# *Using QuickBooks Online for Accounting 3rd edition Owen Solutions Manual*

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# Using QuickBooks Online

# For Accounting
## Solutions Manual

## Third Edition

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# Chapter 1 Solutions Manual

## Chapter 1 Questions

1. QBO is limited to one company per license. QBDT can manage an unlimited number of companies.
2. No, QBO requires an Internet connection.
3. No, QBO does not require the creation of backup files.
4. Both QBO and QBDT were developed in-house by Intuit to capture and report on accounting events.
5. The process of assigning your instructor as the accountant for your company involves a brief interview in which you'll provide your instructor's email address and name.

## Chapter 1 Matching

| | | | |
|---|---|---|---|
| a. | QBO | h | Click to access help |
| b. | QBDT | g | Click to find past transactions |
| c. | Gear icon | d | Provides tasks to help you get started |
| d. | Welcome Guide | a | Online version of QuickBooks |
| e. | Navigation bar | i | Click to add your instructor as your accountant |
| f. | Create (+) icon | j | Provides links to QBO tasks and resources |
| g. | Magnifying Glass | b | Windows Desktop version of QuickBooks |
| h. | Help (?) icon | f | Click to add any transaction |
| i. | Manage Users | c | Click to manage your subscription, users, and settings |
| j. | Home Page | e | On the left of the home page it shows a menu of items |

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# Chapter 2 Solutions Manual

## Chapter 2 Questions

1. Right-click Customers from the navigation bar and then select Open Link in New Tab.
2. Open the Customer window from the navigation bar and then click a customer name.
3. Open the Vendor window from the navigation bar, click a specific vendor name, and then click a specific bill.
4. Open the Employee window from the navigation bar and the click Edit next to a specific employee name.
5. Bank deposits which have not yet been recorded in QBO are not recognized and are temporarily classified as Uncategorized Income.
6. Bank charges which have not yet been recorded in QBO are not recognized and are temporarily classified as Uncategorized Expense.
7. Opening the sales transaction section of QBO will provide a listing of recent sales invoices and payments.
8. Opening the expense transaction section of QBO will provide a listing of recent credit card, bills, expenses, purchase orders, checks, bill payments, and cash transactions.
9. List options include: chart of accounts, recurring transactions, products and services, custom form styles, payment methods, terms, classes, and attachments.
10. Click Reports then type Accounts payable in the reports search box.

## Chapter 2 Matching

| | | | |
|---|---|---|---|
| a. | Navigation bar | h | An employee in the Sample Company |
| b. | Amy's Bird Sanctuary | e | Bank deposits not yet recognized |
| c. | Brosnahan Insurance Agency | g | Exist for all asset, liability, and equity accounts |
| d. | Recognizing | i | Specify due dates for payment to/from vendors/customers |
| e. | Uncategorized Income | a | Used to access a list of sales and expense transactions |
| f. | Uncategorized Expense | c | A vendor in the Sample Company |
| g. | Registers | j | A listing of all accounts available |
| h. | John Johnson | f | Bank charges not yet recognized |
| i. | Terms | b | A customer in the Sample Company |
| j. | Chart of accounts | d | Matching a banking transaction with a QBO transaction |

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# Chapter 3 Solutions Manual

## Chapter 3 Questions

1. Company Settings is accessed by clicking the Gear icon and then clicking Account and Settings from the Your Company column.
2. Adding beginning balances only occurs when you are utilizing QBO for the first time and your business has been in operation for some time.
3. Click the Gear icon and then click Chart of Accounts and then click the New button in the upper right-hand corner of the chart of accounts.
4. The Opening Balance Equity account is also affected when a beginning balance is entered into an account.
5. When you add a new product you may provide an initial quantity on hand and a related as of date. You also provide the related inventory asset account, sales and purchase description information, the price, the cost, the income account and the cost of goods sold account used. You must also identify if the item is taxable if the company collects sales tax.
6. When you add a beginning balance to accounts receivable you must also identify the name of the customer who owes you.
7. When you add a beginning balance to accounts payable you must also identify the name of the vendor you owe.
8. Retained Earnings is the additional account used when closing the Opening Balance Equity account.
9. Click **Reports** from the Navigation bar then type **Balance Sheet** into the Find report by name search text box, then press [**Enter**].
10. Click the balance in the account line of the Balance Sheet report to view the Transaction Report.

