**Activity 6.1.2: Chart of Accounts**

Have your students set up their business using their accounting software. Ask them to create this chart of accounts:

|  |  |  |  |
| --- | --- | --- | --- |
| The Kewl Shoppe  Chart of Accounts | | | |
| **(1000) Assets** | | **(4000) Revenue** | |
| 1110 | Cash in Bank | 4110 | Ice Cream Sales |
| 1120 | Petty Cash | 4120 | Game Fees |
| 1130 | Accounts Receivable | **(5000) Cost of Merchandise** | |
| 1140 | Merchandise Inventory | 5110 | Purchases |
| 1150 | Office Supplies | **(6000) Expenses** | |
| 1160 | Store Supplies | 6110 | Advertising Expense |
| 1170 | Prepaid Insurance | 6120 | Credit Card Fee Expenses |
| **(2000) Liabilities** | | 6130 | Insurance Expense |
| 2110 | Accounts Payable | 6140 | Miscellaneous Expense |
| 2120 | Employee Income Tax Payable | 6150 | Payroll Taxes Expense |
| 2130 | FICA Tax Payable | 6160 | Rent Expense |
| 2140 | Sales Tax Payable | 6170 | Salary Expense |
| 2150 | Fed. Unemployment Tax Payable | 6180 | Office Supplies Expense |
| 2160 | State Unemployment Tax Payable | 6190 | Store Supplies Expense |
| **(3000) Owner’s Equity** | |  |  |
| 3110 | Derek Dodson, Capital |  |  |
| 3120 | Derek Dodson, Drawing |  |  |
| 3130 | Jennifer Dodson, Capital |  |  |
| 3140 | Jennifer Dodson, Drawing |  |  |
| 3150 | Income Summary |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Accounts Receivable Ledger** | | **Accounts Payable Ledger** | |
| 110 ANG | Abbey Angel | 210 ICE | Ice Cream |
| 120 BAB | Bridgett Babbs | 220 TOM | Tom’s Wholesale |
| 130 DUR | Jon Durant | 230 URI | UR Ice Cream |
| 140 SAM | Sam Samson | 240 VAL | Val’s Wholesale, Inc. |
| 150 GER | Gertrude Gertrudis | 250 WAY | Wyatt’s Creamery |
|  |  | 260 YOU | Your Favorite Place |
|  |  | 270 XYZ | XYZ Office Supply |