 Advertising

7. 170 - 170 Utility

8.+10000 10000

I/S

Revenue 8000

- Exp

Salary 1700

Rent 900

Advertising 300

Utility 170

Total exp 3070

Net Income 4930

Owners Equity Statement

Beginning O/E 13700

+ Net income 4930

- Drawings 1000

Ending O/E 17630

Balance Sheet

Asset

Cash 15200

A/R 5900

Supplies 600

Office Equipment 8100

Total Asset 29800

Liability & O/E

A/P 2170

N/P 10000

12170

Owners Equity 17630

Total liability & O/E 29800

Proved

Asset=Liability + O/E

29800=29800