

# MR. T ACCOUNTS

*"I pity the fool who doesn't use me for their taxes"*

Mr. T started an accounting business, Mr. T Accounts, at the beginning of January 2024. The business transactions for Mr. T Account's first month of operations can be found below. Use this information to complete the T Accounts, Trial Balance, and Financial Statements that follow.



- 01/02 Owner invested \$4000 cash in the business.
- 01/05 Purchased supplies on account, \$150.
- 01/07 Customers paid cash for services provided, \$500.
- 01/08 Paid rent for the month, \$400.
- 01/09 Purchased new equipment for the business, \$750.
- 01/16 Provided services to customers and billed them on account, \$1000.
- 01/22 Paid off amount owed on account payable from the purchase on 01/05.
- 01/28 Completed inventory at the end of the month and found \$50 of supplies remaining, meaning that \$100 had been used.
- 01/29 Customers made payments on their accounts receivable totaling \$300.
- 01/31 Owner withdrew \$900 in cash from the business for personal use.

Chart of Accounts	
These are the accounts you'll be using.	
Account Name	Number
ASSETS	
Cash	11
Accounts Receivable	12
Supplies	13
Equipment	14
LIABILITIES	
Accounts Payable	21
OWNER'S EQUITY	
Mr. T, Capital	31
Mr. T, Drawing	32
REVENUES	
Fees Earned	41
EXPENSES	
Rent Expense	51
Supplies Expense	52

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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.

Supplies Expense	
Debit	Credit
+	-

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

- Mr. T Accounts  
Trial Balance  
January 31, 2024

Account Name	Debit	Credit
<b>TOTAL</b>		

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## Financial Statements

Use the information from the Trial Balance to create the financial statements for Mr. T Accounts.

Mr. T Accounts  
Income Statement  
For the month ended January 31, 2024

REVENUES:									
FEES EARNED									
EXPENSES:									
RENT EXPENSE									
SUPPLIES EXPENSE									
TOTAL EXPENSES									
NET INCOME									

Mr. T Accounts  
Statement of Owner's Equity  
For the month ended January 31, 2024

BEGINNING CAPITAL								0	00
ADD: INVESTMENTS									
ADD: NET INCOME (from the Income Statement)									
LESS: WITHDRAWALS									
CHANGE IN OWNER'S EQUITY									
ENDING CAPITAL									

Mr. T Accounts  
Balance Sheet  
As of January 31, 2024

<b>ASSETS</b>						<b>LIABILITIES</b>					
CASH						ACCOUNTS PAYABLE					
ACCOUNTS RECEIVABLE						TOTAL LIABILITIES					
SUPPLIES						<b>OWNER'S EQUITY</b>					
EQUIPMENT						MR. T, CAPITAL					
						TOTAL OWNER'S EQUITY					
TOTAL ASSETS						TOTAL LIABILITIES & OE					