

**Kafa2 Sweaters, CS Solution**  
**All Journal Entries Jan 01, 2026 to Jan 01, 2026**

		Account Number	Account Description	Debits	Credits
Jan 01, 2026	J1		Memo N. Kafa, Close the Owner's Drawing account		
		3120	Capital Nathan Kafa	10,000.00	-
		3140	Drawings Nathan Kafa	-	10,000.00
Additional Date:		Additional Field:			
Jan 01, 2026	J2		Yr-End-Reversal, Reverse December Accrued Expenses		
		2231	Accrued Liabilities	779.70	-
			Reverse 2025 Yr-End-Adj-4		
		5330	Telephone Expense	-	260.00
			Reverse 2025 Yr-End-Adj-4		
		5410	Water/Hydro Expense	-	340.00
			Reverse 2025 Yr-End-Adj-4		
		5550	Automobile Expense	-	90.00
			Reverse 2025 Yr-End-Adj-4		
		2360	HST Paid on Purchases	-	89.70
			Reverse 2025 Yr-End-Adj-4		
Additional Date:		Additional Field:			
Jan 01, 2026	J3		Yr-End Reversal, Reverse December Accrued Interest Expense		
		2231	Accrued Liabilities	140.00	-
			Reverse 2025 Yr-End-Adj-5		
		5530	Bank Interest on Loan Expense	-	140.00
			Reverse 2025 Yr-End-Adj-5		
Additional Date:		Additional Field:			
Jan 01, 2026	J4		Yr-End Reversal, Reverse December Accrued Wages Expense		
		2220	Wages Payable	1,809.00	-
			Reverse 2025 Yr-End-Adj-6		
		5120	Wages Expense	-	1,809.00
			Reverse 2025 Yr-End-Adj-6		
Additional Date:		Additional Field:			
Jan 01, 2026	J5		Yr-End-Reversal, Reverse Estimated December bank fees		
		2231	Accrued Liabilities	33.00	-
			Reverse 2026 Yr-End Adj-1		
		5510	Bank Charges Expense	-	33.00
Additional Date:		Additional Field:			
				12,761.70	12,761.70

**Kafa2 Sweaters, CS Solution**  
**Trial Balance As at Jan 01, 2026**

Ac...	Account Description	Debits	Credits
1100	Bank Chequing Account	9,725.00	-
1200	Accounts Receivable	13,899.00	-
1210	Allowance for Doubtful Accounts	-	3,955.00
1260	Inventory of Goods	60,260.00	-
1270	Prepaid Office Supplies On Hand	120.00	-
1300	Prepaid Insurance	900.00	-
1420	Equipment	88,129.00	-
1440	Furniture	31,020.00	-
1520	Accum. Deprec. Equipment	-	44,065.00
1540	Accum. Deprec. Furniture	-	15,510.00
2200	Accounts Payable	-	13,545.00
2220	Wages Payable	-	0.00
2231	Accrued Liabilities	-	0.00
2310	EI Payable	-	589.00
2320	CPP Payable	-	523.00
2330	Income Tax Payable	-	3,233.00
2350	HST Charged on Sales	-	3,561.00
2360	HST Paid on Purchases	1,841.00	-
2710	Bank Loan Payable	-	21,000.00
3120	Capital Nathan Kafa	-	97,241.00
3140	Drawings Nathan Kafa	-	0.00
4010	Sales-All	-	0.00
4210	Sales Returns	-	0.00
4220	Sales Discounts	-	0.00
4510	Handling Fee	-	0.00
5010	Cost of Goods Sold	0.00	-
5050	Purchase Discounts	0.00	-
5070	Inventory Adjustments	0.00	-
5110	Rent Expense	0.00	-
5120	Wages Expense	-	1,809.00
5122	EI Expense	0.00	-
5124	CPP Expense	0.00	-
5260	Office Supplies Expense	0.00	-
5330	Telephone Expense	-	260.00
5340	Advertising Expense	0.00	-
5350	Depreciation Expense-All	0.00	-
5360	Bad Debts Expense	0.00	-
5410	Water/Hydro Expense	-	340.00
5510	Bank Charges Expense	-	33.00
5530	Bank Interest on Loan Expense	-	140.00
5540	Insurance Expense	0.00	-
5550	Automobile Expense	-	90.00
5560	Automobile Lease	0.00	-
		<u>205,894.00</u>	<u>205,894.00</u>

**Kafa2 Sweaters, CS Solution**  
**Income Statement Jan 01, 2026 to Jan 01, 2026**

<b>REVENUE</b>	
<b>Sales Revenue</b>	
Sales-All	0.00
Sales Returns	0.00
Sales Discounts	0.00
<b>Sales: Net</b>	<u>0.00</u>
<b>Other Revenue</b>	
Handling Fee	0.00
<b>Other Revenue Total</b>	<u>0.00</u>
<b>TOTAL REVENUE</b>	<u>0.00</u>
<b>EXPENSE</b>	
<b>Cost of Goods Sold</b>	
Cost of Goods Sold	0.00
Purchase Discounts	0.00
Inventory Adjustments	0.00
<b>Total Cost of Goods Sold</b>	<u>0.00</u>
<b>Store Expenses</b>	
Rent Expense	0.00
Wages Expense	-1,809.00
EI Expense	0.00
CPP Expense	0.00
Office Supplies Expense	0.00
Telephone Expense	-260.00
Advertising Expense	0.00
Depreciation Expense-All	0.00
Bad Debts Expense	0.00
<b>Total Store Expenses</b>	<u>-2,069.00</u>
<b>Other Expenses</b>	
Water/Hydro Expense	-340.00
Bank Charges Expense	-33.00
Bank Interest on Loan Expense	-140.00
Insurance Expense	0.00
Automobile Expense	-90.00
Automobile Lease	0.00
<b>Total Other Expenses</b>	<u>-603.00</u>
<b>TOTAL EXPENSE</b>	<u>-2,672.00</u>
<b>NET INCOME</b>	<u><u>2,672.00</u></u>