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**Bachelors in Accounting**

COURSE NAME:

**Completing the Accounting Cycle**

Chapter 4

ATLANTIC INTERNATIONAL UNIVERSITY

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**Introduction:**

All transactions are posted to the relevant journals during the month from which a pre-adjusted trial balance is compiled.

Adjustments are done to ensure revenues are recorded when they are earned (revenue principle) and expenses incurred are recorded in the same period to generate income.

Assets have to be presented accurately to show the remaining economic benefits it has and what resources have to be sacrificed when liabilities are presented for a specific period.

Common types of adjustments are done for unearned/accrued revenues and prepaid/accrued expenses in a chronological order.

**Answers to Questions:**

1. **Briefly explain the purposes of adjustments.**

Source documents are processed daily, weekly and/or monthly which produce unadjusted financial reports. After each accounting period managers make adjustment (journals entries without source documents) according to evaluations and estimates whether transaction have been recorded or not. Adjustments ensure all expenses and income are recognized and assets and liabilities reflect appropriate monetary values. Only then, are financial report reliable to be interpreted by stakeholders.

1. **Explain the relationships between adjustments and (a) the time period assumption (from chapter 3), (b) the revenue principle, and (c) the matching principle.**

When applying the revenue principle, revenue is recorded when earned. The matching principle declares expenses incurred to generate income are recorded when incurred.

Applied principles do not affirm cash will be received or paid in the same period when earned or incurred. Month-end adjustments are done to reflect revenue to be received and expenses to be paid is that specific financial period.

1. **List the four types of adjustments, and give an example of each type.**

Unearned revenues are recorded when cash is received in one period for services or goods to be delivered in a coming period.

Sam is in the baking business. One of his clients ordered a wedding cake in April to be delivered in May. The deposit received will be recorded as a liability. Once the delivery is made in May, the liability is adjusted as revenue has been earned and paid for.

Accrued revenues are recorded when goods or services have been provided in a period and payment is received in future periods.

Sam baked a cake for Jessie’s birthday in June, but customer will only pay in July.

Prepaid expenses is regarded when goods or services are paid, but have not been received yet. Sam’s business is doing very well and for that reason he has paid his rent for 3 months in advance.

Accrued expenses, when expenses have been incurred in a period and only paid for in future periods.

Sam has an agreement with Namib Mills who provides cake flour. Sam has a 30 day settlement agreement with the creditor.

1. **Explain the effect of adjusting journal entries on cash.**

Unearned revenues allocate cash received in advance for which services or goods still have to be provided to a client in future periods.

Accrued revenues affirm services or goods delivered in one period for which money has not been received yet.

Prepaid expenses show cash paid for services or goods not received yet.

Accrued expenses show goods or services received which have not been paid for yet.

1. **What is a contra-asset? Give an example of one.**

Contra account are accounts that are directly linked to an account but with an opposite balance.

Assets are acquired to generate future income, but loose value over the years through use. It is important to keep track of the initial cost of the asset and to allocate the use of the asset in another account.

Sam bought a new industrial oven for $ 5,000 at the beginning of the new. The initial of cost $ 5,000 will be debited in the asset account. At the end of the year, the asset is depreciated due to wear & tear which is credited in accumulated depreciation account. The net value is the asset at cost account less the total accumulated depreciation.

1. **Explain the differences between depreciation expense and accumulated depreciation.**

Depreciation is a nominal expense account reflected in the income statement, which shows the depreciation expenses for a specific year.

Accumulated depreciation, a Balance Sheet account, shows accumulated depreciation written off over the lifespan of acquiring the asset.

1. **What is an adjusted trial balance? What is its purpose?**

Source documents generated and received with daily operations are recognized and processed in various journals, like cash receipts and cash payments journals, to group similar transaction together. This report is referred to as an unadjusted trial balance with the aim to see how the business is performing at a glimpse.

At the end of an accounting period adjustments are made to ensure income and expenses reflect in the correct period and assets and liabilities are measured and appropriated with the correct amounts.