## Chapter 3 Matching

| | | | |
|---|---|---|---|
| a. | Transactions report | e | Entity to whom you sell products/services |
| b. | Balance Sheet | d | Account used to offset beginning balances adjustments |
| c. | Journal entry | g | Merchandise a company purchases from a vendor |
| d. | Opening Balance Equity | h | Efforts made by a company to add value to a customer |
| e. | Customer | b | A listing of asset, liability, and equity account balances as of a specific date |
| f. | Vendor | i | Dictates where an account appears in all reports |
| g. | Product | a | Transactions for an account for a specified period |
| h. | Service | f | Entity from whom you purchase products/services |
| i. | Account Type | j | Checking |
| j. | Detailed type example | c | Commonly used to adjust accounts |

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## Chapter 3 Case 1

Trial Balance

### Case 1
**TRIAL BALANCE**
**As of December 31, 2017**

| | DEBIT | CREDIT |
|---|---|---|
| **Checking** | 25,000.00 | |
| **Accounts Receivable** | 5,000.00 | |
| **Inventory Asset** | 8,000.00 | |
| **Prepaid Expenses** | 3,000.00 | |
| **Furniture & Fixtures:Depreciation** | | 10,000.00 |
| **Furniture & Fixtures:Original cost** | 40,000.00 | |
| **Accounts Payable** | | 4,500.00 |
| **Notes Payable** | | 60,000.00 |
| **Common Stock** | | 1,000.00 |
| **Opening Balance Equity** | | 0.00 |
| **Retained Earnings** | | 5,500.00 |
| **TOTAL** | **$81,000.00** | **$81,000.00** |

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Transaction Detail by Account

