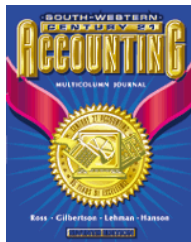


REVENUE TRANSACTIONS

Transaction 6 August 12. Received cash from sales, \$325.00.

	Assets				=	Liabilities + Owner's Equity	
	Cash +	Accts. Rec.— Kids Time	+ Supplies	+ Prepaid Insurance	=	Accts. Pay.— Ling Music Supplies	+ Barbara Treviño, Capital
Balances	\$5,863	—0—	\$4,297	\$1,200		\$1,360	\$10,000
→ Received cash from sales	+325						+325 (revenue)
New Balances	\$6,188	—0—	\$4,297	\$1,200		\$1,360	\$10,325
→ Sold services on account		+200					+200 (revenue)
New Balances	\$6,188	\$200	\$4,297	\$1,200		\$1,360	\$10,525
	Total of left side: \$6,188 + \$200 + \$4,297 + \$1,200 = \$11,885					Total of right side: \$1,360 + \$10,525 = \$11,885	

Transaction 7 August 12. Sold services on account to Kids Time, \$200.00.



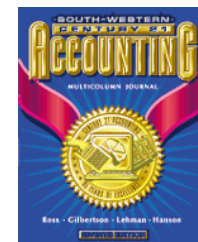
PAID CASH FOR EXPENSES

Transaction 8 August 12. Paid cash for rent, \$250.00.

	Assets				=	Liabilities + Owner's Equity	
	Cash +	Accts. Rec.— Kids Time	Supplies +	Prepaid Insurance	=	Accts. Pay.— Ling Music Supplies	Barbara Treviño, Capital
Balances	\$6,188	\$200	\$4,297	\$1,200		\$1,360	\$10,525
→ Paid cash for rent	-250						-250 (expense)
New Balances	\$5,938	\$200	\$4,297	\$1,200		\$1,360	\$10,275
→ Paid cash for telephone bill	-45						-45 (expense)
New Balances	\$5,893	\$200	\$4,297	\$1,200		\$1,360	\$10,230
	Total of left side:					Total of right side:	
	\$5,893 + \$200 + \$4,297 + \$1,200 = \$11,590					\$1,360 + \$10,230 = \$11,590	

-45 (expense)

Transaction 9 August 12. Paid cash for telephone bill, \$45.00.

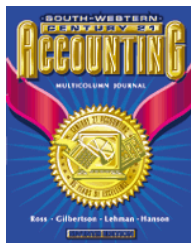


OTHER TRANSACTIONS

Transaction 10 August 12. Received cash on account from Kids Time, \$100.00.

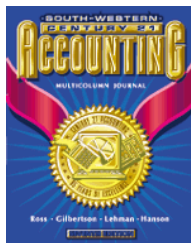
	Assets				= Liabilities + Owner's Equity	
	Cash +	Accts. Rec.— Kids Time	+ Supplies	+ Prepaid Insurance	Accts. Pay.— Ling Music Supplies	+ Barbara Treviño, Capital
Balances	\$5,893	\$200	\$4,297	\$1,200	\$1,360	\$10,230
→ Received cash on account	+100	-100				
New Balances	\$5,993	\$100	\$4,297	\$1,200	\$1,360	\$10,230
→ Paid cash to owner for personal use						-100 (withdrawal)
New Balances	\$5,893	\$100	\$4,297	\$1,200	\$1,360	\$10,130
	Total of left side: \$5,893 + \$100 + \$4,297 + \$1,200 = \$11,490				Total of right side: \$1,360 + \$10,130 = \$11,490	

Transaction 11 August 12. Paid cash to owner for personal use, \$100.00.



SUMMARY OF CHANGES IN OWNER'S EQUITY

Transaction Number	Kind of Transaction	Change in Owner's Equity
6	Revenue (cash)	+325.00
7	Revenue (on account)	+200.00
8	Expense (rent)	-250.00
9	Expense (telephone)	-45.00
11	Withdrawal	-100.00
	Net change in owner's equity	<u>+130.00</u>



TERMS REVIEW

revenue

sale on account

expense

withdrawals

