

## B-02.08

The following narratives describe transactions impacting cash, accounts receivable, accounts payable, revenues, and selected expense accounts. Use T-accounts to analyze this activity and determine the ending balances for accounts receivable and accounts payable. At the beginning of the period, accounts receivable totaled \$54,300, while accounts payable totaled \$31,275. The company started the period with \$85,000 in cash.

- Transaction #1 Services were provided to customers for cash in the amount of \$15,230.
- Transaction #2 Supplies were purchased and used. This purchase occurred on account, in the amount of \$2,400.
- Transaction #3 Collections of outstanding receivables occurred in the amount of \$19,410.
- Transaction #4 Utilities costs in the amount of \$763 were incurred and paid in cash.
- Transaction #5 Payments on outstanding accounts payable were made for \$23,900.
- Transaction #6 Services were provided to customers on account in the amount of \$48,654.