Accounting practice problems worksheet

Work each problem on paper first, then check your work against the answers on the last page.

Debit and credit rules

Account type	Increase	Decrease	Normal balance
Assets	Debit	Credit	Debit
Liabilities	Credit	Debit	Credit
Common stock	Credit	Debit	Credit
Revenues	Credit	Debit	Credit
Expenses	Debit	Credit	Debit
Dividends	Debit	Credit	Debit

Source: OpenStax Principles of Accounting, Volume 1, section 3.5. Last checked: November 17, 2026.

Problems

Problem 1 (4 points). Lakeside Tutoring Co. had these transactions in September 2026. Record the journal entry for each. (a) Paid $1,500 cash for September rent. (b) Bought $400 of supplies on account. (c) Collected $2,000 from a customer for services billed in August. (d) Paid a $500 cash dividend.

Problem 2 (2 points). On December 31, 2026, before adjustments, the Supplies account has a balance of $1,250. A count shows $420 of supplies still on hand. Record the adjusting entry.

Problem 3 (4 points). A company's year ends on December 31, 2026. Record the adjusting entries for both items. (a) On November 1, 2026, it signed a $12,000, 6%, six-month note payable. Interest is paid when the note is due. (b) It finished $900 of work for a client in December but has not yet billed it.

Problem 4 (3 points). On January 1, 2026, a company buys a delivery van for $38,000. It expects a useful life of 4 years and a salvage value of $6,000, and uses straight-line depreciation. Work out the annual depreciation, record the December 31, 2026 entry, and find the van's book value at December 31, 2027.

Problem 5 (3 points). Riverbend Cleaning Co. prepares this trial balance on October 31, 2026, and the totals don't match. Use the two checks (divide the difference by 2, then by 9) to find the most likely error, then give the corrected totals.

Account	Debit	Credit
Cash	7,300	
Accounts Receivable	2,150	
Equipment	12,000	
Accounts Payable		1,850
Common Stock		15,000

Account	Debit	Credit
Service Revenue		7,710
Rent Expense	2,500	
Utilities Expense	160	
Totals	24,110	24,560

Answers

Problem 1.

- (a) Debit Rent Expense $1,500, credit Cash $1,500.
- (b) Debit Supplies $400, credit Accounts Payable $400.
- (c) Debit Cash $2,000, credit Accounts Receivable $2,000. The revenue was already recorded in August.
- (d) Debit Dividends $500, credit Cash $500.

Problem 2. Supplies used = $1,250 minus $420 = $830. Debit Supplies Expense $830, credit Supplies $830.

Problem 3.

- (a) Interest = $12,000 × 0.06 × 2/12 = $120. Debit Interest Expense $120, credit Interest Payable $120.
- (b) Debit Accounts Receivable $900, credit Service Revenue $900.

Problem 4. Annual depreciation = ($38,000 minus $6,000) ÷ 4 = $8,000. Debit Depreciation Expense $8,000, credit Accumulated Depreciation, Van $8,000. Book value at December 31, 2027 = $38,000 minus $16,000 = $22,000.

Problem 5. Difference = $450. Half is $225, which matches no credit balance. $450 ÷ 9 = $50, a whole number, so look for swapped digits. Utilities Expense should be $610, not $160. Corrected totals: $24,560 on both sides.

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