

Wells Technical Institute
Balance sheet
December 31, 2015

ASSETS

CASH		\$12,000 → 34,000
Accounts Receivable		\$7,500
Teaching supplies		\$2,800
Prepaid insurance		\$9,000
Professional library	\$35,000	
Accumulated depreciation-Professional library	\$17,200	\$17,800
Equipment	\$80,000	
Accumulated depreciation-Equipment	\$28,000	\$51,800
Total assets		123,500

LIABILITIES

Accounts payable		\$26,000
Salaries payable		\$400
Total liabilities		\$26,400

EQUITY

T. Wells Capital		\$97,100 → \$97,100
Total liabilities and equity		\$123,500

WELLS TECHNICAL INSTITUTE

Trial balance
December 31, 2015

CASH	\$34,000	
Accounts Receivable	\$7,500	
Teaching supplies	\$2,800	
Prepaid Insurance	\$9,000	
Prepaid Rent	0	
Professional Library	\$35,000	
Professional Library		
accumulated Depreciation Professional Library	\$17,200	
Equipment	\$80,000	
accumulated Depreciation Equipment	\$28,200	
Accounts Payable	\$26,000	
Unearned Training Fee	\$0	
T. Wells Capital		\$90,000
T. Wells Withdrawals	\$50,000	
Tuition Fees earned		\$131,400
Training Fees earned		\$52,500
Depreciation expense Professional Library	\$7,200	
Depreciation expense Equipment	\$13,200	
Salaries expense	\$50,400	
Insurance expense	\$2,400	
Rent expense	\$36,000	
Teaching supplies	\$5,200	
advertising expense	\$6,000	
Utilities	\$6,400	
TOTALS	\$345,700	\$345,700

salaries payable
\$400
(credit) →

Wells Technical Institute
Income Statement
December 31, 2015

~~REVENUES~~

REVENUES

Tuition Fees earned	\$131,400	
Training Fees earned	\$52,500	
Total revenues		\$183,900

EXPENSES

Depreciation expense - Professional Library	\$7,200	
Depreciation expense - Equipment	\$13,200	
Salaries expense	\$50,400	
Insurance expense	\$2,400	
Rent expense	\$36,000	
Teaching supplies expense	\$5,200	
Advertising expense	\$6,000	
Utilities expense	\$6,400	
Total expenses		\$126,800

Net income \$57,100

Wells Technical Institute
Statement of Owners Equity
For year ended December 31, 2015

T. Wells Capital, Dec 31	\$90,000	
plus: Net Income	\$57,100	
		\$147,100

LESS: Withdrawals	\$50,000	
T. Wells, Capital, December 31, 2015		\$97,100

T accounts

CASH
\$34,000

Accounts Receivable
un 0
\$7,500
adj \$7,500

Teaching Supplies
un \$8,000
(b) \$2,800

Pre Paid Insurance
un \$12,000
\$2,400
adj \$9,600

Pre paid Rent
un \$3,000
(h) \$3,000
adj 0

Professional Library
\$35,000

~~Professional Library~~

Accumulated Depreciation-
Professional Library

\$10,000
(a) \$7,200
adj \$17,200

Equipment
\$80,000

Accumulated Depreciation-
Equipment

un \$15,000
\$13,200
adj \$28,200

Accounts Payable
\$26,000

Salaries Payable
\$400

Unearned Training Fees

un \$12,500
(e) \$12,500
adj 0

T. Wells Capital
\$90,000

T. Wells Withdrawals
\$50,000

Tuition Fees Earned
un \$123,900
(f) \$7,500
adj \$131,400

Rent Expense
un \$33,000
(n) 3,000
adj \$30,000

Training Fees Earned
un 40,000
(e) \$12,500
adj \$52,500

Teaching Supplies
un 0
\$5,200
adj \$5,200

Depreciation Expense
Professional Library
un 0
(d) \$7,200
adj \$7,200

Advertising Expense
\$0,000
Utilities
\$6,400

Depreciation Expense
Equipment
un 0
\$13,200
adj \$13,200

Salaries Expense
un \$50,000
(g) \$400
adj \$50,400

Insurance Expense
un 0
(a) \$2,400
adj \$2,400