## Case 1
### TRANSACTION DETAIL BY ACCOUNT
January 2010 - December 2020

| DATE | TRANSACTION TYPE | NUM | NAME | MEMO/DESCRIPTION | SPLIT | AMOUNT | BALANCE |
|---|---|---|---|---|---|---|---|
| **Checking** | | | | | | | |
| 12/31/2017 | Deposit | | | Opening Balance | Opening Balance Equity | 25,000.00 | 25,000.00 |
| **Total for Checking** | | | | | | **$25,000.00** | |
| **Accounts Receivable** | | | | | | | |
| 12/31/2017 | Journal Entry | 1 | | | -Split- | 5,000.00 | 5,000.00 |
| **Total for Accounts Receivable** | | | | | | **$5,000.00** | |
| **Inventory Asset** | | | | | | | |
| 12/31/2017 | Inventory Qty Adjust | START | | Opening inventory for The Water Hog | Opening Balance Equity | 4,000.00 | 4,000.00 |
| 12/31/2017 | Inventory Qty Adjust | START | | Opening inventory for Rook 15 | Opening Balance Equity | 4,000.00 | 8,000.00 |
| 12/31/2017 | Inventory Qty Adjust | START | | Opening inventory for Rook 15 | Opening Balance Equity | | 8,000.00 |
| 12/31/2017 | Inventory Qty Adjust | START | | Opening inventory for The Water Hog | Opening Balance Equity | | 8,000.00 |
| **Total for Inventory Asset** | | | | | | **$8,000.00** | |
| **Prepaid Expenses** | | | | | | | |
| 12/31/2017 | Journal Entry | 1 | | | -Split- | 3,000.00 | 3,000.00 |
| **Total for Prepaid Expenses** | | | | | | **$3,000.00** | |
| **Furniture & Fixtures** | | | | | | | |
| **Depreciation** | | | | | | | |
| 12/31/2017 | Journal Entry | | | Opening Balance | -Split- | -10,000.00 | -10,000.00 |
| **Total for Depreciation** | | | | | | **$ -10,000.00** | |
| **Original cost** | | | | | | | |
| 12/31/2017 | Journal Entry | | | Opening Balance | -Split- | 40,000.00 | 40,000.00 |
| **Total for Original cost** | | | | | | **$40,000.00** | |
| **Total for Furniture & Fixtures** | | | | | | **$30,000.00** | |
| **Accounts Payable** | | | | | | | |
| 12/31/2017 | Journal Entry | 1 | | | -Split- | 4,500.00 | 4,500.00 |
| **Total for Accounts Payable** | | | | | | **$4,500.00** | |
| **Notes Payable** | | | | | | | |
| 12/31/2017 | Journal Entry | | | Opening Balance | -Split- | 60,000.00 | 60,000.00 |
| **Total for Notes Payable** | | | | | | **$60,000.00** | |
| **Common Stock** | | | | | | | |
| 12/31/2017 | Journal Entry | | | Opening Balance | -Split- | 1,000.00 | 1,000.00 |
| **Total for Common Stock** | | | | | | **$1,000.00** | |
| **Opening Balance Equity** | | | | | | | |
| 12/31/2017 | Journal Entry | 1 | | | -Split- | 3,500.00 | 3,500.00 |
| 12/31/2017 | Inventory Qty Adjust | START | | Opening inventory for The Water Hog | Opening Balance Equity | 4,000.00 | 7,500.00 |
| 12/31/2017 | Inventory Qty Adjust | START | | Opening inventory for The Water Hog | Inventory Asset | | 7,500.00 |
| 12/31/2017 | Inventory Qty Adjust | START | | Opening inventory for Rook 15 | Opening Balance Equity | 4,000.00 | 11,500.00 |
| 12/31/2017 | Inventory Qty Adjust | START | | Opening inventory for Rook 15 | Inventory Asset | | 11,500.00 |
| 12/31/2017 | Journal Entry | | | Opening Balance | -Split- | -1,000.00 | 10,500.00 |
| 12/31/2017 | Journal Entry | | | Opening Balance | -Split- | -10,000.00 | 500.00 |
| 12/31/2017 | Journal Entry | | | Opening Balance | -Split- | 40,000.00 | 40,500.00 |
| 12/31/2017 | Deposit | | | | Checking | 25,000.00 | 65,500.00 |
| 12/31/2017 | Journal Entry | | | Opening Balance | -Split- | -60,000.00 | 5,500.00 |
| 12/31/2017 | Journal Entry | 2 | | | -Split- | -5,500.00 | 0.00 |
| **Total for Opening Balance Equity** | | | | | | **$0.00** | |
| **Retained Earnings** | | | | | | | |
| 12/31/2017 | Journal Entry | 2 | | | -Split- | 5,500.00 | 5,500.00 |
| **Total for Retained Earnings** | | | | | | **$5,500.00** | |

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## Chapter 3 Case 2

Trial Balance

### Case 2
**TRIAL BALANCE**
**As of December 31, 2018**

| | DEBIT | CREDIT |
|---|---|---|
| Checking | 5,000.00 | |
| Accounts Receivable | 925.00 | |
| Inventory Asset | 5,060.00 | |
| Prepaid Expenses | 2,400.00 | |
| Machinery & Equipment:Depreciation | | 1,000.00 |
| Machinery & Equipment:Original cost | 10,000.00 | |
| Accounts Payable | | 1,900.00 |
| Notes Payable | | 12,000.00 |
| Common Stock | | 100.00 |
| Opening Balance Equity | | 0.00 |
| Retained Earnings | | 8,385.00 |
| TOTAL | $23,385.00 | $23,385.00 |

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Transaction Detail by Account

