|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
|  | Insurance Exp DrPrepaid Insurance CrSupplies Exp DrSupplies CrDepreciation Exp Cottage DrAccumulated Depreciation Cottage CrDepreciation Exp Furniture DrAccumulated Depreciation Furniture CrUnearned rent revenue DrRent revenue CrSalary Exp DrSalary Payable Cr A/R DrRent Revenue CrInterest Exp DrInterest Payable Cr (80000\*9%=7200/12=600) |  | 12002700150060041004001000600 | 12002700150060041004001000600 |

 Prob 2

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  Prob 1 |  |  |  |
| 1.2.34.5.6.7. | Supplies Exp DrSupplies CrUtility Exp DrUtility Payable Cr Insurance Exp DrPrepaid Insurance CrUnearned service revenue DrService revenue CrSalary Exp DrSalary Payable Cr Depreciation Exp Office Equipment DrAccumulated Depreciation O/E CrA/R DrService Revenue Cr |  | 140015025025002000250 1000 | 1400150250250020002501000 |
|  |  |  |  |  |

 Adjusted trial balance (Problem 2)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
|  | CashSupplies (3300-2700)Prepaid Insurance (6000-1200)LandCottageFurnitureA/PUnearned rent revenue(7400-4100)Mortgage payableCapitalDrawingRent revenue(80000+4100+1000)Repair expSalary exp(51000+400)Utility expInsurance ExpSupplies Exp Depreciation Exp Cottage Accumulated Depreciation Cottage Depreciation Exp Furniture Accumulated Depreciation Furniture Salary Payable A/RInterest ExpInterest Payable |  | 1960060048002500012500026000500036005140094001200270015006001000600 | 6500330080000100000851001500600400600 |

Problem 3

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
| 1.2.3.4.5.6.7. | A/R DrAdvertising Revenue CrUnearned advertising revenue DrAdvertising Revenue CrArt supplies exp DrArt supplies CrInsurance Exp DrPrepaid Insurance CrDepreciation Exp DrAccumulated Depreciation CrInterest Exp DrInterest Payable Cr Salary Exp DrSalary Payable Cr 22500-20000=250062700-58600=41007200-5600=16002500+1600=4 |  | 25001600360085060001501300 | 25001600360085060001501300 |

 Income Statement

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Advertising Revenue\_ Salary Exp Insurance  Interest Depreciation Art supplies  Rent Total expNet income | 11300850500600036004000 | 627002625036450 |

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Beg cap+ N/I-Drawings | 255003645012000 | 49950 |

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Asset:CashA/RPrepaid insurance SuppliesPrinting Equipment 60000* Accumulated depreciation 34000

Total assetLiability:A/PInterest PayableN/PUnearned advertising revSalary payableTotal liabilityCapital Total liability & capital | 110002250025005000260005000150500056001300 | 67000170504995067000 |

Req: c(1)

Interest for 6 months 150 tk

Interest for 12 months 150\*2=300 Tk

Rate of interest = Annual interest/Amount of Note payable \*100

 = 300/5000\*100=6%

Req: c(2)

Salary paid in 2010 12500 Tk

Salary exp paid for 2010 10000 Tk

Salary payable in 2009 2500 Tk

Prob 5

Sep 8: Salary exp Dr 900

 Salary payable Dr 500

 Cash Cr 1400

Sep 10: Cash Dr 1200

 A/R Cr 1200

Sep 20: A/P Dr 4500

 Cash Cr 4500

Adjusting Journal

1.Supplies exp Dr 2000

 Supplies Cr 2000

4.Unearned service rev Dr 1450

 Service Rev Cr 1450

Prob set B

Prob no 1:

4. Unearned service rev Dr 1600

Service rev Cr 1600

5. Salary exp Dr 800\*2 1600

Salary payable Cr 1600