

B-02.06

The CEO of newly formed Targus Company printed a copy of the company's general ledger prior to a recent plane flight. She settled into seat 7A next to where you were sitting. Once airborne, she removed the printed "GL" from her brief case and began examining the report. Unfortunately, she realized that her printer had run out of ink on the very last page. She is frustrated because she is not able to determine the company's exact profitability to date, and is on her way to a shareholder meeting where she is to issue a report on the company's progress. She happened to note that you were studying an accounting book, and asked if you might help her.

Prepare a trial balance from the general ledger, determine the missing amount for salaries expense, and determine the company's profit for its first month.

CASH				
Date	Description	Debit	Credit	Balance
02-Jan-08	Balance forward	-	-	-
03-Jan-08	Journal Page 1	250,000	-	250,000
10-Jan-08	Journal Page 1	-	75,000	175,000
14-Jan-08	Journal Page 1	-	15,000	160,000
18-Jan-08	Journal Page 2	40,000	-	200,000
21-Jan-08	Journal Page 2		4,000	196,000
26-Jan-08	Journal Page 2		3,000	193,000
31-Jan-08	Journal Page 2	26,000	-	219,000

ACCOUNTS RECEIVABLE				
Date	Description	Debit	Credit	Balance
02-Jan-08	Balance forward	-	-	-
06-Jan-08	Journal Page 1	55,000	-	55,000
18-Jan-08	Journal Page 2	-	40,000	15,000

LAND				
Date	Description	Debit	Credit	Balance
02-Jan-08	Balance forward	-	-	-
10-Jan-08	Journal Page 1	75,000	-	75,000

SALARIES PAYABLE				
Date	Description	Debit	Credit	Balance
02-Jan-08	Balance forward	-	-	-
31-Jan-08	Journal Page 2	-	18,000	18,000

CAPITAL STOCK				
Date	Description	Debit	Credit	Balance
02-Jan-08	Balance forward	-	-	-
03-Jan-08	Journal Page 1	-	250,000	250,000

REVENUES				
Date	Description	Debit	Credit	Balance
02-Jan-08		-	-	-
06-Jan-08	Journal Page 1	-	55,000	55,000
31-Jan-08	Journal Page 2	-	26,000	81,000

SUPPLIES EXPENSE				
Date	Description	Debit	Credit	Balance
02-Jan-08		-	-	-
26-Jan-08	Journal Page 2	3,000	-	3,000

UTILITIES EXPENSE				
Date	Description	Debit	Credit	Balance
02-Jan-08		-	-	-
21-Jan-08	Journal Page 2	4,000	-	4,000

SALARIES EXPENSE				
Date	Description	Debit	Credit	Balance
02-Jan-08		-	-	-
14-Jan-08	Journal Page 1	15,000		
31-Jan-08	Journal Page 2			