**Practice Question: Transaction Analysis**

On April 1, Julie Spengel established Spengel’s Travel Agency. The following transactions were completed during the month.

**1.** Invested $15,000 cash to start the agency.

**2.** Paid $600 cash for April office rent.

**3.** Purchased equipment for $3,000 cash.

**4.** Incurred $700 of advertising costs in the *Chicago Tribune,* on account.

**5.** Paid $900 cash for office supplies.

**6.** Performed services worth $10,000: $3,000 cash is received from customers, and the balance of $7,000 is billed to customers on account.

**7.** Withdrew $600 cash for personal use.

**8.** Paid *Chicago Tribune* $500 of the amount due in transaction (4).

**9.** Paid employees’ salaries $2,500.

**10.** Received $4,000 in cash from customers who have previously been billed in transaction (6).

**Instructions**

**a.** Prepare a tabular analysis of the transactions using the following column headings: Cash, Accounts

Receivable, Supplies, Equipment, Accounts Payable, Owner’s Capital, Owner’s Drawings, Revenues,

and Expenses.