## Case 2
### TRANSACTION DETAIL BY ACCOUNT
January 2010 - December 2020

| DATE | TRANSACTION TYPE | NUM | NAME | MEMO/DESCRIPTION | SPLIT | AMOUNT | BALANCE |
|---|---|---|---|---|---|---|---|
| **Checking** | | | | | | | |
| 12/31/2018 | Deposit | | | Opening Balance | Opening Balance Equity | 5,000.00 | 5,000.00 |
| **Total for Checking** | | | | | | **$5,000.00** | |
| **Accounts Receivable** | | | | | | | |
| 12/31/2018 | Journal Entry | 1 | | | -Split- | 925.00 | 925.00 |
| **Total for Accounts Receivable** | | | | | | **$925.00** | |
| **Inventory Asset** | | | | | | | |
| 12/31/2018 | Inventory Qty Adjust | START | | Opening inventory for Seawind Carbon Sailboat | Opening Balance Equity | | |
| 12/31/2018 | Inventory Qty Adjust | START | | Opening inventory for Broon F830 Ride | Opening Balance Equity | 3,200.00 | 3,200.00 |
| 12/31/2018 | Inventory Qty Adjust | START | | Opening inventory for Broon F830 Ride | Opening Balance Equity | | 3,200.00 |
| 12/31/2018 | Inventory Qty Adjust | START | | Opening inventory for Seawind Carbon Sailboat | Opening Balance Equity | 1,860.00 | 5,060.00 |
| **Total for Inventory Asset** | | | | | | **$5,060.00** | |
| **Prepaid Expenses** | | | | | | | |
| 12/31/2018 | Journal Entry | 1 | | | -Split- | 2,400.00 | 2,400.00 |
| **Total for Prepaid Expenses** | | | | | | **$2,400.00** | |
| **Machinery & Equipment** | | | | | | | |
| **Depreciation** | | | | | | | |
| 12/31/2018 | Journal Entry | | | Opening Balance | -Split- | -1,000.00 | -1,000.00 |
| **Total for Depreciation** | | | | | | **$ -1,000.00** | |
| **Original cost** | | | | | | | |
| 12/31/2018 | Journal Entry | | | Opening Balance | -Split- | 10,000.00 | 10,000.00 |
| **Total for Original cost** | | | | | | **$10,000.00** | |
| **Total for Machinery & Equipment** | | | | | | **$9,000.00** | |
| **Accounts Payable** | | | | | | | |
| 12/31/2018 | Journal Entry | 1 | | | -Split- | 1,900.00 | 1,900.00 |
| **Total for Accounts Payable** | | | | | | **$1,900.00** | |
| **Notes Payable** | | | | | | | |
| 12/31/2018 | Journal Entry | | | Opening Balance | -Split- | 12,000.00 | 12,000.00 |
| **Total for Notes Payable** | | | | | | **$12,000.00** | |
| **Common Stock** | | | | | | | |
| 12/31/2018 | Journal Entry | | | Opening Balance | -Split- | 100.00 | 100.00 |
| **Total for Common Stock** | | | | | | **$100.00** | |
| **Opening Balance Equity** | | | | | | | |
| 12/31/2018 | Inventory Qty Adjust | START | | Opening inventory for Seawind Carbon Sailboat | Opening Balance Equity | 1,860.00 | 1,860.00 |
| 12/31/2018 | Inventory Qty Adjust | START | | Opening inventory for Seawind Carbon Sailboat | Inventory Asset | | 1,860.00 |
| 12/31/2018 | Inventory Qty Adjust | START | | Opening inventory for Broon F830 Ride | Opening Balance Equity | 3,200.00 | 5,060.00 |
| 12/31/2018 | Inventory Qty Adjust | START | | Opening inventory for Broon F830 Ride | Inventory Asset | | 5,060.00 |
| 12/31/2018 | Journal Entry | | | Opening Balance | -Split- | -100.00 | 4,960.00 |
| 12/31/2018 | Journal Entry | | | Opening Balance | -Split- | -12,000.00 | -7,040.00 |
| 12/31/2018 | Journal Entry | | | Opening Balance | -Split- | -1,000.00 | -8,040.00 |
| 12/31/2018 | Journal Entry | | | Opening Balance | -Split- | 10,000.00 | 1,960.00 |
| 12/31/2018 | Deposit | | | | Checking | 5,000.00 | 6,960.00 |
| 12/31/2018 | Journal Entry | 1 | | | -Split- | 1,425.00 | 8,385.00 |
| 12/31/2018 | Journal Entry | 2 | | | -Split- | -8,385.00 | 0.00 |
| **Total for Opening Balance Equity** | | | | | | **$0.00** | |
| **Retained Earnings** | | | | | | | |
| 12/31/2018 | Journal Entry | 2 | | | -Split- | 8,385.00 | 8,385.00 |
| **Total for Retained Earnings** | | | | | | **$8,385.00** | |

