

(a)

**HANNA SPORTS CORPORATION**  
**Income Statement**  
**For the Year Ending December 31, 20X7**

**Revenues****Cost of goods sold****Gross profit****Expenses****Net income**

(b)

GENERAL JOURNAL				
Date	Accounts		Debit	Credit
Dec. 31				
	<i>To close income statement accounts with a credit balance, and establish ending inventory balance</i>			
Dec. 31				
	<i>To close income statement accounts with a debit balance, and remove the beginning inventory balance</i>			
Dec. 31				
	<i>To close Income Summary to Retained Earnings</i>			
Dec. 31				
	<i>To close Dividends to Retained Earnings</i>			