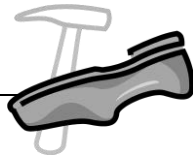
Sole Man, A Shoe Repair Business

Worksheet, Income Statement, Balance Sheet



Adjusted Trial Balance Information

The adjusted trial balance accounts for Sole Man are listed below, along with their balance for the month ended November 30, 2021. All of the accounts have a normal balance.

Before completing the worksheet on the next page, you will need to determine:

(1) The correct order for the accounts: Assets (liquidity), Liabilities (payables first), Owner's Equity, Revenues, Expenses (alphabetical).

(2) Whether each account's normal balance is a debit or credit.

<u>Account and Balance</u>

Cash $14,750
Accounts Receivable $1,250
Supplies $2,400
Prepaid Advertising $600
Equipment $9,000
Accumulated Depreciation – Equipment $1,000
Accounts Payable $6,500
Utilities Payable $500
Unearned Fees $1,000
Capital $15,000
Drawing $3,000
Fees Earned $11,000
Advertising Expense $200
Depreciation Expense $100
Supplies Expense $1,200
Utilities Expense $2,500

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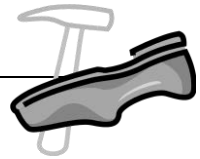


Worksheet

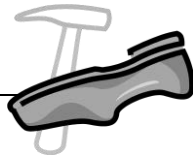
Fill in the ADJUSTED TRIAL BALANCE columns. Then carry over the balances to the appropriate Income Statement and Balance Sheet columns. Use this information to complete the financial statements on the following pages.

Sole Man
WORKSHEET
November 30, 2021

	ADJUSTED TRIAL BALANCE		INCOME STATEMENT		BALANCE SHEET	
	Debit	Credit	Debit	Credit	Debit	Credit

Sole Man, A Shoe Repair Business

Worksheet, Income Statement, Balance Sheet



Income Statement

Prepare an income statement for Sole Man for the month ended November 30, 2021. Make sure to include the correct title at the top of the statement.

_____

_____

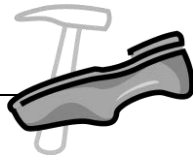
_____

Revenues:										
Fees Earned										
Expenses:										
Advertising Expense										
Depreciation Expense										
Supplies Expense										
Utilities Expense										
Total Expenses										
Net Income										

USE THE NET INCOME AMOUNT THAT YOU JUST CALCULATED ABOVE FOR THE STATEMENT OF OWNER'S EQUITY ON THE NEXT PAGE.

Sole Man, A Shoe Repair Business

Worksheet, Income Statement, Balance Sheet



Statement of Owner's Equity

Prepare a statement of owner's equity for Sole Man for the month ended November 30, 2021. Make sure to include the correct title at the top of the statement.

_____

_____

_____

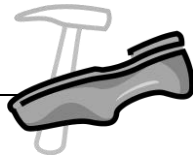
Sole Man Capital, March 1, 2021						$			0	00
Add: Investment On March 1, 2021	$									
ADD: NET INCOME (From The Income Statement)										
Less: Withdrawal On November 30, 2021										
Increase In Owner's Equity										
Sole Man Capital, November 30, 2021 *						$				

*** USE THE ENDING OWNER'S EQUITY AMOUNT "SOLE MAN CAPITAL", NOVEMBER 30, 2021" THAT YOU JUST CALCULATED ABOVE FOR THE BALANCE SHEET ON THE NEXT PAGE.**

Note that your ending capital amount for "Sole Man Capital, November 30, 2021", does NOT equal the amount from your ledger, since we are adding net income and subtracting withdrawals from it. This ending capital amount will be carried over to the balance sheet.

Sole Man, A Shoe Repair Business

Worksheet, Income Statement, Balance Sheet



Balance Sheet

Prepare a balance sheet for Sole Man for the month ended November 30, 2021. Make sure to include the correct title at the top of the statement.

_____

_____

_____

ASSETS						**LIABILITIES**					
Cash						Accounts Payable					
Accounts Receivable						Utilities Payable					
Supplies						Unearned Fees					
Prepaid Advertising						Total Liabilities					
Equipment											
Less: Accumulated Depreciation – Equip						**OWNER'S EQUITY**					
						Sole Man, Capital					
						Total Owner's Equity					
Total Assets						Total Liabilities & Owner's Equity					

Remember: Your total assets (left side) should balance with your total liabilities plus owner's equity (right side). If the totals DO balance, draw a double underline under each number. If they DO NOT balance, try to find your mistakes.