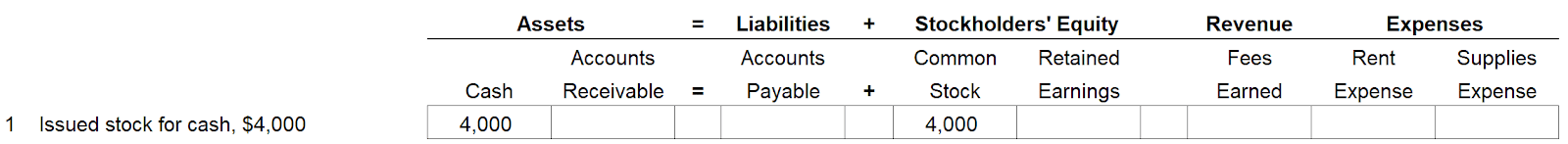
Now we will use our understanding of common accounting transactions that we learned in Section 1.4 to complete an accounting transactions grid.

### Interactive Exercise

1. Complete the accounting transactions grid for the $4,000 investment transaction below.



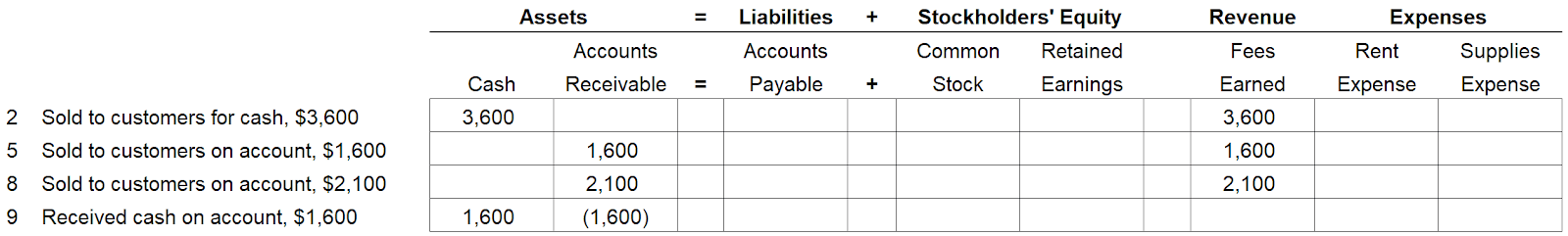
*[Hint: Stock is issued when an investor contributes cash to the business.]*



1. Complete the accounting transactions grid for the following transactions related to sales to customers



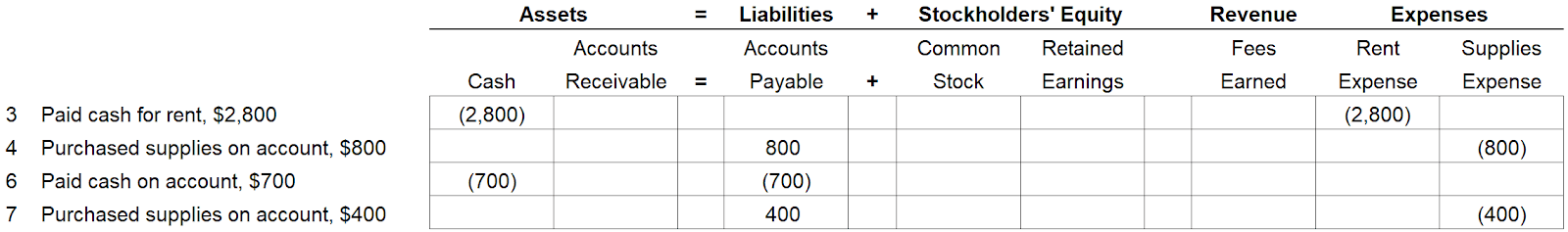
*[Hint: A sale to a customer is considered revenue. At the time of sale, the customer may pay cash or be sent an invoice.]*



