

**Kafa Sweaters, DCC Solutions**  
**All Journal Entries Dec 31, 2025 to Dec 31, 2025**

No Corrections
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		Account Number	Account Description	Debits	Credits
Dec 31, 2025	J1	Dec-Adj-1, Estimated	Bank Service Fees per N. Kafa		
		5510	Bank Charges Expense	33.00	-
		2231	Estimated Bank Service Fees		
			Accrued Liabilities	-	33.00
			Estimated Bank Service Fees		
Dec 31, 2025	J2	Dec-Adj-2, Office Supplies Used			
		5260	Office Supplies Expense	380.00	-
		1270	Office Supplies Used		
			Prepaid Office Supplies On Hand	-	380.00
			Office Supplies Used		
Dec 31, 2025	J3	Dec-Adj-3, Expired Insurance			
		5540	Insurance Expense	300.00	-
		1300	Nov 15 - Dec 31 expired insurance		
			Prepaid Insurance	-	300.00
			Nov 15 - Dec 31 expired insura...		
Dec 31, 2025	J4	Dec-Adj-4, Monthly expenses accrued			
		5330	Telephone Expense	260.00	-
		5410	Water/Hydro Expense	340.00	-
		5550	Automobile Expense	90.00	-
		2360	HST Paid on Purchases	89.70	-
		2231	Accrued Liabilities	-	779.70
			Accrued monthly expenses		
Dec 31, 2025	J5	Dec-Adj-5, Accrued Loan Interest			
		5530	Bank Interest on Loan Expense	140.00	-
		2231	Dec. loan interest		
			Accrued Liabilities	-	140.00
			Dec. loan interest		
Dec 31, 2025	J6	Dec-Adj-6, Accrue wages owing			
		5120	Wages Expense	1,809.00	-
		2220	Dec 26 - 31 wages accrued		
			Wages Payable	-	1,809.00
			Dec 26 - 31 wages accrued		
Dec 31, 2025	J7	Dec-Adj-7, Capital Assets Depreciation			
		5350	Depreciation Expense-All	11,915.00	-
		1520	Annual Depreciation		
			Accum. Deprec. Equipment	-	8,813.00
		1540	Annual Depreciation		
			Accum. Deprec. Furniture	-	3,102.00
			Annual Depreciation		
Dec 31, 2025	J8	Dec-Adj-8, Estimated Bad Debts			
		5360	Bad Debts Expense	3,555.00	-
		1210	Update allowance for bad debts		
			Allowance for Doubtful Accounts	-	3,555.00
			Update allowance for bad debts		
Dec 31, 2025	J9	Dec-Adj-9, Adjust inventory to count			
		5070	Inventory Adjustments	60.00	-
		1260	Inventory of Goods	-	60.00
				18,971.70	18,971.70

**Kafa Sweaters, DCC Solutions**  
**Income Statement Dec 31, 2025 to Dec 31, 2025**

**REVENUE**

<b>Sales Revenue</b>	
Sales-All	327,600.00
Sales Returns	-3,980.00
Sales Discounts	<u>-5,725.00</u>
<b>Sales: Net</b>	<u>317,895.00</u>

<b>Other Revenue</b>	
Handling Fee	<u>0.00</u>
<b>Other Revenue Total</b>	<u>0.00</u>

**TOTAL REVENUE** 317,895.00

**EXPENSE**

<b>Cost of Goods Sold</b>	
Cost of Goods Sold	123,470.00
Purchase Discounts	-1,942.00
Inventory Adjustments	<u>60.00</u>
<b>Total Cost of Goods Sold</b>	<u>121,588.00</u>

<b>Store Expenses</b>	
Rent Expense	24,000.00
Wages Expense	88,109.00
EI Expense	3,452.00
CPP Expense	3,193.00
Office Supplies Expense	2,420.00
Telephone Expense	3,980.00
Advertising Expense	15,137.00
Depreciation Expense-All	11,915.00
Bad Debts Expense	<u>5,993.00</u>
<b>Total Store Expenses</b>	<u>158,199.00</u>

<b>Other Expenses</b>	
Water/Hydro Expense	4,908.00
Bank Charges Expense	1,413.00
Bank Interest on Loan Expense	1,680.00
Insurance Expense	2,400.00
Automobile Expense	2,900.00
Automobile Lease	<u>3,840.00</u>
<b>Total Other Expenses</b>	<u>17,141.00</u>

**TOTAL EXPENSE** 296,928.00

**NET INCOME** 20,967.00