

Balance Sheet

ASSETS

=

LIABILITIES

+

EQUITY

Cash	
a	g
d	i

Accounts payable	
	f
	f
g	j

Common stock	
	a

Treasury Stock	
l	

Accounts receivable	
c	
h	d

Notes payable	
i	b

Retained earnings	
	m

Equipment	
b	

Income Statement

REVENUE

-

EXPENSE

=

Profit
or
Loss

Accumulated depreciation	
	k

Sales	
	c
	h
m	

Utilities	
	i
	m

Interest	
	l

T-Accounts	
DEBIT	CREDIT

Income Summary	
m	m
m	
m	
m	

Depreciation	
	j
	m

Wages	
	m

SUM ASSETS

=

SUM LIABILITIES

+

SUM EQUITY

Company Name

Balance Sheet

December 31, 2100

ASSETS

Cash \$
Accounts receivable
Equipment
Accumulated depreciation

LIABILITIES

Accounts payable \$
Notes payable _____
Total Liabilities _____

EQUITY

Common stock
Treasury Stock
Retained earnings _____
Total Equity _____

Total Assets \$ _____

Total Liabilities and Equity \$ _____

Company Name

Income Statement

Year Ended December 31, 2100

REVENUE

Sales \$ _____

EXPENSES

Depreciation
Interest
Utilities
Wages
Total Expense _____

Net income or (loss) \$ _____

Year 1 Transactions

- a Receive \$100,000 investment for common stock
- b Purchase \$20,000 equipment using a note payable
- c Make \$8,000 sale
- d Collect \$8,000 from sale
- e Record utilities expense \$500
- f Record utilities expense \$800
- g Pay utility company \$500
- h Make \$25,000 sale
- i Make \$2,000 payment on note payable: \$200 interest \$1,800 principal
- j Accrue \$10,000 in wage expense
- k Record \$1,000 of depreciation
- l Repurchase \$30,000 of company stock
- m Close out income statement accounts