



4 - 財務報表的編制 (4 - Preparation of Financial Statements)

1. This is principlesofaccounting.com, Chapter 4.
2. Chapter 4 deals with the reporting cycle.
3. The first module in this particular chapter
4. looks at the preparation of financial statements.
5. If a company attempts to prepare its financial statements based only on
6. the unadjusted trial balance,
7. the reported information would be incomplete and incorrect.
8. Therefore what we need to do as we learned in the previous chapter is prepare
9. adjustments and prepare and adjust the trial balance as the preparatory step for
10. preparing correct financial statements.
11. So let's reflect on the entire process.
12. We would first prepare a trial balance taken from account
13. information in the general ledger.
14. That information would be analyzed for potential adjustments.
15. >From that analysis, we would determine a list of adjusting entries.
16. That would require intimate knowledge of the particular business.
17. We would document those adjusting entries, perhaps with a journal voucher, or
18. by review of a chief accountant or
19. someone else, prior to entering those adjustments in the accounting records.
20. But they will be posted to the ledger and from the ledger,

21. we could prepare the adjusted trial balance and
22. then the financial statements would be prepared from the adjusted trial balance.
23. Obviously, after the adjustment process,
24. automation can be used to actually prepare the financial statements.
25. In learning about accounting, it's best to do this manually at least a few times so
26. you get a true sense of the flow of transactions and
27. events from their original occurrence all the way through their journalization
28. into the ledger, into the trial balance and into the financial statements.
29. Now, let's look at a worksheet.
30. This worksheet may not actually be used in a business.
31. Probably, we'd have an automated system that
32. would do what's going to be done by this particular worksheet.
33. But the worksheet is still a good learning tool to emphasize the process.
34. So, first we have the trial balance column.
35. That information just taken from the general ledger.
36. We do our analysis and determine the adjustments.
37. Here I'm showing the adjustments in a worksheet.
38. These adjustments would also need to be included
39. In journal entries that would then be carried forward into the ledger.
40. The summation, or the netting, of the trial balance and
41. the adjustments gives us the adjusted trial balance column.
42. And it is from that information that we are then able to prepare
43. our financial statements.
44. I've got a column, or a set of columns, for the income statement, for
45. the balance sheet and for the statement of retained earnings.

46. And so accounts are the specific rows in the worksheet that
47. relate to the balance sheet, such as cash and accounts receivable and so
48. forth, are extended into the same debit or credit column in the balance sheet column.
49. Likewise, the revenue and expense accounts are extended, again maintaining their
50. credit or debit character, into the income statement columns.
51. And the dividends are extended into the retained earnings
52. column as a debit balance there.
53. Once we've extended each of the amounts from the adjusted trial balance column
54. into the appropriate financial statements setup columns,
55. we're then ready to start closing out the worksheet.
56. And so we'll start in the income statement, and
57. notice that credits are 32,800 and debits are 30,200.
58. That tells us that credits, revenues exceed debits the expenses by 2,600,
59. we've got a \$2,600 net income.
60. I've made a debit there to go ahead and balance out that column, and
61. record a corresponding credit.
62. So as I make that debit in the worksheet, I make a corresponding credit in
63. the statement of retained earnings to represent the transference of the net
64. income into the statement of retained earnings.
65. And then we're able to complete the statement of retained earnings.
66. If this was a brand new business, it had income of 2,600 and
67. dividends of 1,000, giving rise to an ending retained earnings balance.
68. The amount by which credits exceeds debits, \$1,600.
69. And that \$1,600 amount is recorded as a debit in the statement of retained

70. earnings simply to balance out the retained earnings column and
71. correspondingly set in the credit column of the balance sheet.
72. Finally notice that caused total debits to equal total
73. credits in the balance sheet columns.
74. Now, this worksheet would give you an excellent tool to simply sit down and
75. prepare an income statement, statement of retained earnings, and balance sheet for
76. this particular business.
77. All of the information you need would be captured in this particular worksheet.
78. If you're interested in learning more about worksheets within the textbook,
79. I've included a worksheet that shows a net-loss scenario.
80. I've included a worksheet that has a beginning retained earnings balance
81. that is other than the first year of operation.
82. So while I would not necessarily use this tool in an actual business
83. setting because automation would be a preferable tool,
84. nevertheless I would encourage you to work through this worksheet and
85. think about what it is demonstrating about the adjustment process and
86. how that leads to the preparation of financial statements.