##### Financial accounting

##### Balance sheet and income statement – service company

Lagaffe is a small service company that offers design architecture services.



**Journal entries for the fiscal year:**

1.Payment by bank transfer of employees' salaries CHF. 12'500.-- .

2.Transfer of petty cash into the bank account CHF. 7'000.-- .

3.Opening of a new current account with Credit Suisse. The credit limit has been set at CHF 50,000

4. Purchase of small office equipment in cash for CHF. 450.-- .

5. Booking of an invoice relating to the purchase of furniture for CHF. 2,500.-- .

6. We receive a second reminder of CHF. 759.-- from industrial services regarding an electricity bill for an amount of CHF. 750.-- which has already been booked.

7.We receive a second reminder for an amount of CHF. 328.—regarding a telephone bill of CHF. 320.--. This invoice has never been booked before and we pay it from our UBS bank account.

8.We contacted PUBLIVAL for an advertising series. They sent us an invoice of CHF. 1,780.-- which we pay immediately from our new Credit Suisse account.

9. Payment of the cleaning lady’s salary for CHF. 700.—through a bank transfer

10. Receipt of funds regarding design fees (service we sell) CHF. 19,350.—in our bank account.

11.Sale of the old vehicle for an amount of CHF. 4'500.-- to the garage. We buy a new vehicle for an amount of CHF. 24'500.--. We pay in cash CHF. 6'000. -- and the balance remains due.

12.Credit Suisse sends us a Debit Notice for interest and bank fees for CHF. 200.--.

13.UBS credit notice for interest of CHF 450.--.

**Work to be done:**

- Open the general ledger;

- book the journal entries;

* Prepare the income statement and determine the net income
* Prepare the final balance sheet