E3-12 )   
  
( A)   
  
10.july. Dr supplies 650   
 Cr cash 650   
  
14.july. Dr cash 2,200   
 Cr service rev 2,200  
  
15.July. Dr S & W exp 1,200  
 Cr cash 1,200  
  
20.july . Dr cash 1,000  
 cr unearned service rev 1,000  
  
  
(b)   
  
31.july. Dr supplies exp 900   
 Cr supplies 900

31.july. Dr s & w exp 1,200  
 Cr s & w pay 1,200  
  
31.july . Dr acc rec 500   
 Cr service rev 500 Dr acc rec 500   
 dr unearned rev 1,150   
31.july . Dr unearned service rev 1,150 cr service rev 1,650   
 cr service rev 1,150

P3-1 )   
Monthly adj entries , monthly F.S   
(A) adj entries may.31.   
  
1. Dr supplies exp 900   
 Cr supplies 900   
  
2. Dr utility exp 250   
 Cr utility payable 250   
  
3. Dr insurance exp 150   
 Cr prepaid insurance 150   
  
insurance per month = 3,600 / 24 = 150   
or   
Insurance per year = 3,600 /2 = 1,800   
insurance per month = 1,800/12 = 150   
  
  
4. Dr unearned service rev 1,600   
 cr service rev 1,600

|  |  |
| --- | --- |
| Unearned rev | |
| Dr | Cr |
| 31.may adj X | End bal before adj 2,000 |
|  | End bal after adj 400 |

2,000 – X = 400   
X = 1,600

5. Dr S & W exp 1,104  
 Cr S & w PAY 1,104  
  
May.26 Friday ( pay day)   
may.27 Saturday   
May.28 Sunday   
May.29 Monday   
may .30 Tuesday   
may.31. Wednesday   
June.1 Thursday   
June.2 Friday ( pay day)

wage rate for an employee each work day = 920/5 = 184  
wage rate for an employee each 3 working days = 184\*3 = 552  
wage rate for 2 employees each 3 working days = 552 \*2 = 1,104

6. Dr Dep exp 190   
 Cr acc – dep – equipment 190   
  
7. Dr acc rec 1,700   
 Cr service rev 1,700

(B)

|  |  |
| --- | --- |
| Cash | |
| Dr | Cr |
| End bal before adj 4,500 |  |
|  |  |
| End bal after adj 4,500 |  |

|  |  |
| --- | --- |
| Acc rec | |
| Dr | Cr |
| End bal before adj 6,000 |  |
| May.31. adj 1,700 |  |
| End bal after adj 7,700 |  |

|  |  |
| --- | --- |
| Supplies | |
| Dr | Cr |
| End bal before adj 1,900 | May.31. adj 900 |
|  |  |
| End bal after adj 1,000 |  |

|  |  |
| --- | --- |
| Prepaid insurance | |
| Dr | Cr |
| End bal before adj 3,600 | May.31. adj 150 |
|  |  |
| End bal after adj 3,450 |  |

|  |  |
| --- | --- |
| Equipment | |
| Dr | Cr |
| End bal before adj 11,400 |  |
|  |  |
| End bal after adj 11,400 |  |

|  |  |
| --- | --- |
| Acc – dep - Equipment | |
| Dr | Cr |
|  | End bal before adj 0 |
|  | May.31 adj 190 |
|  | E nd bal after adj 190 |

|  |  |
| --- | --- |
| Acc pay | |
| Dr | Cr |
|  | End bal before adj 4,500 |
|  |  |
|  | End bal after adj 4,500 |

|  |  |
| --- | --- |
| Utility pay | |
| Dr | Cr |
|  | End bal before adj 0 |
|  | 31.may. adj 250 |
|  | End bal after adj 250 |

|  |  |
| --- | --- |
| S & w pay | |
| Dr | Cr |
|  | End bal before adj 0 |
|  | 31.may. adj 1,104 |
|  | End bal after adj 1,104 |

|  |  |
| --- | --- |
| Unearned service rev | |
| Dr | Cr |
| May.31. adj 1,600 | End bal before adj 2,000 |
|  |  |
|  | End bal after adj 400 |

|  |  |
| --- | --- |
| S.C.O | |
| Dr | Cr |
|  | End bal before adj 18,700 |
|  |  |
|  | End bal after adj 18,700 |

|  |  |
| --- | --- |
| service rev | |
| Dr | Cr |
|  | End bal before adj 9,500 |
|  | May.31. adj 1,600 |
|  | May.31. adj 1, 700 |
|  | End bal after adj 12,800 |

|  |  |
| --- | --- |
| S & W exp | |
| Dr | Cr |
| End bal before adj 6,400 |  |
| May.31. adj 1,104 |  |
|  |  |
| End bal after adj 7,504 |  |

|  |  |
| --- | --- |
| Rent exp | |
| Dr | Cr |
| End bal before adj 900 |  |
|  |  |
|  |  |
| End bal after adj 900 |  |

|  |  |
| --- | --- |
| Supplies exp | |
| Dr | Cr |
| End bal before adj 0 |  |
| May.31. adj 900 |  |
|  |  |
| End bal after adj 900 |  |

|  |  |
| --- | --- |
| Dep exp | |
| Dr | Cr |
| End bal before adj 0 |  |
| May.31. adj 190 |  |
|  |  |
| End bal after adj 190 |  |

|  |  |
| --- | --- |
| Utility exp | |
| Dr | Cr |
| End bal before adj 0 |  |
| May.31. adj 250 |  |
|  |  |
| End bal after adj 250 |  |

|  |  |
| --- | --- |
| insurance exp | |
| Dr | Cr |
| End bal before adj 0 |  |
| May.31. adj 150 |  |
|  |  |
| End bal after adj 150 |  |

