

Name: _____

Chapter 5
Review

Transactions

Instructions

1. Prepare a T account for each account the business uses.
2. Analyze and record each of the following transactions using the appropriate T accounts. Identify each transaction by number.
3. After recording all transactions, compute and record the account balance on the normal balance side of each T account.
4. Test for the equality of debits and credits.

Accounts	
Cash in Bank	Juanita Ortega, Capital
Accounts Receivable – Mary Johnson	Juanita Ortega, Withdrawals
Rafting Equipment	Guide Service Revenue
Accounts Payable – Peak Equipment Inc.	Maintenance Expense
	Rent Expense
	Utilities Expense

1. Juanita Ortega invested \$12000 cash in her business
2. Purchased two new whitewater rafts on account for \$3750 from Peak Equipment Inc.
3. Billed, but did not collect, \$750 for guide services provided to Mary Johnson
4. Repaired a raft at a cost of \$123, Check 411
5. Wrote Check 412 to pay the electric bill of \$95
6. Received \$225 for guide service fees
7. Paid the \$225 rent for the month, Check 413
8. Juanita Ortega withdrew \$250 cash for personal use, check 415
9. Paid \$1750 toward the rafts bought on account, Check 414
10. Received guide service fees of \$250