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## Chapter 3 Case 3

Trial Balance

# Case 3 - Student Name (ID number)
# Trial Balance
### As of December 31, 2019

| | Debit | Credit |
|---|---|---|
| **Checking** | 12,000.00 | |
| **Accounts Receivable (A/R)** | 4,125.00 | |
| **Inventory Asset** | 6,200.00 | |
| **Prepaid Expenses** | 2,750.00 | |
| **Machinery & Equipment:Depreciation** | | 2,000.00 |
| **Machinery & Equipment:Original cost** | 15,000.00 | |
| **Accounts Payable (A/P)** | | 5,000.00 |
| **Notes Payable** | | 23,000.00 |
| **Opening Balance Equity** | | 0.00 |
| **Owner's Equity** | | 10,075.00 |
| **TOTAL** | **$ 40,075.00** | **$ 40,075.00** |

Tuesday, Nov 08, 2016 10:08:28 AM GMT-8 - Accrual Basis

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## Case 3 - Student Name (ID number)
## Transaction Detail by Account
**January 2010 - December 2022**

| | Date | Transaction Type | Num | Name | Memo/Description | Split | Amount | Balance |
|---|---|---|---|---|---|---|---|---|
| **Checking** | | | | | | | | |
| | 12/31/2019 | Deposit | | | Opening Balance | Opening Balance Equity | 12,000.00 | 12,000.00 |
| **Total for Checking** | | | | | | | **$ 12,000.00** | |
| **Accounts Receivable (A/R)** | | | | | | | | |
| | 12/31/2019 | Journal Entry | 1 | | | -Split- | 4,125.00 | 4,125.00 |
| **Total for Accounts Receivable (A/R)** | | | | | | | **$ 4,125.00** | |
| **Inventory Asset** | | | | | | | | |
| | 12/31/2019 | Inventory Starting Value | START | | Apple iPhone 7 - Opening inventory and value | Opening Balance Equity | 5,000.00 | 5,000.00 |
| | 12/31/2019 | Inventory Starting Value | START | | Pixel - Opening inventory and value | Opening Balance Equity | 1,200.00 | 6,200.00 |
| **Total for Inventory Asset** | | | | | | | **$ 6,200.00** | |
| **Prepaid Expenses** | | | | | | | | |
| | 12/31/2019 | Journal Entry | 1 | | | -Split- | 2,750.00 | 2,750.00 |
| **Total for Prepaid Expenses** | | | | | | | **$ 2,750.00** | |
| **Machinery & Equipment** | | | | | | | | |
| **Depreciation** | | | | | | | | |
| | 12/31/2019 | Journal Entry | | | Opening Balance | -Split- | -2,000.00 | -2,000.00 |
| **Total for Depreciation** | | | | | | | **-$ 2,000.00** | |
| **Original cost** | | | | | | | | |
| | 12/31/2019 | Journal Entry | | | Opening Balance | -Split- | 15,000.00 | 15,000.00 |
| **Total for Original cost** | | | | | | | **$ 15,000.00** | |
| **Total for Machinery & Equipment** | | | | | | | **$ 13,000.00** | |
| **Accounts Payable (A/P)** | | | | | | | | |
| | 12/31/2019 | Journal Entry | 1 | | | -Split- | 5,000.00 | 5,000.00 |
| **Total for Accounts Payable (A/P)** | | | | | | | **$ 5,000.00** | |
| **Notes Payable** | | | | | | | | |
| | 12/31/2019 | Journal Entry | | | Opening Balance | -Split- | 23,000.00 | 23,000.00 |
| **Total for Notes Payable** | | | | | | | **$ 23,000.00** | |
| **Opening Balance Equity** | | | | | | | | |
| | 12/31/2019 | Journal Entry | | | Opening Balance | -Split- | -23,000.00 | -23,000.00 |
| | 12/31/2019 | Journal Entry | | | Opening Balance | -Split- | 15,000.00 | -8,000.00 |
| | 12/31/2019 | Journal Entry | | | Opening Balance | -Split- | -2,000.00 | -10,000.00 |
| | 12/31/2019 | Journal Entry | 1 | | | -Split- | 1,875.00 | -8,125.00 |
| | 12/31/2019 | Journal Entry | 2 | | | -Split- | -10,075.00 | -18,200.00 |
| | 12/31/2019 | Deposit | | | | Checking | 12,000.00 | -6,200.00 |
| | 12/31/2019 | Inventory Starting Value | START | | Apple iPhone 7 - Opening inventory and value | Inventory Asset | 5,000.00 | -1,200.00 |
| | 12/31/2019 | Inventory Starting Value | START | | Pixel - Opening inventory and value | Inventory Asset | 1,200.00 | 0.00 |
| **Total for Opening Balance Equity** | | | | | | | **$ 0.00** | |
| **Owner's Equity** | | | | | | | | |
| | 12/31/2019 | Journal Entry | 2 | | | -Split- | 10,075.00 | 10,075.00 |
| **Total for Owner's Equity** | | | | | | | **$ 10,075.00** | |

