

Part XXX Business Bookkeeping - Full Accounting Cycle

Siggy Haraldson is the owner of Vikings Services. He has hired you to update the transactions for his business. Siggy has provided you with the opening balances and a list of transactions for the month of June. The company's Chart of Accounts is also included as shown below.

The opening balances for the month of June are as follows:

Vikings Services Balance Sheet As at May 31, 2020			
Assets			Liabilities
Cash	\$ 21,500		Accounts Payable
Accounts Receivable	11,000		\$ 9,800
Prepaid Insurance	-		Unearned Revenue
Equipment	17,000		8,000
Accumulated Depreciation	- 5,000		Bank Loan
			15,000
			Total Liabilities
			\$ 32,800
			Owners' Equity
			Haraldson, Capital
			11,700
Total Assets	<u>\$ 44,500</u>		Total Liabilities & Owners' Equity
			<u>\$ 44,500</u>

Transactions for the month of June:

Jun 1	Paid rent for the month of June	3,600
Jun 2	Provided services to a customer, who paid \$13,600 cash.	13,600
Jun 4	Prepaid \$4,500 worth of insurance for one year.	4,500
Jun 7	Paid \$6,100 cash to reduce the balance of accounts payable.	6,100
Jun 10	Provided \$7,250 worth of services to a customer, who will pay later.	7,250
Jun 12	Obtained a \$5,000 loan from the bank.	5,000
Jun 13	Purchased equipment with \$12,000 cash.	12,000
Jun 17	Paid the \$310 telephone bill.	310
Jun 20	Paid \$6,800 in salaries to employees.	6,800
Jun 22	Paid \$750 to local newspaper to run an advertisement	750
Jun 25	Paid \$400 for minor repairs done to the equipment (Maintenance Expense)	400
Jun 27	Owner withdrew \$2,100 cash for personal use	2,100
Jun 30	Paid \$230 interest on the bank loan.	230

Adjustments		
Jun 30	Recognized \$375 of prepaid insurance for this month.	375
Jun 30	Recorded \$1,800 of depreciation on equipment.	1,800
Jun 30	Recognized \$6,000 of unearned revenue that has now been earned.	6,000
Jun 30	Received a \$1,420 invoice from the accountant for work related to finalizing the month-end accounting. Charge Professional fees expense	1,420

The Chart of Accounts (GL No.) is shown below:

Account Description	Account #
ASSETS	
Cash	101
Accounts Receivable	105
Prepaid Insurance	110
Equipment	120
Accumulated Depreciation	130
LIABILITIES	
Accounts Payable	200
Unearned Revenue	205
Bank Loan	210
OWNER'S EQUITY	
Haraldson, Capital	300
Haraldson, Withdrawals	310
Income Summary	315

Account Description	Account #
REVENUE	
Service Revenue	400
Interest Revenue	410
EXPENSES	
Advertising Expense	505
Insurance Expense	510
Maintenance Expense	515
Professional Fees Expense	520
Rent Expense	525
Salaries Expense	530
Telephone Expense	535
Depreciation Expense	540
Interest Expense	545

Required:

- Enter the account numbers and opening balances of the general ledger accounts. Use May 31 as the date.
- Journalize the transactions and post amounts to the appropriate general ledger accounts.
- Enter the account balances from the general ledger accounts into the "Unadjusted Trial Balance" columns on the worksheet
- Record the adjustments and complete the worksheet.
- Journalize the adjusting entries and post to the general ledger accounts.
- Prepare the financial statements
- Journalize the closing entries and post to the general ledger accounts.
- Prepare the post-closing trial balance

Account: Cash					GL No:
Date	Description	PR	DR	CR	Balance
	Opening Balance				

Account: Accounts Receivable					GL No:
Date	Description	PR	DR	CR	Balance
	Opening Balance				

Account: Prepaid Insurance					GL No:
Date	Description	PR	DR	CR	Balance
	Opening Balance				

Account: Equipment					GL No:
Date	Description	PR	DR	CR	Balance
	Opening Balance				

Account: Accumulated Depreciation					GL No:
Date	Description	PR	DR	CR	Balance
	Opening Balance				

Account: Accounts Payable					GL No:
Date	Description	PR	DR	CR	Balance
	Opening Balance				

Account: Unearned Revenue					GL No:
Date	Description	PR	DR	CR	Balance
	Opening Balance				

Account: Bank Loan					GL No:
Date	Description	PR	DR	CR	Balance
	Opening Balance				

Account: Haraldson, Capital					GL No:
Date	Description	PR	DR	CR	Balance
	Opening Balance				

Account: Haraldson, Withdrawals					GL No:
Date	Description	PR	DR	CR	Balance
	Opening Balance				

Account: Income Summary					GL No:
Date	Description	PR	DR	CR	Balance

Account: Service Revenue					GL No:
Date	Description	PR	DR	CR	Balance

Account: Advertising Expense					GL No:
Date	Description	PR	DR	CR	Balance

Account: Insurance Expense					GL No:
Date	Description	PR	DR	CR	Balance

Account: Maintenance Expense					GL No:
Date	Description	PR	DR	CR	Balance

Account: Professional Fees Expense					GL No:
Date	Description	PR	DR	CR	Balance

Account: Rent Expense					GL No:
Date	Description	PR	DR	CR	Balance

Account: Salaries Expense					GL No:
Date	Description	PR	DR	CR	Balance

Account: Telephone Expense					GL No:
Date	Description	PR	DR	CR	Balance

Account: Depreciation Expense					GL No:
Date	Description	PR	DR	CR	Balance

Account: Interest Expense					GL No:
Date	Description	PR	DR	CR	Balance

Vikings Services

Worksheet

June 30, 2020

Account Titles	Unadjusted		Adjustments		Adjusted Trial Balance	
	DR	CR	DR	CR	DR	CR
Cash						
Accounts Receivable						
Prepaid Insurance						
Equipment						
Accumulated Depreciation						
Accounts Payable						
Unearned Revenue						
Bank Loan						
Haraldson, Capital						
Haraldson, Withdrawals						
Service Revenue						
Advertising Expense						
Insurance Expense						
Maintenance Expense						
Professional Fees Expense						
Rent Expense						
Salaries Expense						
Telephone Expense						
Depreciation Expense						
Interest Expense						
Totals						

Vikings Services Income Statement For the Month Ending June 30, 2020		
Revenue:		
Expenses:		
Net Profit (Loss)		

Vikings Services Statement of Owner's Equity For the Month Ending June 30, 2020	

Vikings Services Balance Sheet As at June 30, 2020	
Assets	
Total Assets	
Liabilities	
Total Liabilities	
Owner's Equity	
Liabilities + Owner's Equity	

Vikings Services
Post-Closing Trial Balance
June 30, 2020

Account	DR	CR
Total		