After adjustments are posted the report is referred to as an adjusted trial balance from which financial statements are generated for stakeholders.

1. **On December 31, a company makes a $9,000 payment to rent a warehouse in January, February, and March of the following year. Show the accounting equation effects of the transaction on December 31, as well as the adjustments required on January 31, February 28, and March 31.**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Date** | **Assets** | | **Owner’s Equity** | | **Liabilities** | |
|  | **Dr** | **Cr** | **Dr** | **Cr** | **Dr** | **Cr** |
| 31 Dec | Prepaid Expenses  $ 9,000 | Bank  $ 9,000 |  |  |  |  |
| 31 Jan |  | Prepaid Expenses  $ 3,000 | Rent paid $ 3,000 |  |  |  |
| 28 Feb |  | Prepaid Expenses $3,000 | Rent paid $ 3,000 |  |  |  |
| 31 Mar |  | Prepaid Expenses $3,000 | Rent paid $ 3,000 |  |  |  |

1. **Using the information in question 8, prepare the journal entry and adjusting journal entries to be made on December 31, January 31, February 28, and March 31.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Warehouse Company**  **Adjusting Journal Entries**  **31 Dec….** | | | | | |
|  | | | **DEBIT** | **CREDIT** | |
| AJE 1201 | Prepaid expenses ( + Assets)  Bank ( - Assets) | $ 9,000 | | | $ 9,000 |

|  |  |  |  |
| --- | --- | --- | --- |
| **Warehouse Company**  **Adjusting Journal Entries**  **31 Jan….** | | | |
| AJE 0101 | Rent expenses (+ Expense, - OE) Prepaid expenses ( - Assets) | $ 3,000 | $ 3,000 |

|  |  |  |  |
| --- | --- | --- | --- |
| **Warehouse Company**  **Adjusting Journal Entries**  **28 Feb….** | | | |
| AJE 0201 | Rent expenses (+ Expense, - OE) Prepaid expenses ( - Assets) | $ 3,000 | $ 3,000 |

|  |  |  |  |
| --- | --- | --- | --- |
| **Warehouse Company**  **Adjusting Journal Entries**  **31 Mar….** | | | |
| AJE 0301 | Rent expenses (+ Expense, - OE) Prepaid expenses ( - Assets) | $ 3,000 | $ 3,000 |

1. **What is the equation for each of the following statements: (a) income statement, (b) statement of owner’s equity, and (c) balance sheet?**

|  |  |
| --- | --- |
| **EQUATIONS** | |
| Income Statement | Income – Expenses = Net Profit |
| Statement of owner’s equity | Assets – Liabilities = Owner’s Equity |
| Balance sheet | Assets = Owner’s Equity + Liabilities |

1. **Explain how the financial statements in question 11 relate to each other.**

Income minus expenses is equal to net profit or loss depicted in an income statement. At the end of the financial year (12 months) the net profit is transferred to the owner’s equity account.

The profit or loss, capital contributions and withdrawals form the statement of owner’s equity. The owner’s equity account is a balance sheet account.

1. **What is the purpose of closing journal entries?**

After the adjustments have been recorded and posted, the adjusted totals of influenced accounts are posted to the general ledger from which financial reports are generated.

Income, expense and the owner’s drawing accounts are closed off to zero and the remaining balance sheet account continue with a closing balance of the one period as the opening balance of the next period.

1. **How do permanent accounts differ from temporary accounts?**

Permanent accounts are assets, liabilities and owner’s equity account which are not closed off to zero at the end of a financial period. Their closing balance at the end of a financial period is the opening balance of the consecutive financial period.

Temporary accounts are income, expense and owner’s drawing account which are closed off to zero at the end of each accounting period. These accounts begin with a zero balance in the upcoming financial period.

1. **Why are the income statement accounts closed but the balance sheet accounts are not?**

Income statement accounts are closed off to zero after each financial period to observe the performance month by month. Balance sheet accounts continue throughout the 12 months and reflect permanent accumulated balances.

