

Journalizing Business Transactions.

Name _____ -

Joshua Michaelson, 45, has always dreamed of opening a sports facility with batting cages, baseball clinics and private hitting/pitching lessons.

He took a business loan of \$155,000 and withdrew \$35,000 of his own savings to open the business. When he deposited the money in the business account, he purchased \$25,000 of sporting equipment, \$3,000 of office supplies and \$2,500 for a new computer. He also purchased office furniture on account from Office Max \$12,000.

During the first week, he earned \$5,500 through batting cages, \$800 in clinics and \$450 in private lessons. He also withdrew \$500 for his personal use, paid his staff wages of \$1,500, rent \$2,500, advertising \$500 and utilities of \$600. Mastic Sports sponsored a clinic at the facility and agreed to pay Joshua \$1,000 at the end of the month.

Identify the 15 business transactions and journalize each in a general journal.