## fecling 2.t. home with t-2ccounts

Allan T. started a real estate business, Feeling A.T. Home, at the beginning of October 2020. The business transactions for Feeling A.T. Home's first month of operations can be found below.

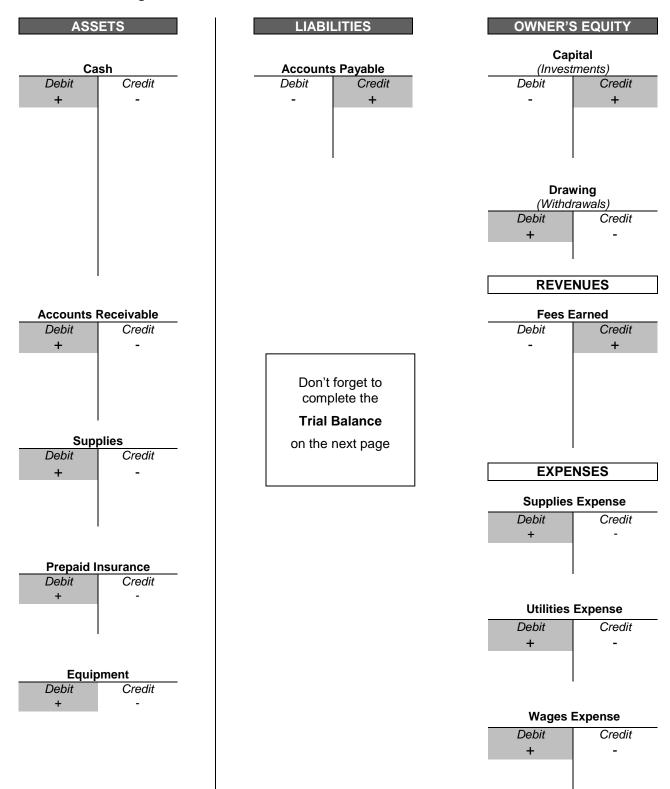


- 10/3 Allan T. invested \$100,000 cash to start a real estate business, Feeling A.T. Home.
- 10/4 Purchased office supplies (paper, supplies, files, etc.), \$5,000.
- 10/7 Purchased office equipment on account, \$15,000.
- 10/11 Paid wages expense for the month, \$10,000.
- 10/13 Paid utilities expense 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.

# fesling 2.t. bows with t-2ccounts

#### **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.



# fecling 2.t. home with t-accounts

### **Trial Balance**

Using the information in your T-Accounts, prepare a trial balance.

- 1. List the account names in the correct order and the ending balance for each.
- 2. Total the debit and credit columns to make sure they balance.

### Feeling A.T. Home

Trial Balance October 31, 2020