E3-12 )   
  
(A)   
  
10.July. Dr supplies 650   
 Cr cash 650   
  
14.Jul. Dr cash 2,200   
 Cr service rev 2,200   
  
15.July . Dr S & W exp 1,200   
 Cr cash 1,200   
  
20.July . Dr cash 1,000  
 Cr unearned service rev 1,000  
  
  
(B)   
  
31.Jul. Dr supplies exp 900   
 Cr supplies 900   
  
31.Jul. Dr S & W exp 1,200   
 Cr S & W payable 1,200   
  
31.Jul. Dr acc rec 500  
 Cr service rev 500 Dr acc rec 500   
 Dr unearned service rev 1,150   
31.Jul. Dr unearned service rev 1,150 Cr service rev 1,650   
 Cr service rev 1,150   
  
  
  
  
  
  
  
  
  
  
  
  
  
  
P3-1 )  
Monthly F.S – monthly adj entries ( MAY)   
  
(A) Adj entries   
31.May. Dr supplies exp 900  
 Cr supplies 900   
  
31.May. Dr Utility exp 250   
 Cr utility payable 250   
  
31.May. Dr insurance exp 150   
 Cr prepaid insurance exp 150   
  
insurance for one month = insurance for 2 year /24 = 3,600 /24 = 150   
or   
insurance in one year = 3,600/2 = 1,800   
insurance for one month = 1,800 /12 = 150   
  
31.May. Dr unearned service rev 1,600   
 Cr service rev 1,600

|  |  |
| --- | --- |
| Unearned rev | |
| Dr | Cr |
| 31.may adj X | End bal before adj 2,000 |
|  |  |
|  | End bal after adj 400 |

2,000-X = 400   
-X = 400 – 2,000   
-x = -1,600   
X = 1,600   
  
31.may . Dr S & W exp 1,104   
 Cr S & W pay 1,104   
  
  
26.5. Friday ( pay day )   
27.5. Sat   
28.5. Sunday   
29.5 Monday   
30.5 Tuesday   
31.5 Wednesday   
1.6 Thursday   
2.6 Friday ( pay day)   
  
wage rate per employee (each 3 working days) = 920\*3/5 = 552   
wage rate for 2 employees ( each 3 working days ) = 552\*2 = 1,104   
  
31.May. Dr dep exp 190   
 Cr acc dep – equipment 190   
  
31.May. Dr acc rec 1,700   
 Cr service rev 1,700   
  
(B)

|  |  |
| --- | --- |
| Cash | |
| Dr | Cr |
| End bal before adj 4,500 |  |

|  |  |
| --- | --- |
| Acc rec | |
| Dr | Cr |
| End bal before adj 6,000 |  |
| 31.may adj 1,700 |  |
| End bal after adj 7,700 |  |

|  |  |
| --- | --- |
| Supplies | |
| Dr | Cr |
| End bal before adj 1,900 | 31.may adj 900 |
|  |  |
| End bal after adj 1,000 |  |

|  |  |
| --- | --- |
| Prepaid insurance | |
| Dr | Cr |
| End bal before adj 3,600 | 31.may adj 150 |
|  |  |
| End bal after adj 3,450 |  |

|  |  |
| --- | --- |
| Equipment | |
| Dr | Cr |
| End bal before adj 11,400 |  |
| Acc dep | |
| Dr | Cr |
|  | End bal before adj 0 |
|  | 31.may adj 190 |
|  | End bal after adj 190 |

|  |  |
| --- | --- |
| Acc pay | |
| Dr | Cr |
|  | End bal before adj 4,500 |
|  |  |
|  | End bal after adj 4,500 |

|  |  |
| --- | --- |
| S & W pay | |
| Dr | Cr |
|  | End bal before adj 0 |
|  | 31.May. adj 1,104 |
|  | End bal after adj 1,104 |

|  |  |
| --- | --- |
| Utility pay | |
| Dr | Cr |
|  | End bal before adj 0 |
|  | 31.May. adj 250 |
|  | End bal after adj 250 |

|  |  |
| --- | --- |
| Uearned service rev | |
| Dr | Cr |
| 31.May. adj 1,600 | End bal before adj 2,000 |
|  |  |
|  | End bal after adj 400 |

|  |  |
| --- | --- |
| S.C.O | |
| Dr | Cr |
|  | End bal before adj 18,700 |
|  |  |
|  | End bal after adj 18,700 |

|  |  |
| --- | --- |
| service rev | |
| Dr | Cr |
|  | End bal before adj 9,500 |
|  | 31.May. adj 1,600 |
|  | 31.May. adj 1,700 |
|  | End bal after adj 12,800 |

|  |  |
| --- | --- |
| Supplies exp | |
| Dr | Cr |
| End bal before adj 0 |  |
| 31.may adj 900 |  |
| End bal after adj 900 |  |

|  |  |
| --- | --- |
| Utility exp | |
| Dr | Cr |
| End bal before adj 0 |  |
| 31.may adj 250 |  |
| End bal after adj 250 |  |

|  |  |
| --- | --- |
| S & w exp | |
| Dr | Cr |
| End bal before adj 6,400 |  |
| 31.may adj 1,104 |  |
| End bal after adj 7,504 |  |

|  |  |
| --- | --- |
| rent exp | |
| Dr | Cr |
| End bal before adj 900 |  |
|  |  |
| End bal after adj 900 |  |

|  |  |
| --- | --- |
| Insurance exp | |
| Dr | Cr |
| End bal before adj 0 |  |
| 31.may adj 150 |  |
| End bal after adj 150 |  |

|  |  |
| --- | --- |
| Dep exp | |
| Dr | Cr |
| End bal before adj 0 |  |
| 31.may adj 190 |  |
| End bal after adj 190 |  |