1. **Is the owner’s drawing account considered an asset, liability, or owner’s equity account? Is it a permanent or temporary account? Does it normally have a debit or credit balance?**

The owner’s drawing account is a temporary account, reported under owner’s equity, with a debit balance in the Balance Sheet.

1. **What is a post-closing trial balance? Is it a useful part of the accounting cycle? Explain.**

After all closing journal entries have been posted and temporary accounts are zero, a post-closing trial balance is generated which is an important part of the accounting cycle as it ensures the accounting equation is still in balance.

1. **How is a company’s net profit margin computed and what does it measure?**

The net profit margin (NPM) measures the success of a business, how well revenue was generated and controlling costs to maximize profits.

The formula for calculating net profit margin is:

Net profit / Total sales/revenue x 100

The higher the percentage the better costs were reduced to generate income/revenue.

**18. Preparing an Adjusted Trial Balance**

**Macro Company has the following adjusted accounts and balances at year-end (June 30, 2010):**

**Accounts Payable $300 Depreciation Expense $ 110 Prepaid Expenses $ 40Accounts Receivable 550 Insurance Expense 110 Salaries Expense 660**

**Accrued Liabilities 150 Interest Expense 180 Sales Revenue 3,600**

**Accumulated Depreciation 250 Interest Payable 30 Supplies 710**

**Buildings and Equipment 1,400 Interest Revenue 50 Supplies Expense 820**

**Cash 1,020 Land 200 Rent Expense 400**

**J. Macro, Capital 420 Long-Term debt 1,300 Unearned Revenue 100**

**Required:**

**Prepare an adjusted trial balance for Macro Company at June 30, 2010.**

|  |  |  |
| --- | --- | --- |
| **Macro Company**  **Trial Balance**  **30 June 2010** | | |
|  | **Adjusted** | |
|  | **Debit** | **Credit** |
| Accounts Payable |  | 300 |
| Prepaid Expenses | 40 |  |
| Accounts Receivable | 550 |  |
| Accrued Liabilities |  | 150 |
| Accumulated depreciation |  | 250 |
| Interest payable |  | 30 |
| Supplies | 710 |  |
| Buildings and Equipment | 1400 |  |
| Cash | 1020 |  |
| Land | 200 |  |
| Capital: J Macro |  | 420 |
| Long-term debt |  | 1300 |
| Unearned revenue |  | 100 |
| Depreciation Expense | 110 |  |
| Insurance Expense | 110 |  |
| Salaries Expense | 660 |  |
| Interest Expense | 180 |  |
| Sales Revenue |  | 3600.00 |
| Interest revenue |  | 50 |
| Supplies expense | 820 |  |
| Rent expense | 400 |  |
| Totals | 6,200 | 6,200 |

**19. Matching Transactions with Type of Adjustment**

**Match each transaction with the type of adjustment that will be required by entering the appropriate letter in the space provided.**

**Type of Adjustment**

**A. Unearned revenue.**

**B. Accrued revenue.**

**C. Prepaid expense.**

**D. Accrued expense.**

**Transaction**

**\_\_C\_\_ 1. An expense has not yet been incurred but has been paid in advance.**

**\_\_B\_\_ 2. Rent has not yet been collected but is already earned.**

**\_\_\_\_ 3. Office supplies on hand will be used next accounting period.**

**\_\_D\_\_ 4. An expense has been incurred but not yet paid or recorded.**

**\_\_A\_\_ 5. Revenue has been collected in advance and will be earned later.**

**20. Reporting an Income Statement**

**Sky Blue Company, owned by sole proprietor Anna Cerveny, provides computer technology services to customers. The company has the following adjusted accounts at December 31, 2010.**

