Solution:

Let's first write the journal entries of the corresponding transactions that occurred during January:

JOURNAL (in $)

Name: Red Lake Appliance Company

Date	Particulars	L.F.	Debit	Credit
(a)	Cash To Accounts Receivable (Being collection of pending receipts)		24,000	 24,000
(b)	Cash Accounts Receivable To Sales Revenue (Being sale of items)		60,000 45,000	 105,000
(c)	Cost of Goods Sold To Merchandise Inventory (Being cost of goods sold)		56,000	 56,000
(d)	Accounts Payable To Cash (Being payment of pending accounts)		25,000	 25,000
(e)	Merchandise Inventory To Accounts Payable (Being replenishment of inventory on open account)		64,000	 64,000
(f)	Selling Expense To Cash (Being payment of expenses)		33,000	 33,000
(g)	Rent Expense To Cash (Being payment of rent)		7,000	 7,000
(h)	Interest Expense To Cash (Being payment of interest)		2,000	 2,000

Based on the above journal entries & balance sheet of the previous month, we can create T-accounts for the accounts as follows:

Cash	
43,000	25,000
24,000	33,000
60,000	7,000
	2,000

Accounts Payable	
25,000	35,000
	64,000

Accounts Receivable	
29,000	24,000
45,000	

Paid-in Capital	
	43,000

Merchandise Inventory	
120,000	56,000
64,000	

Retained Earnings	
	31,000

Selling Expense	
33,000	

Sales Revenue	
	105,000

Interest Expense	
2,000	

Rent Expense	
7,000	

Notes Payable	
	83,000

Based on these, the trial balance is given by:

TRIAL BALANCE (in $)

Name of Account	Debit	Credit
Cash	60,000	
Accounts Receivable	50,000	
Merchandise Inventory	128,000	
Accounts Payable		74,000
Notes Payable		83,000
Paid in Capital		43,000
Retained Earnings		31,000
Sales Revenue		105,000
Cost of Goods Sold	56,000	
Selling Expense	33,000	
Rent Expense	7,000	
Interest Expense	2,000	
Total	336,000	336,000