

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

	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	
Insurance Expense	3,300.00		
Prepaid Insurance		3,300.00	
Depreciation Expense	3,000.00		
Accumulated Depreciation		3,000.00	