**Cash $ 1,200 A. Cerveny, Capital $ 3,400**

**Accounts Receivable 2,000 A. Cerveny, Drawing 300**

**Interest Receivable 30 Service Revenue 42,000**

**Prepaid Insurance 2,300 Interest Revenue 30**

**Notes Receivable 3,000 Rent Revenue 300**

**Equipment 12,000 Wages Expense 21,600**

**Accumulated Depreciation 300 Depreciation Expense 300**

**Accounts Payable 1,600 Utilities Expense 220**

**Wages Payable 3,820 Insurance Expense 100**

**Interest Payable 2,900 Rent Expense 9,000**

**Unearned Rent Revenue 600 Interest Expense 2,900**

**Prepare a classified income statement for 2010.**

|  |
| --- |
| **Sky Blue Company**  **Income Statement**  **for the year ended 31 December 2010** |
| **Operating revenues**  Service Revenue $42,000  Total operating revenue 42,000  **Operating expenses**  Depreciation expense 300  Insurance expense 100  Rent expense 9,000  Utilities expense 220  Wages expense 21,600  Total operating expenses 31,220  **Operating income** 10,780    **Other item**  Rent revenue 300  Interest revenue 30  Interest expense (2,900)  **Net Income** $ 8,210 |
|  |

**21. Preparing an Adjusted Trial Balance**

**The following alphabetical listing is the adjusted account balances for H&R Tacks, owned and managed by Jeremy Daily.**

**Accounts Payable $ 400 Insurance Expense $ 3,600 Prepaid Insurance $ 3,600**

**Accounts Receivable 500 Interest Expense 500 Service Revenue 46,300**

**Accumulated Depreciation 6,000 Interest Payable 500 Supplies 1,300**

**Cash 5,000 J. Daily, Capital 27,700 Supplies Expense 7,700**

**Depreciation Expense 6,000 J. Daily, Drawing 200 Unearned Revenue 2,500**

**Equipment 38,000 Notes Payable 3,000 Wages Expense 21,200**

**Wages Payable 1,200**

**Prepare an adjusted trial balance as of December 31.**

|  |  |  |
| --- | --- | --- |
| **H&R Tacks**  **Trial Balance**  **31 December ….** | | |
|  | **Adjusted** | |
|  | **Debit** | **Credit** |
| Accounts Payable |  | 400 |
| Unearned revenue |  | 2,500 |
| Prepaid Insurance | 3,600 |  |
| Accounts Receivable | 500 |  |
| Accumulated depreciation |  | 6,000 |
| Notes Payable |  | 3,000 |
| Equipment | 38,000 |  |
| Wages payable |  | 1200 |
| Interest payable |  | 500 |
| Supplies | 1,300 |  |
| Cash | 5,000 |  |
| Capital: J Daily |  | 27,700 |
| Drawings | 200 |  |
| Depreciation expense | 6,000 |  |
| Insurance Expense | 3,600 |  |
| Interest Expense | 500 |  |
| Service Revenue |  | 46,300 |
| Supplies expense | 7,700 |  |
| Wages expense | 21,200 |  |
| Totals | 87,600 | 87,600 |

**22. Preparing an Adjusted Trial Balance**

**Gibson Consultants provides marketing research for clients in the retail industry. The company had the following adjusted balances at December 31, 2010:**

**Required:**

1. **Prepare an adjusted trial balance for Gibson Consultants at December 31, 2010. Solve for the ‘?’ in the P. Gibson, Capital account (Hint: Remember: Assets = Liabilities + Owner’s Equity.)**

|  |  |  |
| --- | --- | --- |
| **Gibson Consultants**  **Trial Balance**  **31 December 2010** | | |
|  | **Adjusted** | |
|  | **Debit** | **Credit** |
| Accounts payable |  | 86,830 |
| Unearned consulting fees |  | 32,500 |
| Prepaid expenses | 10,200 |  |
| Accrued liabilities |  | 25,650 |
| Accounts receivable | 225,400 |  |
| Accumulated depreciation |  | 18,100 |
| Building and Equipment | 323,040 |  |
| Notes payable |  | 160,000 |
| Investment | 145,000 |  |
| Land | 60,000 |  |
| Interest payable |  | 2,030 |
| Supplies | 12,200 |  |
| Cash | 173,000 |  |
| Capital: P Gibson |  | 90,880 |
| Drawings: P Gibson | 5,000 |  |
| Consulting fees revenue |  | 2,577,200 |
| Depreciation expense | 18,600 |  |
| Advertising expense | 320,050 |  |
| Interest expense | 17,200 |  |
| Investment revenue |  | 7,800 |
| Rent expense | 152,080 |  |
| Training expense | 188,000 |  |
| Travel expense | 23,990 |  |
| Utilities expense | 25,230 |  |
| Wages expense | 1,590,000 |  |
| Totals | 3,000,990 | 2,910,110 |

