

Timber Creek prepared the following adjusted trial balance on December 31, 20X3. The company has completed preparation of financial statements and is now ready to prepare closing entries.

TIMBER CREEK		
Adjusted Trial Balance		
As of December 31, 20X3		
	Debits	Credits
Cash	\$ 35,600	
Accounts receivable	23,700	
Supplies	7,500	
Equipment	325,700	
Accumulated depreciation		\$ 40,400
Accounts payable		34,800
Loan payable		100,000
Capital stock		80,000
Retained earnings		70,000
Dividends	20,000	
Revenues		478,400
Rent expense	120,000	
Salaries expense	235,600	
Supplies expense	18,000	
Interest expense	7,400	
Depreciation expense	10,100	
	<u>\$803,600</u>	<u>\$803,600</u>

- (a) Prepare the necessary closing entries.
- (b) Use T-accounts to determine the post-closing balances of the accounts.
- (c) Prepare the post-closing trial balance.