

Exercise 2-1

Assets	=	Liabilities	+	PIC	+	R/E
1. +300,000 (Cash)				+300,000 (C/S)		
2. + 40,000 (Equip)		+30,000 (N/P)				
- 10,000 (Cash)						
3. + 90,000 (Inv)		+90,000 (A/P)				
4. +120,000 (A/R)					+120,000(Sales)	
- 70,000 (Inv)					- 70,000(COGS)	
5. - 5,000 (Cash)					- 5,000 (Rent exp)	
6. + 6,000 (PP Ins)						
- 6,000 (Cash)						

Assets	=	Liabilities	+	PIC	+	R/E
7. - 70,000 (Cash)		- 70,000 (A/P)				
8. + 55,000 (Cash)						
- 55,000 (A/R)						
9. - 1,000 (PPE)					- 1,000 (Dep'n Exp)	