1. **Assume that no investments were made by P. Gibson during the year. Does the P. Gibson, Capital balance determined in 1 represent the balance at December 31, 2010, or December 31, 2009? Explain.**

Assuming no capital contributions were made in 2010, the closing balance for year 2009 and 2010 will remain the same as there was no movement.

**23. Identifying Adjustments by Scanning a Trial Balance Coach, Inc. —the maker of handbags and other women’s and men’s accessories—was owned by Sara Lee Corporation until April 2001, when Coach was spun off as a separate company. Assume the following adjusted balances were reported in Coach’s trial balance and were used to prepare its July 2, 2009, year-end financial statements.**

**Required:**

1. **Based on the information in the trial balance, identify any accounts that likely were unearned revenues or prepaid expenses requiring an adjusting entry as of July 2 (no computations are necessary).**

Cash – unearned revenues

Insurance expense – prepaid expense

**2. Based on the information in the trial balance, identify any accounts that likely were accrued revenues or accrued expenses requiring an adjusting entry as of July 2 (no computations are necessary).**

Interest revenue – accrued revenues

Interest expense – accrued expenses

**24. Recording Adjusting Entries and Preparing an Adjusted Trial Balance Ninja Sockeye Star, owned by Johnny Chen, had the following unadjusted accounts at the end of its second year of operations ending December 31, 2009. The accounts have normal debit or credit balances.**

**Cash $ 12,000 Wages Payable $ 0**

**Accounts Receivable 6,000 J. Chen, Capital 31,900**

**Prepaid Rent 2,400 Commissions Revenue 45,000**

**Equipment 21,000 Wages Expense 25,000**

**Accumulated Depreciation 1,000 Utilities Expense 12,500**

**Accounts Payable 1,000 Rent Expense 0**

**Utilities Payable 0 Depreciation Expense 0**

**Other data not yet recorded at December 31, 2009, follow:**

**a. Rent used during 2009, $1,200.**

**b. Depreciation expense for 2009, $1,000.**

**c. Utilities used in 2009 but not yet paid, $9,000.**

**d. Wages earned by employees in 2009 but not yet paid, $800.**

**Required:**

1. **Create T-accounts based on the accounts titles and balances at December 31, 2009.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **CASH** | | | | | |
| 31 Dec’09 | Unadjusted Balance | 12,000 |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **ACCOUNTS RECEIVABLE** | | | | | |
| 31 Dec’09 | Unadjusted Balance | 6,000 |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **PREPAID RENT** | | | | | |
| 31 Dec’09 | Unadjusted Balance | 2,400 |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **EQUIPMENT** | | | | | |
| 31 Dec’09 | Unadjusted Balance | 21,000 |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **ACCUMULATED DEPRECIATION** | | | | | |
|  |  |  | 31 Dec’09 | Unadjusted Balance | 1,000 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **ACCOUNTS PAYABLE** | | | | | |
|  |  |  | 31 Dec’09 | Unadjusted Balance | 1,000 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **CAPITAL: J. CHEN** | | | | | |
|  |  |  | 31 Dec’09 | Unadjusted Balance | 31,900 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **COMMISSION REVENUE** | | | | | |
|  |  |  | 31 Dec’09 | Unadjusted Balance | 45,000 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **WAGES EXPENSE** | | | | | |
| 31 Dec’09 | Unadjusted Balance | 25,000 |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **UTILITIES EXPENSE** | | | | | |
| 31 Dec’09 | Unadjusted Balance | 12,500 |  |  |  |

