Transactions

The selected transactions below were completed by Cota Delivery Service during July:

Indicate the effect of each transaction on the accounting equation by choosing the appropriate letter from the following list:

a. Increase in an asset, decrease in another asset.
b. Increase in an asset, increase in a liability.
c. Increase in an asset, increase in owner's equity.
d. Decrease in an asset, decrease in a liability.
e. Decrease in an asset, decrease in owner's equity.

1. Received cash from owner as additional investment, $35,000.

2. Purchased supplies for cash, $1,100.

3. Paid rent for October, $4,500.

4. Paid advertising expense, $900.

5. Received cash for providing delivery services, $33,000.

6. Billed customers for delivery services on account, $58,000.

7. Paid creditors on account, $2,900.

8. Received cash from customers on account, $27,500.

9. Determined that the cost of supplies on hand was $300 and $8,600 of supplies had been used during the month.

10. Paid cash to owner for personal use, $2,500.