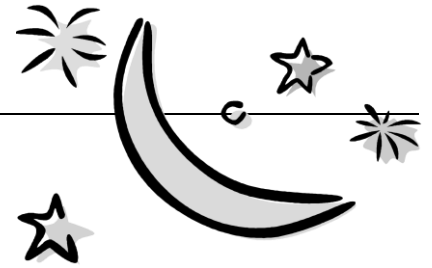


Goodnight Moon Nursery

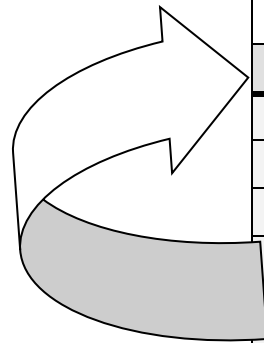
Closing Journal Entries



Instructions

Refer to the information shown in the adjusted trial balance for Goodnight Moon Nursery to complete the closing journal entries on the next page.

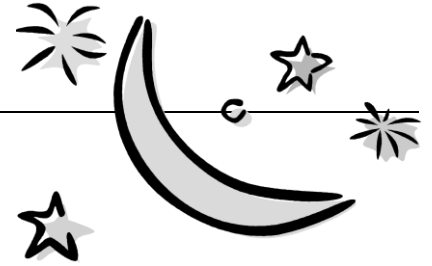
Remember, the purpose of closing entries is to zero out the temporary accounts (fees earned, expenses and drawing), and move those amounts into the capital account.



Cash	200000								
Accounts Receivable	150000								
Supplies	220000								
Prepaid Insurance	130000								
Office Equipment	450000								
Accumulated Depreciation						220000			
Accounts Payable						340000			
Wages Payable						80000			
Unearned Fees						60000			
J. Moonbeam, Capital						400000			
J. Moonbeam, Drawing	500000								
Fees Earned						280000			
Depreciation Expense	400000								
Insurance Expense	125000								
Rent Expense	600000								
Supplies Expense	100000								
Utilities Expense	300000								
Wages Expense	200000								
Miscellaneous Expense	75000								
TOTAL	750000					750000			

Goodnight Moon Nursery

Closing Journal Entries



Closing Journal Entries

Based on the information from the adjusted trial balance above, enter the four CLOSING journal entries.

Dates for closing entries are December 31.

You do not need to include post references for this problem.

CLOSING PROCESS

- A. Fees Earned transferred to Income Summary.
- B. Expenses transferred to Income Summary.
- C. Income Summary (net income) transferred to Capital.
- D. Drawing transferred to Capital.

Journal

Page 1

Date	Description	Post. Ref.	Debit				Credit			

A

B

C

D