1. Complete the accounting transactions grid for the following transactions related to purchases from vendors.



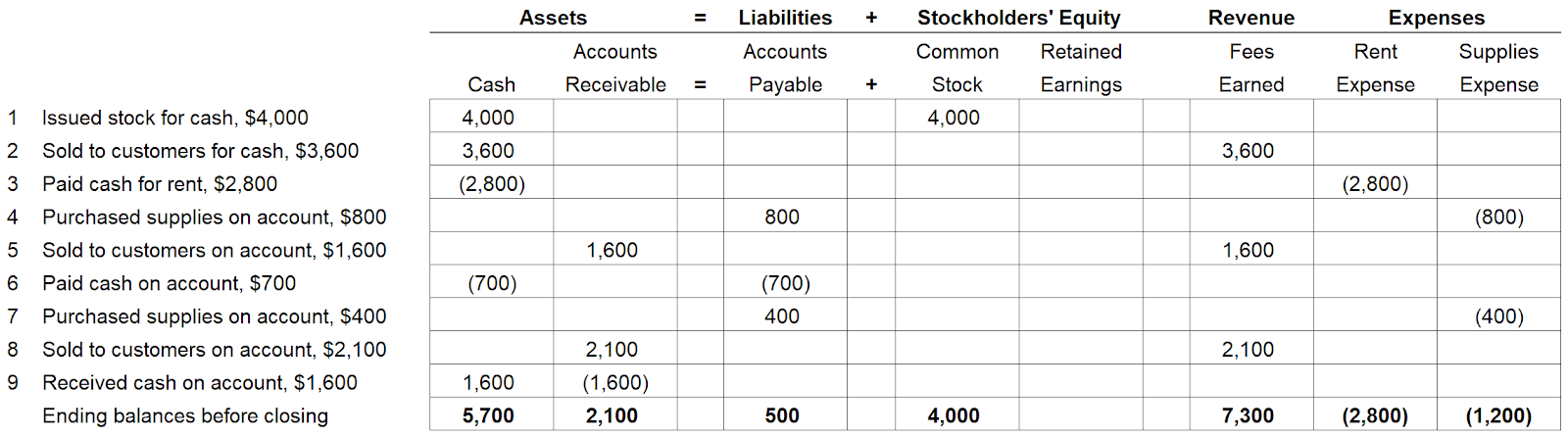
*[Hint: A purchase of either a service or product may be paid for with cash or be billed to the company on account.]*



1. The following accounting transactions grid summarizes your entries from the previous three parts. Enter the totals for each account column in the last row.

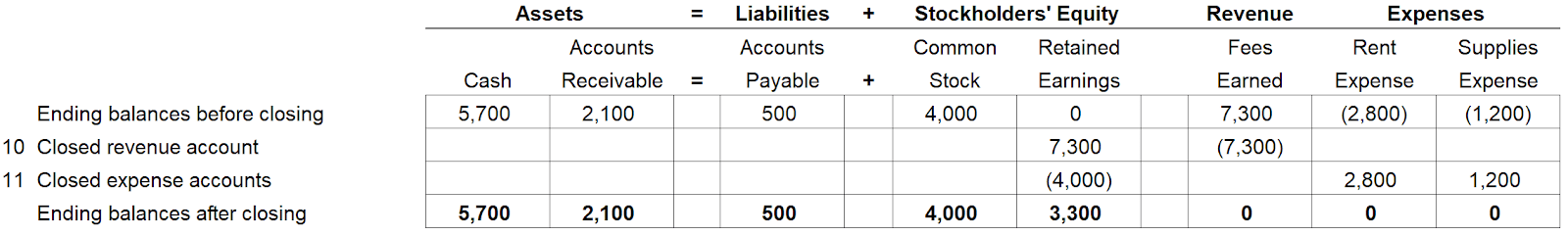


*[Hint: Revenue and expense balances are set back to zero at the end of the accounting period.]*



1. Based on the correct entries for part 4, complete the closing entries and ending balances after closing.





**The following grid shows an aggregated picture of all the transactions just completed.**