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## Chapter 3 Case 4

### Case 4 Student Name (Student ID)

TRIAL BALANCE

As of December 31, 2020

| | DEBIT | CREDIT |
|---|---|---|
| Checking | 27,000.00 | |
| Accounts Receivable (A/R) | 8,500.00 | |
| Inventory Asset | 5,500.00 | |
| Prepaid Expenses | 12,000.00 | |
| Furniture:Depreciation | | 10,000.00 |
| Furniture:Original cost | 65,000.00 | |
| Machinery & Equipment:Depreciation | | 6,500.00 |
| Machinery & Equipment:Original cost | 115,000.00 | |
| Accounts Payable (A/P) | | 18,000.00 |
| Notes Payable | | 82,000.00 |
| Common Stock | | 1,000.00 |
| Opening Balance Equity | | 0.00 |
| Retained Earnings | | 115,500.00 |
| TOTAL | **$233,000.00** | **$233,000.00** |

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# Case 4 Student Name (Student ID)

## TRANSACTION DETAIL BY ACCOUNT

January 2010 - December 2022

| DATE | TRANSACTION TYPE | NUM | NAME | MEMO/DESCRIPTION | SPLIT | AMOUNT | BALANCE |
|---|---|---|---|---|---|---|---|
| Checking | | | | | | | |
| 12/31/2020 | Deposit | | | Opening Balance | Opening Balance Equity | 27,000.00 | 27,000.00 |
| **Total for Checking** | | | | | | **$27,000.00** | |
| Accounts Receivable (A/R) | | | | | | | |
| 12/31/2020 | Journal Entry | 1 | | | -Split- | 8,500.00 | 8,500.00 |
| **Total for Accounts Receivable (A/R)** | | | | | | **$8,500.00** | |
| Inventory Asset | | | | | | | |
| 12/31/2020 | Inventory Starting Value | START | | T-shirts - Opening inventory and value | Opening Balance Equity | 3,000.00 | 3,000.00 |
| 12/31/2020 | Inventory Starting Value | START | | Yoga pants - Opening inventory and value | Opening Balance Equity | 2,500.00 | 5,500.00 |
| **Total for Inventory Asset** | | | | | | **$5,500.00** | |
| Prepaid Expenses | | | | | | | |
| 12/31/2020 | Deposit | | | Opening Balance | Opening Balance Equity | 12,000.00 | 12,000.00 |
| **Total for Prepaid Expenses** | | | | | | **$12,000.00** | |
| Furniture | | | | | | | |
| Depreciation | | | | | | | |
| 12/31/2020 | Journal Entry | | | Opening Balance | -Split- | -10,000.00 | -10,000.00 |
| **Total for Depreciation** | | | | | | **$ -10,000.00** | |
| Original cost | | | | | | | |
| 12/31/2020 | Journal Entry | | | Opening Balance | -Split- | 65,000.00 | 65,000.00 |
| **Total for Original cost** | | | | | | **$65,000.00** | |
| **Total for Furniture** | | | | | | **$55,000.00** | |
| Machinery & Equipment | | | | | | | |
| Depreciation | | | | | | | |
