

1	Cash	600,000	
	Common Stock		400,000
	Note Payable- Uncle Phil		200,000
	To record opening of bank account		
2	Interest Expense	8,000	
	Cash		8,000
	To record payment of interest to Uncle Phil		
3	Land	50,000	
	Common Stock		50,000
	To record exchanging 500 shares of common stock for land		
4	Inventory	400,000	
	Cash		400,000
	To record purchase of 10 beamers		
5	Cash	480,000	
	Sales		480,000
	To record sale of 8 beamers		
6	Cost of Sales	320,000	
	Inventory		320,000
	To record cost of inventory sold (8@\$40,000)		
7	Rent Expense	12,000	
	Cash		12,000
	To record payment of rent		
8	Wage Expense	16,000	
	Cash		16,000
	To record payment of wages		
9	Utilites Expense	6,000	
	Cash		6,000
	To record payment of utilities		
10	Security Deposit	1,000	
	Cash		1,000
	To record payment of security deposit		
11	Wage Expense	1,000	
	Wages Payable		1,000
	To record unpaid wages		
12	Retained Earnings	3,000	
	Cash		3,000
	To record payment of dividend		
13	Tax Expense	35,100	
	Taxes Payable		35,100
	To record taxes for year		
14	Sales	480,000	
	Cost of goods sold		320,000
	Wage expense		17,000
	Rent expense		12,000
	Utilities expense		6,000
	Interest Expense		8,000
	Tax expense		35,100
	Retained Earnings		81,900
	to close books		

	Assets	=	Liabilities	+	Owners' Equity	+ (	Revenues	-	Expenses	)
	Cash				Common Stock		Sales		Cost of Sales	
BB	0				0	BB	480,000	5	320,000	6
1	600,000	8,000			400,000	1	480,000	14	320,000	14
5	480,000	400,000			50,000	3				
		12,000			450,000					
		16,000			Retained Earnings				Wage Expense	
		6,000			0	BB			16,000	8
		1,000			3,000	12			1,000	11
		3,000			81,900	14			17,000	14
		3,000			78,900				17,000	14
	1,080,000	446,000			Taxes Payable				Rent Expense	
	634,000				0	BB			12,000	7
					1,000	11			12,000	14
					Note Payable-Uncle Phil				12,000	14
					35,100	13			12,000	14
					Utilities Expense				6,000	9
					0	BB			6,000	14
					400,000	6			6,000	14
					320,000				6,000	14
					400,000				8,000	2
					80,000				8,000	14
					Land				Interest Expense	
BB	0				0	BB			8,000	14
3	50,000				200,000	1			8,000	14
					Tax Expense				35,100	13
					0	BB			35,100	14
					1,000				35,100	14
	765,000				236,100					
					528,900					

Chris's Beamer Biz, Inc  
Balance Sheet  
December 31, 20X1

Assets		Liabilities	
<b>Current Assets</b>		<b>Current Liabilities</b>	
Cash	\$ 634,000	Wages Payable	\$ 1,000
Inventory	<u>80,000</u>	Taxes Payable	<u>35,100</u>
<b>Total Current Assets</b>	<b>714,000</b>	<b>Total Current Liabilities</b>	<b>36,100</b>
<b>Fixed Assets</b>		<b>Long-Term Debt</b>	
Land	<u>\$ 50,000</u>	Note Payable-Phil	<u>200,000</u>
		<b>Total Liabilities</b>	<b>236,100</b>
<b>Net Fixed Assets</b>	<b>50,000</b>	<b>Owners' Equity</b>	
		Common Stock	\$ 450,000
		Retained Earnings	<u>78,900</u>
<b>Other Assets</b>		<b>Total Owners' Equity</b>	<b>528,900</b>
Security Deposit	<u>1,000</u>	<b>Total Liabilities and</b>	
<b>Total Assets</b>	<b><u>\$ 765,000</u></b>	<b>Owners' Equity</b>	<b><u>\$ 765,000</u></b>

Chris's Beamer Biz, Inc.  
Income Statement  
For the Year Ended December 31, 20X1

Sales	\$ 480,000
Cost of Sales	<u>320,000</u>
Gross Margin	160,000
<b>Operating Expenses</b>	
Wage Expense	\$17,000
Rent Expense	12,000
Utilities Expense	<u>6,000</u>
<b>Total Operating Expenses</b>	<b>35,000</b>
<b>Income from Operations</b>	<b>125,000</b>
<b>Other Revenues &amp; &lt;Expenses&gt;</b>	
Interest Expense	< 8,000 >
<b>Income Before Taxes</b>	<b>117,000</b>
Tax Expense	<u>35,100</u>
<b>Net Income</b>	<b><u>\$ 81,900</u></b>
<b>Earnings Per Share</b>	<b><u>\$ 15.60</u></b> 5000 x 6/12 + 5500 x 6/12 weighted ave sh

Chris's Beamer Biz, Inc.  
Statement of Owners' Equity  
For the Year Ended December 31, 20X1

	Common Shares	Common Stock	Retained Earnings	Totals
Beginning Balance		0	0	0
Issuance of stock	5500	\$ 450,000		\$ 450,000
Net Income			\$ 81,900	81,900
Dividends Declared			(3,000)	(3,000)
<b>Ending Balance</b>	<b>5500</b>	<b>\$ 450,000</b>	<b>\$ 78,900</b>	<b>\$ 528,900</b>