

Exercise 2-2

1. Cash	300,000	
Common Stock		300,000
2. Equipment	40,000	
Cash		10,000
Note Payable		30,000
3. Inventory	90,000	
Accounts Payable		90,000
4. Accounts Receivable	120,000	
Sales		120,000
Cost of Goods Sold	70,000	
Inventory		70,000
5. Rent Expense	5,000	
Cash		5,000

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6. Prepaid Insurance	6,000	
Cash		6,000
7. Accounts Payable	70,000	
Cash		70,000
8. Cash	55,000	
Accounts Receivable		55,000
9. Depreciation Expense	1,000	
Accumulated Depreciation		1,000

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