

B-04.03

Utilize the following worksheet to prepare the income statement, statement of retained earnings, and balance sheet for Himarios Corporation. For this problem, you do not need to prepare a classified balance sheet.

HIMARIOS COMPANY WORKSHEET TO PREPARE FINANCIAL STATEMENTS DECEMBER 31, 20X9												
	<u>Trial Balance</u>		<u>Adjustments</u>		<u>Adjusted Trial Balance</u>		<u>Income Statement</u>		<u>Statement of Retained Earnings</u>		<u>Balance Sheet</u>	
	<i>Debit</i>	<i>Credit</i>	<i>Debit</i>	<i>Credit</i>	<i>Debit</i>	<i>Credit</i>	<i>Debit</i>	<i>Credit</i>	<i>Debit</i>	<i>Credit</i>	<i>Debit</i>	<i>Credit</i>
Cash	\$ 59,300				\$ 59,300						\$ 59,300	
Accounts receivable	12,371				12,371						12,371	
Equipment	60,000				60,000						60,000	
Accumulated depreciation		\$ 12,000		\$ 4,000		\$ 16,000						\$ 16,000
Accounts payable		7,566				7,566						7,566
Unearned revenue		4,000	\$ 1,500			2,500						2,500
Notes payable		25,000				25,000						25,000
Capital stock		50,000				50,000						50,000
Retained earnings, Jan. 1		6,343				6,343				\$ 6,343		
Service revenue		139,987		1,500		141,487		\$ 141,487				
Salaries expense	108,425		4,300		112,725		\$ 112,725					
Interest expense	2,100				2,100		2,100					
Dividends	2,700				2,700				\$ 2,700			
Depreciation expense			4,000		4,000		4,000					
Salaries payable				4,300		4,300						4,300
Rent expense			2,500		2,500		2,500					
Rent payable	-	-	-	2,500	-	2,500	-	-				2,500
	<u>\$ 244,896</u>	<u>\$ 244,896</u>	<u>\$ 12,300</u>	<u>\$ 12,300</u>	<u>\$ 255,696</u>	<u>\$ 255,696</u>	<u>\$ 121,325</u>	<u>\$ 141,487</u>				
Net income							20,162	-		20,162		
							<u>\$ 141,487</u>	<u>\$ 141,487</u>	\$ 2,700	\$ 26,505		
Retained earnings, Dec. 31									23,805	-		23,805
									<u>\$ 26,505</u>	<u>\$ 26,505</u>	<u>\$ 131,671</u>	<u>\$ 131,671</u>