

**The Accounting Equation**  
**Effects of Business Transactions Extra**

Name \_\_\_\_\_

*Directions*—Analyze each of the following business transactions, and record how the transaction affects the accounting equation using the chart below. If the transaction effects Owner’s Equity provide an explanation.

*Transactions for Courtney’s Café’:*

1. Courtney invested \$32,000 to start her business.
2. Courtney paid \$1,500 for rent.
3. Courtney paid \$450 for advertising on radio.
4. Courtney bought a kitchen equipment from Brayden’s Equipment for 1,620 on account.
5. Courtney bought furniture from Casey’s Chair’s for \$525.
6. Sales for the week were \$2,100 of which 425 was on account.
7. Collected \$300 of an accounts receivable.
8. Purchased Supplies on account from Sertl’s Supply Store for \$520.
9. Paid Utilities expense for the month, \$400 cash
10. Wrote check in amount of \$400 to Brayden’s Equipment for partial payment on account.
11. Paid her part-time employees for the first two weeks of business, cash \$750.
12. Courtney Withdrew \$1,300

Tran #	Cash	A/R	Equipment	Furniture	Supplies	A/P	N/P	Courtney, Capital	Explanation
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
Bal									

**Assets =**

**Liabilities + OE**

