

**Island Hopper
Worksheet
For the Month Ended June 30, 2005**

Acct. No.	Account Name	Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
		Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
101	Cash	23,600				23,600				23,600	
102	Accounts Receivable	7,200		4,600		11,800				11,800	
105	Prepaid Rent	9,600			4,800	4,800				4,800	
110	Unexpired Insurance	21,000			2,100	18,900				18,900	
120	Aircraft	1,200,000				1,200,000				1,200,000	
121	Accumulated Depreciation: Aircraft		380,000		10,000		390,000				390,000
201	Notes Payable		600,000				600,000				600,000
202	Salaries Payable				3,300		3,300				3,300
203	Interest Payable				5,000		5,000				5,000
204	Unearned passenger revenue		60,000		38,650		21,350				21,350
301	Mary Earhart, Capital		230,850				230,850				230,850
302	Mary Earhart, Drawing	7,000				7,000				7,000	
401	Freight Revenue		130,950		4,600		135,550		135,550		
402	Passenger Revenue				38,650		38,650		38,650		
501	Fuel Expense	53,800				53,800		53,800			
502	Salaries Expense	66,700		3,300		70,000		70,000			
503	Maintenance expense	12,900				12,900		12,900			
504	Depreciation Expense: Aircraft			10,000		10,000		10,000			
505	Interest Expense			5,000		5,000		5,000			
506	Rent Expense			4,800		4,800		4,800			
507	Insurance Expense			2,100		2,100		2,100			
	Net Income	1,401,800	1,401,800	68,450	68,450	1,424,700	1,424,700	158,600	174,200	1,266,100	1,250,500
								15,600			15,600
								174,200	174,200	1,266,100	1,266,100

Beginning Balance in Capital was \$200,000
There was an investment of \$30,850 during the year.

Name:

Island Hopper Income Statement for the month ended June 30, 2005		
Revenue		
freight Revenue	135,550	
Passenger Revenue	<u>38,650</u>	
Total Revenue		174,200
Expenses		
Fuel Expense	53,800	
Salaries Expense	70,000	
Maintenance Expense	12,900	
Depreciation Expense: Aircraft	10,000	
Interest Expense	5,000	
Rent Expense	4,800	
Insurance Expense	<u>2,100</u>	
Total Expenses		<u>158,600</u>
Net Income		<u>15,600</u>

Island Hopper Statement of Owner's Equity for the month ended June 30, 2005		
Mary Earhart Capital, June 1		200,000
Add: Investment		30,850
Net Income		<u>15,600</u>
Subtotal		246,450
Less: Drawings		<u>7,000</u>
Mary Earhart, Capital June 30		<u>239,450</u>

Island Hopper Balance Sheet June 30, 2005		
Assets		
Cash		23,600
A/R		11,800
Prepaid Rent		4,800
Unexpired Insurance		18,900
Aircraft	1,200,000	
Less: Accumulated Depreciation: Aircraft	<u>390,000</u>	<u>810,000</u>
Total Assets		<u>869,100</u>
Liabilities & Owners Equity		
Liabilities		
N/P		600,000
Salaries Payable		3,300
Interest Payable		5,000
unearned Passenger Revenue		<u>21,350</u>
Total Liabilities		629,650
Owners Equity		
Mary Earhart Capital		869,100 239,450
Total Liabilities & Owners Equity		<u>869,100</u>

General Journal

Date	Account Titles	Ref.	Debit	Credit
June 30	Freight Revenue		135550 -	
	Passenger Revenue		38650 -	
	Income Summary			174700
	Income Summary		158600	
	Fuel Expense			53800
	Salaries Expense			70000
	Maintenance Expense			12900
	Depreciation Expense Aircraft			10000
	Interest Expense			5000
	Rent Expense			4800
	Insurance Expense			2100
	Income Summary		15600	
	Mary Earhart Capital			15600
	Mary Earhart Capital		7000 -	
	Mary Earhart Drawings			7000 -