

**FALL 2014 MIDTERM 1****DEBIT****CREDIT**

|                          |           |           |              |
|--------------------------|-----------|-----------|--------------|
| Cash                     | 30,000.00 |           |              |
| Share Capital            |           | 30,000.00 |              |
|                          |           |           |              |
| Cash                     | 10,000.00 |           |              |
| Loan                     |           | 10,000.00 | 10% interest |
|                          |           |           |              |
| Inventory                | 70,000.00 |           |              |
| AP                       |           | 70,000.00 |              |
|                          |           |           |              |
| Wages Expense            | 12,000.00 |           |              |
| Cash                     |           | 12,000.00 |              |
|                          |           |           |              |
| Prepaid Rent             | 7,000.00  |           |              |
| Cash                     |           | 7,000.00  | 14 months    |
|                          |           |           |              |
| Prepaid Business Licence | 5,000.00  |           |              |
| Cash                     |           | 5,000.00  | 5 years      |
|                          |           |           |              |
| Prepaid Office Supplies  | 10,000.00 |           |              |
| Cash                     |           | 8,000.00  |              |
| AP                       |           | 2,000.00  |              |
|                          |           |           |              |
| Misc Expense             | 3,400.00  |           |              |
| Cash                     |           | 3,400.00  |              |
|                          |           |           |              |
| Prepaid Insurance        | 6,600.00  |           | 2years       |
| Cash                     |           | 6,600.00  |              |
|                          |           |           |              |
| Furniture & Fixtures     | 15,000.00 |           | 5years       |
| Cash                     |           | 15,000.00 |              |
|                          |           |           |              |
|                          |           |           |              |

|                         |           |           |  |
|-------------------------|-----------|-----------|--|
| Cash                    | 90,000.00 |           |  |
| AR                      | 3,000.00  |           |  |
| Sales                   |           | 93,000.00 |  |
|                         |           |           |  |
| Cash                    | 1,500.00  |           |  |
| AR                      |           | 1,500.00  |  |
|                         |           |           |  |
| Bad Debt Expense        | 1,100.00  |           |  |
| AR                      |           | 1,100.00  |  |
|                         |           |           |  |
| COGS                    | 65,000.00 |           |  |
| Inventory               |           | 65,000.00 |  |
|                         |           |           |  |
| Supplies Expense        | 2,000.00  |           |  |
| Prepaid Office Supplies |           | 2,000.00  |  |
|                         |           |           |  |
| COGS                    | 2,000.00  |           |  |
| Inventory               |           | 2,000.00  |  |
|                         |           |           |  |
| Bank Fees               | 1,000.00  |           |  |
| Cash                    |           | 1,000.00  |  |
|                         |           |           |  |
| Bond                    | 15,000.00 |           |  |
| Cash                    |           | 15,000.00 |  |
|                         |           |           |  |
| Cash                    | 15,000.00 |           |  |
| Bank Loan               |           | 15,000.00 |  |
|                         |           |           |  |
| Cash                    | 400.00    |           |  |
| Interest Receivable     | 100.00    |           |  |
| Interest Revenue        |           | 500.00    |  |
|                         |           |           |  |
|                         |           |           |  |

|                           |           |           |                    |
|---------------------------|-----------|-----------|--------------------|
| AP                        | 50,000.00 |           |                    |
| Cash                      |           | 50,000.00 |                    |
|                           |           |           |                    |
| Wages Expense             | 3,000.00  |           | already paid 12000 |
| Wages Payable             |           | 3,000.00  |                    |
|                           |           |           |                    |
| Interest Expense          | 1,000.00  |           |                    |
| Interest Payable          |           | 1,000.00  |                    |
|                           |           |           |                    |
| Rent Expense              | 6,000.00  |           | 500 per month * 12 |
| Prepaid Rent              |           | 6,000.00  |                    |
|                           |           |           |                    |
| Business Licence Expense  | 1,000.00  |           |                    |
| Prepaid Business Licence  |           | 1,000.00  |                    |
|                           |           |           |                    |
| Insurnace Expense         | 3,300.00  |           |                    |
| Prepaid Insurance         |           | 3,300.00  |                    |
|                           |           |           |                    |
| Depreciation Expense      | 3,000.00  |           |                    |
| Accumulated Depcreciation |           | 3,000.00  |                    |