

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.

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| 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. |