|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Date | | Account titles | Debit | Credit |
|  |  | Adjusting |  |  |
| Dec | 31 | Supplies Expenses | 2,700 |  |
|  |  | Supplies |  | 2,700 |
|  |  |  |  |  |
|  | 31 | Depreciation Expense – Equipment | 9,000 |  |
|  |  | Accumulated Depreciation – Equipment |  | 9,000 |
|  |  |  |  |  |
|  | 31 | Interest Expense | 4,080 |  |
|  |  | Interest Payable |  | 4,080 |
|  |  |  |  |  |
|  | 31 | Cost of Goods Sold | 300 |  |
|  |  | Inventory |  | 300 |
|  |  |  |  |  |
|  |  | Closing |  |  |
| Dec | 31 | Sales Revenue | 717,500 |  |
|  |  | Income Summary |  | 717,500 |
|  |  | (**Close revenue accounts to Income Summary)** |  |  |
|  | 31 | Income Summary | 755,480 |  |
|  |  | Sales Returns & Allowances |  | 6,800 |
|  |  | Sales Discounts |  | 2,000 |
|  |  | Cost of goods sold |  | 497,700 |
|  |  | Salaries expense |  | 140,000 |
|  |  | Advertising expense |  | 26,400 |
|  |  | Utilities expense |  | 14,000 |
|  |  | Repair expense |  | 12,100 |
|  |  | Delivery expense |  | 16,700 |
|  |  | Rent expense |  | 24,000 |
|  |  | Supplies Expense |  | 2,700 |
|  |  | Depreciation Expense – Equipment |  | 9,000 |
|  |  | Interest Expense |  | 4,080 |
|  |  | **(Close contra-revenue and expenses accounts to IS)** |  |  |
|  | 31 | Retained Earnings | **37,980** |  |
|  |  | Incomes Summary |  | **37,980** |
|  |  | **(Close net loss to Retained Earnings)** |  |  |
|  | 31 | Retained Earnings | 12,000 |  |
|  |  | Dividends |  | 12,000 |
|  |  | **(Close Dividend account to Retained Earnings)** |  |  |
|  |  |  |  |  |

General Journal

Sales Revenue Income Summary

Dec 31 717,500 Dec 31 717,500 Dec 31 755,480 Dec 31 717,500

Bal 37,980 Dec 31 37,980

Retained Earnings

Dec 31 37,980 Dec 31 Beg. Bal. 55,000

Dec 31 12,000

Dec 31 End Bal. 5,020