

Roberta Day, M.D.- Work Sheet
For the Year Ended December 31, 2011

Account Titles	Unadjusted Trial Balance		Adjustments		Adjusted Trial Balance		Income Statement		Balance Sheet	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Cash	3,000				3,000				3,000	
Accounts Receivable	8,000				8,000				8,000	
Supplies	11,000			10,000	1,000				1,000	
Equipment	60,000				60,000				60,000	
Accm Depreciation: Equip		9,000		3,000		12,000				12,000
Accounts Payable		1,000				1,000				1,000
Unearned Revenue		3,500	2,000			1,500				1,500
Notes Payable (long-term)		20,000				20,000				20,000
R. Day, Capital		24,000				24,000				24,000
R. Day, Drawing	36,000				36,000				36,000	
Rees Revenue		98,000		2,000		100,000		100,000		
Rent Expense	26,000				26,000		26,000			
Salaries Expense	11,500		500		12,000		12,000			
Totals	155,500	155,500								
Interest Expense			1,000			1,000	1,000			
Interest Payable				1,000		1,000				1,000
Salaries Payable				500		500				500
Supplies Expense			10,000		10,000		10,000			
Depreciation Expense			3,000		3,000		3,000			
Totals			16,500	16,500	160,000	160,000	52,000	100,000	108,000	60,000
Net Income							48,000			48,000
Totals							100,000	100,000	108,000	108,000

c) Prepare the income statement for the year ended December 31, 2011.

ROBERTA DAY, M.D.		
INCOME STATEMENT		
FOR THE YEAR ENDING December 31, 2011		
Fees Revenue		\$100,000
EXPENSES:		
Rent Expense	26,000	
Salaries Expense	12,000	
Supplies Expense	10,000	
Depreciation Expense	3,000	
Interest Expense	1,000	
TOTAL Expenses		52,000
NET INCOME		\$48,000

d) Prepare the owner's equity statement for the year ended December 31, 2011.

ROBERTA DAY, M.D.		
STATEMENT OF OWNER'S EQUITY		
FOR THE YEAR ENDING December 31, 2011		
R. DAY CAPITAL, Jan 1		\$24,000
ADD: INVESTMENT	-0-	
NET INCOME	48,000	72,000
LESS: DRAWINGS	36,000	
R. DAY, CAPITAL Dec 31		\$36,000

e) Prepare a balance sheet at December 31, 2011.

Roberta Day M.D. Balance Sheet December 31, 2011		
Assets		
Cash		3000
A/R		8000
Supplies		1000
Equipment	60000	
Less: Accumulated Depreciation: Equip	12000	48000
Total Assets		<u>60000</u>
Liabilities & Owners Equity		
Liabilities		
A/P		1000
Interest Payable		1000
Salaries Payable		500
Unearned Revenue		1500
M/P		20000
Total Liabilities		<u>24000</u>
Owners Equity		
R. Day Capital		<u>36000</u>
Total Liabilities & Owners Equity		<u>60000</u>

f) Prepare journal entries to close the temporary accounts

General Journal

	Account Titles	Ref.	Debit	Credit
①	12/31 Fees Revenue		100,000	
	Income Summary			100,000
	(Close Revenue Account)			
②	12/31 Income Summary		52,000	
	Rent Expense			26,000
	Salaries Expense			12,000
	Supplies Expense			10,000
	Depreciation Expense			3,000
	Interest Expense			1,000
	(Close Expenses)			
③	12/31 Income Summary		48,000	
	R. Day, Capital			48,000
④	12/31 R. Day, Capital		36,000	
	R. Day, Drawing			36,000

g) Post the closing entries to the T accounts.

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><th colspan="2" style="text-align: center;">R. Day, Capital</th></tr> <tr><td style="width: 50%;"></td><td style="width: 50%; text-align: right;">24,000</td></tr> <tr><td style="width: 50%;"></td><td style="width: 50%; text-align: right;">48,000 ③</td></tr> <tr><td style="width: 50%; text-align: left;">36,000 ④</td><td style="width: 50%;"></td></tr> </table>	R. Day, Capital			24,000		48,000 ③	36,000 ④		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><th colspan="2" style="text-align: center;">R. Day, Drawing</th></tr> <tr><td style="width: 50%;"></td><td style="width: 50%; text-align: right;">36,000</td></tr> <tr><td style="width: 50%; text-align: left;">36,000 ④</td><td style="width: 50%;"></td></tr> </table>	R. Day, Drawing			36,000	36,000 ④		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><th colspan="2" style="text-align: center;">Income Summary</th></tr> <tr><td style="width: 50%;"></td><td style="width: 50%; text-align: right;">100,000 ①</td></tr> <tr><td style="width: 50%; text-align: left;">52,000 ②</td><td style="width: 50%;"></td></tr> <tr><td style="width: 50%; text-align: left;">48,000 ⑤</td><td style="width: 50%;"></td></tr> </table>	Income Summary			100,000 ①	52,000 ②		48,000 ⑤	
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- h) The dollar amount of the entry to close Income Summary appears on which financial statement(s)?

INCOME STATEMENT & OWNER'S EQUITY STATEMENT

- i) The ending balance in R. Day, Capital, after the closing entries are posted, appears on which financial statement(s)?

BALANCE SHEET & OWNER'S EQUITY STATEMENT

- j) Prepare a post-closing trial balance.

ROBERTA DAY, M.D.		
POST-CLOSING TRIAL BALANCE		
December 31, 2011		
	Debit	Credit
CASH	\$3,000	
ACCOUNTS RECEIVABLE	8,000	
SUPPLIES	1,000	
EQUIPMENT	60,000	
ACCUMULATED DEPRECIATION		\$12,000
NOTES PAYABLE		20,000
ACCOUNTS PAYABLE		1,000
INTEREST PAYABLE		1,000
SALARIES PAYABLE		500
UNEARNED REVENUE		1,500
R. DAY, CAPITAL		36,000
	\$72,000	\$72,000