

2-1 WORK TOGETHER, p. 29

Determining how transactions change an accounting equation

Trans. No.	Assets				=	Liabilities	+	Owner's Equity			
	Cash	+	Accts. Rec.— Bowman Co.	+	Supplies	+	Prepaid Insurance	=	Accts. Pay.— Maxwell Co.	+	Susan Sanders, Capital
1.											
2.											
3.											
4.											

Extra form

Trans. No.	Assets				=	Liabilities	+	Owner's Equity
	Cash	+	Supplies	+	Prepaid Insurance	=		+
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								

Determining how transactions change an accounting equation

Trans. No.	Assets				=	Liabilities	+	Ow
	Cash	Accts. Rec.— + O'Leary Co. +	Supplies	+ Prepaid Insurance	=	Accts. Pay.— Barrett Co. +	+	S
1.								
2.								
3.								
4.								

Extra form

Trans. No.	Assets				=	Liabilities	+	Ow
	Cash	+	Supplies	+ Prepaid Insurance	=		+	
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								



2-1 APPLICATION PROBLEM, p. 33

Determining how revenue, expense, and withdrawal transactions change an accounting equation

Trans. No.	Assets				=	Liabilities	+	Owner's Equity
	Cash	+ Accts. Rec.— Lisa Lee	+ Supplies	+ Prepaid Insurance	=	Accts. Pay.— Kline Co.	+	Peter Smith, Capital
Beg. Bal. 1.	625 -300	-0-	375	300		200		1,100 -300 (expense)
New Bal. 2.	325	-0-	375	300		200		800
New Bal. 3.								
New Bal. 4.								
New Bal. 5.								
New Bal. 6.								
New Bal. 7.								
New Bal. 8.								
New Bal.								

Extra form

Trans. No.	Assets				=	Liabilities	+	Owner's Equity
	Cash	+	+ Supplies	+ Prepaid Insurance	=		+	
Beg. Bal. 1.								
New Bal. 2.								
New Bal. 3.								
New Bal. 4.								
New Bal. 5.								
New Bal. 6.								
New Bal.								

Trans. No.	Assets				=	Liabilities	+	Owner's Equity
	Cash	+	Supplies	+	Prepaid Insurance	=		+
Beg. Bal. 1.								
New Bal. 2.								
New Bal. 3.								
New Bal. 4.								
New Bal. 5.								
New Bal. 6.								
New Bal. 7.								
New Bal. 8.								
New Bal. 9.								
New Bal. 10.								
New Bal. 11.								
New Bal. 12.								
New Bal. 13.								
New Bal. 14.								
New Bal. 15.								
New Bal.								

2-2 APPLICATION PROBLEM, p. 34

Determining how transactions change an accounting equation

Trans. No.	Assets				=	Liabilities	+	Owner's Equity			
	Cash	+	Accts. Rec.— Suburban Rental	+	Supplies	+	Prepaid Insurance	=	Accts. Pay.— Teale Co.	+	Doris Becker, Capital
Beg. Bal.	500		-0-		260		300		100		960
1.	-50										-50 (expense)
New Bal.	450		-0-		260		300		100		910
2.											
New Bal.											
3.											
New Bal.											
4.											
New Bal.											
5.											
New Bal.											
6.											
New Bal.											
7.											
New Bal.											
8.											
New Bal.											
9.											
New Bal.											
10.											
New Bal.											
11.											
New Bal.											
12.											
New Bal.											

Trans. No.	Assets				=	Liabilities	+	Owner's Equity
	Cash	+	+	Supplies	+	Prepaid Insurance	=	+
Beg. Bal. 1.								
New Bal. 2.								
New Bal. 3.								
New Bal. 4.								
New Bal. 5.								
New Bal. 6.								
New Bal. 7.								
New Bal. 8.								
New Bal. 9.								
New Bal. 10.								
New Bal. 11.								
New Bal. 12.								
New Bal. 13.								
New Bal. 14.								
New Bal. 15.								
New Bal.								

2-5 CHALLENGE PROBLEM, p. 36

Determining how transactions change an accounting equation

1.

Trans. No.	Assets				=	Liabilities	+	Owner's Equity
	Cash	Accts. Rec.— + Mary Lou Pier	Supplies	Prepaid Insurance	=	Accts. Pay.— Kollasch Co.	+	Zachary Martin, Capital
Beg. Bal. 1.	8,552	1,748	1,485	615	=	3,145	+	9,255
New Bal. 2.								
New Bal. 3.								
New Bal. 4.								
New Bal.								

2.

Extra form

Trans. No.	Assets				=	Liabilities	+	Owner's Equity
	Cash	+	+	Supplies	+	Prepaid Insurance	=	+
Beg. Bal. 1.								
New Bal. 2.								
New Bal. 3.								
New Bal. 4.								
New Bal. 5.								
New Bal. 6.								
New Bal. 7.								
New Bal. 8.								
New Bal. 9.								
New Bal. 10.								
New Bal. 11.								
New Bal. 12.								
New Bal. 13.								
New Bal. 14.								
New Bal. 15.								
New Bal.								