



PAYING CASH

Transaction 2 August 3. Paid cash for supplies, \$275.00.

	Assets			=	Liabilities + Owner's Equity	
	Cash	+ Supplies	+ Prepaid Insurance	=		Kim Park, Capital
Balances	\$5,000	\$0	\$0		\$0	\$5,000
➡ Paid cash for supplies	-275	+275				
Balances	\$4,725	\$275	\$0		\$0	\$5,000
➡ Paid cash for insurance	-1,200		+1,200			
New Balances	\$3,525	\$275	\$1,200		\$0	\$5,000

Transaction 3 August 4. Paid cash for insurance, \$1,200.00.