

FEELING A.T. HOME WITH T-ACCOUNTS



Allan T. started a real estate business, Feeling A.T. Home, at the beginning of October 2018. The business transactions for Feeling A.T. Home's first month of operations can be found below.

- 10/3 Allan T. invested \$100,000 cash to start a real estate business, Feeling A.T. Home.
 - 10/4 Purchased office supplies (paper, supplies, files, etc.), \$5,000.
 - 10/7 Purchased office equipment on account, \$15,000.
 - 10/11 Paid wages expense for the month, \$10,000.
 - 10/13 Paid utilities expense for the month, \$1,000.
 - 10/14 Earned sales commissions, totaling \$100,000 in cash.
 - 10/17 Paid creditors for the amount owing from purchase of office equipment in (c) above.
 - 10/18 Earned sales commissions, totaling \$50,000 on account.
 - 10/28 Completed inventory and found that the amount of supplies on hand at the end of month was \$2,000, meaning that \$3,000 of supplies had been used during the period.
 - 10/29 Received \$10,000 in cash from customers paying on their accounts.
 - 10/29 Earned additional sales commissions, totaling \$75,000 in cash.
 - 10/30 Purchased additional supplies on account, \$10,000.
 - 10/31 Allan T. withdrew \$5,000 at the end of the month for personal use.
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T-Accounts

1. Record all of the business transactions in the T-Accounts below. Make sure to put the date of the transaction next to each amount.
2. Total each account, showing the ending balance in the appropriate "normal balance" location (shaded side). Circle the ending balances.
3. Write a two-digit account number next to each account name.

ASSETS

Cash	
Debit	Credit
+	-

Accounts Receivable	
Debit	Credit
+	-

Supplies	
Debit	Credit
+	-

Prepaid Insurance	
Debit	Credit
+	-

Equipment	
Debit	Credit
+	-

LIABILITIES

Accounts Payable	
Debit	Credit
-	+

Don't forget to complete the
Trial Balance
 on the next page

OWNER'S EQUITY

Capital (Investments)	
Debit	Credit
-	+

Drawing (Withdrawals)	
Debit	Credit
+	-

REVENUES

Fees Earned	
Debit	Credit
-	+

EXPENSES

Supplies Expense	
Debit	Credit
+	-

Utilities Expense	
Debit	Credit
+	-

Wages Expense	
Debit	Credit
+	-