| 12/31/2020 | Journal Entry | | | Opening Balance | -Split- | -6,500.00 | -6,500.00 |
| **Total for Depreciation** | | | | | | **$ -6,500.00** | |
| Original cost | | | | | | | |
| 12/31/2020 | Journal Entry | | | Opening Balance | -Split- | 115,000.00 | 115,000.00 |
| **Total for Original cost** | | | | | | **$115,000.00** | |
| **Total for Machinery & Equipment** | | | | | | **$108,500.00** | |
| Accounts Payable (A/P) | | | | | | | |
| 12/31/2020 | Journal Entry | 1 | | | -Split- | 18,000.00 | 18,000.00 |
| **Total for Accounts Payable (A/P)** | | | | | | **$18,000.00** | |
| Notes Payable | | | | | | | |
| 12/31/2020 | Journal Entry | | | Opening Balance | -Split- | 82,000.00 | 82,000.00 |
| **Total for Notes Payable** | | | | | | **$82,000.00** | |
| Common Stock | | | | | | | |
| 12/31/2020 | Journal Entry | | | Opening Balance | -Split- | 1,000.00 | 1,000.00 |
| **Total for Common Stock** | | | | | | **$1,000.00** | |
| Opening Balance Equity | | | | | | | |
| 12/31/2020 | Journal Entry | 2 | | | -Split- | -115,500.00 | -115,500.00 |
| 12/31/2020 | Deposit | | | | Prepaid Expenses | 12,000.00 | -103,500.00 |
| 12/31/2020 | Journal Entry | | | Opening Balance | -Split- | 65,000.00 | -38,500.00 |
| 12/31/2020 | Journal Entry | | | Opening Balance | -Split- | -1,000.00 | -39,500.00 |
| 12/31/2020 | Journal Entry | | | Opening Balance | -Split- | 115,000.00 | 75,500.00 |
| 12/31/2020 | Journal Entry | | | Opening Balance | -Split- | -6,500.00 | 69,000.00 |
| 12/31/2020 | Journal Entry | 1 | | | -Split- | -9,500.00 | 59,500.00 |
| 12/31/2020 | Journal Entry | | | Opening Balance | -Split- | -82,000.00 | -22,500.00 |
| 12/31/2020 | Deposit | | | | Checking | 27,000.00 | 4,500.00 |

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| | | | | | | |
|---|---|---|---|---|---|---|
| 12/31/2020 | Inventory Starting Value | START | T-shirts - Opening inventory and value | Inventory Asset | 3,000.00 | 7,500.00 |
| 12/31/2020 | Inventory Starting Value | START | Yoga pants - Opening inventory and value | Inventory Asset | 2,500.00 | 10,000.00 |
| 12/31/2020 | Journal Entry | | Opening Balance | -Split- | -10,000.00 | 0.00 |
| **Total for Opening Balance Equity** | | | | | **$0.00** | |
| Retained Earnings | | | | | | |
| 12/31/2020 | Journal Entry | 2 | | -Split- | 115,500.00 | 115,500.00 |
| **Total for Retained Earnings** | | | | | **$115,500.00** | |

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