

T. Barkley, an accountant, is in business with the following assets and liabilities.

Assets		Liabilities	
Bank	\$1 500	A/P—Familiar Finance	\$1 621
A/R—R. Burke	300	A/P—Proctor’s Ltd.	250
A/R—E. Chapple	250	A/P—A. Rose & Son	100
A/R—O. Patterson	78		
Supplies	200		
Equipment	3 956		
Automobile	7 000		

- A.** Set up the financial position of T. Barkley in T-accounts.
- B.** In the T-accounts provided, record the accounting entries for the transactions listed below. For A/R, record each payee separately.

Transactions

- a.** Received \$78 cash from O. Patterson in payment of her debt to the business.
- b.** Paid \$100 cash to A. Rose & Son.
- c.** The owner withdrew \$300 cash from the business for his personal use.
- d.** An accounting service was performed for R. Burke at a price of \$500. Mr. Burke agreed to pay for the service at a later date.
- e.** The office air conditioner, included in the Equipment figure, broke down and had to be repaired at a cost of \$50. Cash was paid for the repair.
- f.** An accounting service was performed for E. Chapple for \$200 cash.
- g.** Bought supplies valued at \$45. Paid cash.
- h.** An accounting service was performed for L. Bell for \$1200. L. Bell promised to pay within 30 days.
- i.** T. Barkley bought a computer from Computerland for \$2450. He gave a \$900 deposit and is to pay the balance at the end of the month.

