

(4) Accounts Receivable	120,000		
Sales		120,000	
Cost of Goods Sold	70,000		
Inventory		70,000	
<hr/>		<hr/>	
Accounts Receivable		Sales	
0		0	
(4) 120,000		120,000 (4)	
<hr/>		<hr/>	
Cost of Goods Sold		Inventory	
0		0	
(4) 70,000		(3) 90,000	70,000 (4)

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(5) Rent Expense	5,000		
Cash		5,000	
<hr/>		<hr/>	
Rent Expense		Cash	
0		0	10,000 (2)
(5) 5,000		(1) 300,000	5,000 (5)

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(6) Prepaid Insurance	6,000		
Cash		6,000	
<hr/>		<hr/>	
Prepaid Insurance		Cash	
0		0	10,000 (2)
(6) 6,000		(1) 300,000	5,000 (5)
			6,000 (6)

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<p>(7) Accounts Payable 70,000</p> <p style="padding-left: 20px;">Cash 70,000</p>											
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; border-right: 1px solid black;">Accounts Payable</td> <td style="width: 50%;">Cash</td> </tr> <tr> <td style="border-right: 1px solid black;">(7) 70,000 0</td> <td style="border-right: 1px solid black;">0 10,000 (2)</td> </tr> <tr> <td style="border-right: 1px solid black;"> 90,000 (3)</td> <td style="border-right: 1px solid black;">(1) 300,000 5,000 (5)</td> </tr> <tr> <td style="border-right: 1px solid black;"></td> <td style="border-right: 1px solid black;"> 6,000 (6)</td> </tr> <tr> <td style="border-right: 1px solid black;"></td> <td style="border-right: 1px solid black;"> 70,000 (7)</td> </tr> </table>	Accounts Payable	Cash	(7) 70,000 0	0 10,000 (2)	90,000 (3)	(1) 300,000 5,000 (5)		6,000 (6)		70,000 (7)	
Accounts Payable	Cash										
(7) 70,000 0	0 10,000 (2)										
90,000 (3)	(1) 300,000 5,000 (5)										
	6,000 (6)										
	70,000 (7)										

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<p>(8) Cash 55,000</p> <p style="padding-left: 20px;">Accounts Receivable 55,000</p>											
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; border-right: 1px solid black;">Cash</td> <td style="width: 50%;">Accounts Receivable</td> </tr> <tr> <td style="border-right: 1px solid black;">0 10,000 (2)</td> <td style="border-right: 1px solid black;">0 55,000 (8)</td> </tr> <tr> <td style="border-right: 1px solid black;">(1) 300,000 5,000 (5)</td> <td style="border-right: 1px solid black;">(4) 120,000</td> </tr> <tr> <td style="border-right: 1px solid black;">(8) 55,000 6,000 (6)</td> <td style="border-right: 1px solid black;"></td> </tr> <tr> <td style="border-right: 1px solid black;"> 70,000 (7)</td> <td style="border-right: 1px solid black;"></td> </tr> </table>	Cash	Accounts Receivable	0 10,000 (2)	0 55,000 (8)	(1) 300,000 5,000 (5)	(4) 120,000	(8) 55,000 6,000 (6)		70,000 (7)		
Cash	Accounts Receivable										
0 10,000 (2)	0 55,000 (8)										
(1) 300,000 5,000 (5)	(4) 120,000										
(8) 55,000 6,000 (6)											
70,000 (7)											

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<p>(9) Depreciation Expense 1,000</p> <p style="padding-left: 20px;">Accumulated Depreciation 1,000</p>							
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; border-right: 1px solid black;">Depreciation Expense</td> <td style="width: 50%;">Accumulated Dep'n</td> </tr> <tr> <td style="border-right: 1px solid black;">0</td> <td style="border-right: 1px solid black;">0</td> </tr> <tr> <td style="border-right: 1px solid black;">(9) 1,000</td> <td style="border-right: 1px solid black;">1,000 (9)</td> </tr> </table>	Depreciation Expense	Accumulated Dep'n	0	0	(9) 1,000	1,000 (9)	
Depreciation Expense	Accumulated Dep'n						
0	0						
(9) 1,000	1,000 (9)						

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Cash		Accounts Receivable	
0	10,000 (2)	0	55,000 (8)
(1) 300,000	5,000 (5)	(4) 120,000	
(8) 55,000	6,000 (6)		
	70,000 (7)		
<u>264,000</u>		<u>65,000</u>	
Prepaid Insurance		Inventory	
0		0	
(6) 6,000		(3) 90,000	70,000 (4)
<u>6,000</u>		<u>20,000</u>	

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Equipment		Accumulated Dep'n	
0		0	
(2) 40,000		1,000 (9)	
<u>40,000</u>		<u>1,000</u>	
Accounts Payable		Note Payable	
(7) 70,000	0	0	
	90,000 (3)	30,000 (2)	
	<u>20,000</u>	<u>30,000</u>	

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Common Stock		Sales	
0		0	
300,000 (1)		120,000 (4)	
<u>300,000</u>		<u>120,000</u>	
Cost of Goods Sold		Rent Expense	
0		0	
(4) 70,000		(5) 5,000	
<u>70,000</u>		<u>5,000</u>	
Depreciation Expense			
	0		
	(9) 1,000		
	<u>1,000</u>		

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Account Title	Debits	Credits
Cash	264,000	
Accounts receivable	65,000	
Inventory	20,000	
Prepaid insurance	6,000	
Equipment	40,000	
Accumulated depreciation		1,000
Accounts payable		20,000
Note payable		30,000
Common stock		300,000
Sales revenue		120,000
Cost of goods sold	70,000	
Rent expense	5,000	
Depreciation expense	<u>1,000</u>	
Totals	<u>471,000</u>	<u>471,000</u>

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