

Name _____



Date _____

Student Worksheet - Trial Balance and Financial Statement Preparation

1. A _____ proves the equality of the debit and credit balances of all the accounts in the _____ .

2. When a balance sheet is prepared with the three sections vertical to one another it is called the _____ form.

3. When the balance sheet is prepared with assets on the left and liabilities and equity on the right, it is called the _____ form.

4. Using the following list of month end account balances for Brad's Graphic Arts on October 31, 2005, prepare a trial balance, an income statement and a balance sheet in report form for them.

Accounts Payable	\$ 4,800
Cash	7,300
Salaries Expense	2,500
Bank Loan	5,500
Services Revenue	18,500
Rent Expense	3,300
Common Stock	15,000
Telephone expense	1,800
Accounts Receivable	5,600
Utilities Expense	1,200
Furniture and Fixtures	6,300
Equipment	10,200
Office Supplies	1,300
Office Supplies Used	4,300

Name _____



Date _____

Answer Key

1. A _____ (trial balance) proves the equality of the debit and credit balances of all the accounts in the _____ (general ledger).

2. When a balance sheet is prepared with the three sections vertical to one another it is called the _____ (report) form.

3. When the balance sheet is prepared with assets on the left and liabilities and equity on the right, it is called the _____ (account) form.

Brad's Graphic Arts Trial Balance October 31, 2005		
Account Title	Debit	Credit
Cash	\$7,300	
Accounts Receivable	5,600	
Office Supplies	1,300	
Equipment	10,200	
Furniture and Fixtures	6,300	
Bank Loan		\$5,500
Accounts Payable		4,800
Common Stock		15,000
Services Revenue		<u>18,500</u>
Rent Expense	3,300	
Office Supplies Used	4,300	
Telephone expense	1,800	
Salaries Expense	2,500	
Utilities Expense	<u>1,200</u>	
	<u>\$43,800</u>	<u>\$43,800</u>

Name _____



Date _____

Brad's Graphic Arts
Income Statement
For the month ended October 31, 2005

Revenue

Services Revenue	\$18,500
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Expenses

Rent Expense	\$3,300
Office Supplies Used	4,300
Utilities Expense	1,200
Telephone expense	1,800
Salaries Expense	2,500

Total Expenses	13,100
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Net Income	\$5,400
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Brad's Graphic Arts
Balance Sheet
As at October 31, 2005

Assets

Cash	\$7,300
Accounts Receivable	5,600
Office Supplies	1,300
Equipment	10,200
Furniture and Fixtures	6,300
Total Assets	\$30,700

Liabilities

Bank Loan	5,500
Accounts Payable	4,800
	\$10,300

Equity

Common Stock	\$15,000
Net Income	5,400
Total Liabilities and Equity	20,400