1. **Using the steps outlined in the chapter, (1) identify the type of adjustment of ( a ) through ( d ), (2) determine the amount, and (3) prepare the adjusting journal entries required at December 31, 2009.**

|  |  |  |  |
| --- | --- | --- | --- |
| **Ninja Sockeye Star**  **Adjusting Journal Entries**  **31 December 2009** | | | |
| **DEBIT CREDIT** | | | |
| 1. AJE 1 | Rent expense (+ E,- OE)  Prepaid Rent (- A) | 1,200 | 1,200 |
| 1. AJE 2 | Depreciation expense (+ E, -OE)  Accumulated depreciation (- A) | 1,000 | 1,000 |
| 1. AJE 3 | Utilities Expense (+ E, -OE)  Utilities Payable (+ L) | 9,000 | 9,000 |
| 1. AJE 4 | Wages Expense (+ E, -OE)  Wages Payable (+ L) | 800 | 800 |

1. **Post the effects of the adjusting journal entries to the T-accounts and prepare an adjusted trial balance as of December 31, 2009.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **PREPAID RENT** | | | | | |
| 31 Dec’09 | Unadjusted balance | 2,400 | 31 Dec’09 | AJE 1 | 1,200 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **RENT PAID** | | | | | |
| 31 Dec’09 | AJE 1 | 1,200 |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **ACCUMULATED DEPRECIATION** | | | | | |
|  |  |  | 31 Dec’09 | Unadjusted Balance | 1,000 |
|  |  |  | 31 Dec’09 | AJE 2 | 1,000 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **DEPRECIATION EXPENSE** | | | | | |
| 31 Dec’09 | Unadjusted Balance | 0 |  |  |  |
| 31 Dec’09 | AJE 2 | 1,000 |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **UTILITIES EXPENSE** | | | | | |
| 31 Dec’09 | Unadjusted Balance | 12,500 |  |  |  |
| 31 Dec’09 | AJE 3 | 9,000 |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **UTILITIES PAYABLE** | | | | | |
|  |  |  | 31 Dec’09 | Unadjusted Balance | 0 |
|  |  |  | 31 Dec’09 | AJE 3 | 9,000 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **WAGES EXPENSE** | | | | | |
| 31 Dec’09 | Unadjusted Balance | 25,000 |  |  |  |
| 31 Dec’09 | AJE 4 | 800 |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **WAGES PAYABLE** | | | | | |
|  |  |  | 31 Dec’09 | Unadjusted Balance | 0 |
|  |  |  | 31 Dec’09 | AJE 4 | 800 |

|  |  |  |
| --- | --- | --- |
| **Ninja Sockeye Star**  **Post-adjusted Trial Balance**  **31 December 2009** | | |
|  | **Adjusted** | |
|  | **Debit** | **Credit** |
| Cash | 12,000 |  |
| Accounts Receivable | 6,000 |  |
| Prepaid Rent | 1,200 |  |
| Equipment | 21,000 |  |
| Accumulated depreciation |  | 2,000 |
| Accounts Payable |  | 1,000 |
| Utilities Payable |  | 9,000 |
| Wages Payable |  | 800 |
| Capital: J. Chen |  | 31,900 |
| Commission Revenue |  | 45,000 |
| Wages Expense | 25,800 |  |
| Utilities Expense | 21,500 |  |
| Rent Expense | 1,200 |  |
| Depreciation Expense | 1,000 |  |
| TOTALS | 89,700 | 89,700 |

**Conclusion:**

A pre-adjusted trial balance is compiled after all source documents have been recorded.

For accurate reporting, income statement and balance sheet accounts have to be examined and adjusted to ensure values are reported in the correct period and values reflected are true.

Once adjustments are processed a post-adjusted trial balance is compiled from which financial reports can be created.

**Bibliography**

Libby, Patricia A., et al. "Principles of Accounting." McGraw Hill Irwin, (2009).