

EXERCISE E4-4

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(a) Closing Entries

Apr 30	Service Revenue	15,590	
	Income Summary		15,590
30	Income Summary	12,328	
	Salaries Expense		10,840
	Rent Expense		760
	Depreciation Expense		671
	Interest Expense		57
30	Income Summary	3,262	
	X. Pisa, Capital		3,262
30	Pisa, Capital	3,650	
	X. Pisa, Drawing		3,650

(b)

<u>Income Summary</u>		<u>X. Pisa, Capital</u>
12,328	*	3,650
		27,690
3,262	*	
		3,262
15,590	*	
		3,262
<u>15,590</u>	*	
		3,262
	*	B = 27,572

EXERCISE E4-6

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(b) Adjusting Entries

- (a) Accounts Receivable 9,000
 Service Revenue 9,000
(beg bal of A/R must have been \$25,000)
- (b) Insurance Expense 6,000
 Prepaid Insurance 6,000
(end bal of Insurance Expense must be \$6,000)
- (c) Supplies Expense 4,500
 Supplies 4,500
(end bal of Supplies must be \$2,500)
- (d) Depreciation Expense 10,000
 Accumulated Depreciation 10,000
(end bal of Acc Depr must be \$22,000)
- (e) Salaries Expense 5,600
 Salaries Payable 5,600
(beg bal of Salaries Payable must have been zero)
(beg bal of Salaries Exp must have been \$43,400)

EXERCISE E4-8

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(a) Closing Entries

July 31	Service Revenue	64,000	
	Rent Revenue	6,500	
	Income Summary		70,500
31	Income Summary	78,600	
	Depreciation Expense		8,000
	Salaries Expense		55,700
	Utilities Expense		14,900
31	X. Turner, Capital	8,100	
	Income Summary		3,100
31	X. Turner, Capital	16,000	
	Turner, Drawing		16,000

(b)

<u>Income Summary</u>		<u>X. Turner, Capital</u>
78,600	*	8,100
	*	16,000
74,600	*	B=21,100
	*	
	*	
	*	

EXERCISE E4-7

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(a) Closing Entries

June 30	Service Revenue	4,300	
	Income Summary		4,300
30	Income Summary	3,500	
	Sal and Wages Expense		1,344
	Supplies Expense		1,900
	Miscellaneous Expense		256
30	Income Summary	800	
	W. Turenne, Capital		800
30	W. Turenne, Capital	628	
	W. Turenne, Drawing		628

(b)

Income Summary		
3,500	*	4,300
800	*	
4,300	*	4,300
	*	

BRIEF EXERCISE BE4-4

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Closing Entries

Dec 31	Service Revenue	50,000	
	Income Summary		50,000
31	Income Summary	34,000	
	Sal and Wages Expense		27,000
	Supplies Expense		7,000
31	Income Summary	16,000	
	X. Quentin, Capital		16,000
31	X. Quentin, Capital	2,000	
	X. Quentin, Drawing		2,000

BRIEF EXERCISE BE4-5

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Income Summary		X. Quentin, Capital
34,000	*	50,000
16,000	*	2,000
50,000	*	30,000
50,000	*	16,000
	*	B=44,000

BRIEF EXERCISE BE4-6

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Closing Entries

July 31	Service Revenue	16,400	
	Income Summary		16,400
31	Income Summary	10,700	
	Sal and Wages Expense		8,200
	Main. and Repairs Exp		2,500
31	Income Summary	5,700	
	<i>A. Palmer, Capital</i>		5,700

Income Summary

10,700	*	16,400
5,700	*	
<u>16,400</u>	*	<u>16,400</u>
	*	

BRIEF EXERCISE *BE4-12

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Adjusting Entry

Sal and Wages Expense	2,100	
Sal and Wages Payable		2,100

Reversing Entry

Sal and Wages Payable	2,100	
Sal and Wages Expense		2,100

Sal and Wages Expense

*R 2,100

*

*

Salaries Payable

R 2,100 * A 2,100

*

*

Payment of \$2,800 on first payday in following year

Sal and Wages Expense	2,800	
Cash		2,800

Sal and Wages Expense

2,800 * R 2,100

*

*

Salaries Payable

R 2,100 * A 2,100

*

*

EXERCISE E4-13

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(1)

Was Recorded As:

Accts Pay	Cash
*	*
480	480
*	*

Should Have Been Recorded As:

Accts Pay	Cash
*	*
840	840
*	*

CORRECTING ENTRY

Accts Payable
Cash

360

360

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(2)

Was Recorded As:

Equipment	Accts Pay
*	*
56 *	* 56
*	*

Should Have Been Recorded As:

Supplies	Accts Pay
*	*
560 *	* 560
*	*

CORRECTING ENTRY

Supplies	560	
Equipment		56
Accounts Payable		504

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(3)

Was Recorded As:

Sal & Wg Exp	Cash
*	*
500	500
*	*

Should Have Been Recorded As:

C.W., Drawing	Cash
*	*
500	500
*	*

CORRECTING ENTRY

C. Williams, Drawing	500	
Sal and Wages Expense		500

Chapter 4 -- Question *20

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Date	Account Titles	Ref.	Debit	Credit
	<u>Adjusting Entries</u>			
	Interest Expense		incurred	
	Interest Payable			incurred
	<u>Reversing Entries</u>			
	Interest Payable		incurred	
	Interest Expense			incurred

Chapter 4 -- Question *21

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Date	Account Titles	Ref.	Debit	Credit
(a)	Sal and Wages Exp		8,000	
	Cash			8,000
(b)	Salaries Payable		3,500	
	Salaries Expense		4,500	
	Cash			8,000