

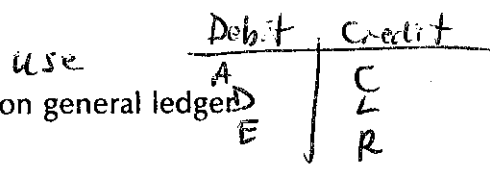
Determining the normal balance, increase, and decrease columns of general ledger accounts

Debit	Credit
Assets	Capital
Drawing	Liabilities
Expenses	Revenue

Must use Chart ⇒

Cash		Mandle Robeson, Capital		Insurance Expense	
DEBIT column Normal balance Increases	CREDIT column Decreases	DEBIT column Decreases	CREDIT column Normal balance Increases	DEBIT column Normal balance Increases	CREDIT column Decreases
Supplies		Mandle Robeson, Drawing		Miscellaneous Expense	
DEBIT column Normal balance Increases	CREDIT column Decreases	DEBIT column Normal balance Increases	CREDIT column Decreases	DEBIT column Normal balance Increases	CREDIT column Decreases
Prepaid Insurance		Sales		Rent Expense	
DEBIT column Normal balance Increases	CREDIT column Decreases	DEBIT column Decreases	CREDIT column Normal balance Increases	DEBIT column Normal balance Increases	CREDIT column Decreases
Maxalon Service Company		Advertising Expense		Supplies Expense	
DEBIT column Decreases	CREDIT column Normal balance Increases	DEBIT column Normal balance Increases	CREDIT column Decreases	DEBIT column Normal balance Increases	CREDIT column Decreases
Unibox Company		Equipment Repair Expense		Utilities Expense	
DEBIT column Decreases	CREDIT column Normal balance Increases	DEBIT column Normal balance Increases	CREDIT column Decreases	DEBIT column Normal balance Increases	CREDIT column Decreases

Analyzing the effect of transactions on general ledger accounts



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1	2	3	4	5	6	7	8	9									
									Trans. No.	Account Title	Account Classifications					Change in Account	Debit or Credit
											Assets	Liabilities	Capital	Revenue	Expenses		
1.	Prepaid Insurance	✓					+	Dr.									
	Cash	✓					-	Cr.									
2.	Unibox Company		✓				-	Dr.									
	Cash	✓					-	Cr.									
3.	Cash	✓					+	Dr.									
	Mandle Robeson, Capital			✓			+	Cr.									
4.	Supplies	✓					+	Dr.									
	Cash	✓					-	Cr.									
5.	Mandle Robeson, Drawing			✓			+	Dr.									
	Cash	✓					-	Cr.									
6.	Equipment Repair Expense					✓	+	Dr.									
	Cash	✓					-	Cr.									
7.	Cash	✓					+	Dr.									
	Sales				✓		+	Cr.									
8.	Rent Expense					✓	+	Dr.									
	Cash	✓					-	Cr.									
9.	Utilities Expense					✓	+	Dr.									
	Cash	✓					-	Cr.									
10.	Miscellaneous Expense					✓	+	Dr.									
	Cash	✓					-	Cr.									

always one of each

because it's a loan being washed off

receives

Analyzing transactions into debit and credit parts

1. **Supplies**

50.00	
Cash	
	50.00

6. **Utilities Expense**

50.00	
Cash	
	50.00

2. **Durall Company**

100.00	
Cash	
	100.00

7. **Cash**

1 000.00	
Sales	
	1 000.00

3. **Betty Rivera, Drawing**

100.00	
Cash	
	100.00

8. **Equipment Repair Expense**

75.00	
Cash	
	75.00

4. **Cash**

1 000.00	
Betty Rivera, Capital	
	1 000.00

9. **Advertising Expense**

50.00	
Cash	
	50.00

5. **Prepaid Insurance**

150.00	
Cash	
	150.00

10. **Rent Expense**

400.00	
Cash	
	400.00

~~Do cash first!~~ Do cash first!

Received cash

Paid Cash

Dr		Cr	
Cash			
Bal.	2 500.00	(1)	350.00
(2)	250.00	(3)	300.00
(5)	350.00	(4)	50.00
(8)	300.00	(6)	75.00
(11)	200.00	(7)	200.00
(13)	315.00	(9)	50.00
(16)	100.00	(10)	85.00
(17)	200.00	(12)	150.00
		(14)	10.00
		(15)	500.00

Vivian Burnell, Capital	
Bal.	2 950.00
(17)	200.00

Vivian Burnell, Drawing	
(15)	500.00

Sales	
(2)	250.00
(5)	350.00
(8)	300.00
(11)	200.00
(13)	315.00
(16)	100.00

one is left one is right

right always have credit & an equal debit (left side)

Supplies	
Bal.	1 000.00
(7)	200.00

Prepaid Insurance	
Bal.	300.00
(6)	75.00

Peymie Company	
Bal.	150.00

O. W. Paint Company	
(3)	300.00
Bal.	700.00

Advertising Expense	
(10)	85.00

Equipment Repair Expense	
(4)	50.00

Miscellaneous Expense	
(14)	10.00

Rent Expense	
(1)	350.00

Utilities Expense	
(9)	50.00
(12)	150.00

Analyzing transactions into debit and credit parts

Cash	
Bal. 1 350.00	(1) 50.00
(2) 500.00	(3) 4.00
(4) 1000.00	(6) 30.00
(5) 400.00	(7) 250.00
(9) 450.00	(8) 100.00
(14) 500.00	(10) 100.00
	(11) 100.00
	(12) 70.00
	(13) 400.00
	(15) 25.00

Supplies	
Bal. 900.00	
(6) 30.00	
(15) 25.00	

Prepaid Insurance	
Bal. 50.00	
(10) 100.00	

Useful Supply Company	
	100.00 Bal.

Durmont Company	
(7) 250.00	500.00 Bal.

Rodney Travis Capital	
	1 700.00 Bal.
	(4) 1 000.00

Rodney Travis Drawing	
(11) 100.00	

Sales	
	(2) 500.00
	(5) 400.00
	(9) 450.00
	(14) 500.00

Advertising Expense	
(12) 70.00	

Misc. Expense	
(3) 4.00	

Rent Expense	
(13) 400.00	

Utilities Expense	
(1) 50.00	
(8) 100.00	

1	2	3	4	5	6	7	8
Trans. No.	ACCOUNT DEBITED			ACCOUNT CREDITED			DESCRIPTION OF THE TRANSACTION
	Title	Classification	Effect	Title	Classification	Effect	
1.	Advertising Expense	Expense	+	Cash	Asset	-	Paid cash for advertising expense
2.	Alice Albertson, Drawing	capital	+ -	Cash	Asset	-	Paid cash to owner, \$100.00
3.	Alice Albertson Cash	Asset	+	Alice Albertson	Capital	+	Owner invested 400.00 into business
4.	Misc. Expense	Expense	+	Cash	Asset	-	Paid cash, \$16.00, for Misc. Expenses
5.	Advertising Expense	"	+	"	"	-	Paid cash for Advertising.
6.	Cash	Asset	+	Sales	Revenue	+	Received cash from Sales.
7.	Rent Expense	Expense	+	Cash	Asset	-	Paid cash for Rent.
8.	cash	Asset	+	Sales	Revenue	+	Received cash from Sales.
9.	Misc. Expense	Expense	+	Cash	Asset	-	Paid cash for Misc. Expenses.
10.	Cash	Asset	+	Sales	Revenue	+	Received cash from Sales
11.	Mercer Supply Company	Liability	-	Cash	Asset	-	Paid cash to Mercer Supply Company.
12.	Supplies	Asset	+	"	"	-	Paid Cash for Supplies.