

SPOOKY HOLLOW THEATER



Mr. Crane just started a small theater company called Spooky Hollow Theater. He asks you to help him out with the accounting for his business during the first month of operation.

Chart of Accounts

These are the account names and numbers that you should use.

Account Name	Account Number
Cash	11
Accounts Receivable	12
Supplies	13
Equipment	14
Accounts Payable	21
Mr. Crane, Capital	31
Mr. Crane, Drawing	32
Fees Earned	41
Supplies Expense	51
Wages Expense	52

Business Transactions

The business transactions in the month of October 2018 for Spooky Hollow Theater can be found below. You will use these transactions to complete the journal on the next page.

- Oct 1 Owner invested \$22,000 cash in his business, Spooky Hollow Theater. R1.
- 3 Purchased supplies, \$3,500. C1.
- 5 Purchased equipment on account, \$5,200. M1.
- 10 Earned a total of \$15,000 in cash from customers purchasing theater tickets. T1.
- 12 Paid wages expense for the month, \$550. C2.
- 18 Made a payment of \$2,000 on account. C3.
- 23 Earned a total of \$8,000 from customers purchasing theater tickets, on account. S1.
- 27 Completed inventory and found \$2,250 of supplies were left on hand, meaning that \$1,250 had been used during the month. M2.
- 30 Received \$3,000 cash from customers paying on their accounts. R2.
- 31 Mr. Crane withdrew \$750 at the end of the month for personal use. C4.

SPOOKY HOLLOW THEATER

MR. CRANE, DRAWING					Account No. 32				
Date	Item	Post Ref.	Debit	Credit	Balance				
					Debit	Credit			

FEES EARNED					Account No. 41				
Date	Item	Post Ref.	Debit	Credit	Balance				
					Debit	Credit			

SUPPLIES EXPENSE					Account No. 51				
Date	Item	Post Ref.	Debit	Credit	Balance				
					Debit	Credit			

WAGES EXPENSE					Account No. 52				
Date	Item	Post Ref.	Debit	Credit	Balance				
					Debit	Credit			

Trial Balance

Account Name	Debit	Credit
TOTAL		

SPOOKY HOLLOW THEATER

Financial Statements

Use the information from the Trial Balance to create the financial statements for Spooky Hollow Theater.

Income Statement
For the month ended October 31, 2018

REVENUES:									
FEES EARNED									
EXPENSES:									
SUPPLIES EXPENSE									
WAGES EXPENSE									
TOTAL EXPENSES									
NET INCOME									

Statement of Owner's Equity
For the month ended October 31, 2018

BEGINNING CAPITAL								0	00
ADD: INVESTMENTS									
ADD: NET INCOME (from the Income Statement)									
LESS: WITHDRAWALS									
CHANGE IN OWNER'S EQUITY									
ENDING CAPITAL									

Balance Sheet
As of October 31, 2018

<u>ASSETS</u>						<u>LIABILITIES</u>					
CASH						ACCOUNTS PAYABLE					
ACCOUNTS RECEIVABLE						TOTAL LIABILITIES					
SUPPLIES						<u>OWNER'S EQUITY</u>					
EQUIPMENT						MR. CRANE, CAPITAL					
						TOTAL OWNER'S EQUITY					
TOTAL ASSETS						TOTAL LIABILITIES & OE					