Posting the adjusting entries

Lesson 56

Having journalized the adjusting entries, we will now proceed to post them to the ledgers. The journal entries we made dated January 31, 2010 are shown in the journal below.

We shall use the ledgers we finished with in Lesson 51, when we posted the earlier transactions of the month. To follow the posting process, please look under the column Post Ref. (Posting Reference) of the journal, and locate the ledger with that number from among the ledgers below. The ledgers that are affected in the posting have headings in red. The accounting entries posted are likewise in red.

Journal

Date	Description	Post Ref.	Debit	Credit
Jan. 31, 2010	Utilities	5.08	550	
	Accrued liabilities	2.02		550
	Provision for expected utilities expenses for the month.			
Jan. 31, 2010	Prepaid expenses	1.04	500	
	Sales and marketing expenses	5.07		500
	Recognition of prepaid sales and marketing expenses arising from postponement of activities already paid for.			
Jan. 31, 2010	Depreciation	5.09	4,168	
	Accumulated depreciation	1.50		4,168
	Recognition of depreciation of office equipment.			

Ledgers

	1.01	Cash	
	Debit	Credit	
Beginning bal	0		
Jan. 3, 2010	900,000		
		250,000	Jan. 7, 2010
		50,000	Jan. 12, 2010
		7,500	Jan. 25, 2010
Ending bal	592,500		

1.02	Account	s receiv
	Debit	Credit
Beginning bal	0	
Jan. 18, 2010	50,000	
Ending bal	50,000	

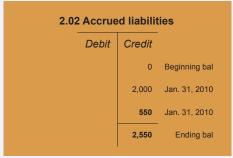
	1.03 Inve	entories	
	Debit	Credit	
Beginning bal	0		
Jan. 12, 2010	100,000		
		35,000	Jan. 18, 20
Ending bal	65,000		











2.04 Long-	term de	bt
Debit	Credit	
	0	Beginning bal
	400,000	Jan. 3, 2010
	400,000	Ending bal



	Sales	4.01 \$
-	Credit	Debit
Beginning bal	0	
Jan. 18, 2010	50,000	
Ending bal	50,000	

5.01	Cost of	goods so
	Debit	Credit
Beginning bal	0	
Jan. 18, 2010	35,000	
Ending bal	35,000	

	5.05 Salarie	
	Debit	Credit
Beginning bal	0	
Jan. 25, 2010	5,000	
Ending bal	5,000	

	5.06	Rent
L	Debit	Credit
Beginning bal	0	
Jan. 31, 2010	2,000	
Ending bal	2,000	

5.07 Sales	and ma	rketing	expenses
	Debit	Credit	
Beginning bal	0		
Jan. 25, 2010	2,500		
		500	Jan. 31, 2010
Ending bal	2,000		

	5.08 U	tilities
	Debit	Credit
Beginning bal	0	
Jan. 31, 2010	550	
Ending bal	550	

5	5.09 Depreciation	
	Debit	Credit
Beginning bal	0	
Jan. 31, 2010	4,168	
Ending bal	4,168	

After posting the adjusting entries, the post adjustment trial balance come next. This will be done in the next lesson.