

EXERCISE E3-6

page 133

Date	Account Titles	Ref.	Debit	Credit
1.	Accounts Receivable		1,000	
	Service Revenue			1,000
2.	Supplies Expense		300	
	Store Supplies			300
3.	Utility Expense		225	
	Utilities Payable			225
4.	Unearned Revenue		260	
	Service Revenue			260
5.	Sal & Wages Expense		800	
	Sal & Wages Payable			800
6.	Insurance Expense		350	
	Prepaid Insurance			350

EXERCISE E3-7

page 133-134

Date	Account Titles	Ref.	Debit	Credit
3/31	Depreciation Expense		1,200	
	Acc. Depr.-- Eqpt.			1,200
	(\$400 x 3)			
2.	Unearned Rent Revenue		3,400	
	Rent Revenue			3,400
	(\$10,200/3)			
3.	Interest Expense		500	
	Interest Payable			500
4.	Supplies Expense		1,900	
	Supplies			1,900
	(\$2,800 - \$900)			
5.	Insurance Expense		600	
	Prepaid Insurance			600
	(\$200 x 3)			

EXERCISE E3-8

page 134

Date	Account Titles	Ref.	Debit	Credit
1.	Accounts Receivable		875	
	Service Revenue			875
2.	Utilities Expense		650	
	Accounts Payable			650
3A.	Depreciation Expense		400	
	Acc. Depr. -- Equipment			400
3B.	Interest Expense		500	
	Interest Payable			500
4.	Insurance Expense		2,000	
	Prepaid Insurance			2,000
5.	Supplies Expense		1,200	
	Supplies			1,200

EXERCISE E3-9 – page 134

Date	Account Titles	Ref	Debit	Credit
1.	Supplies Expense		2,000	
	Supplies			2,000
	(\$2,500 - \$500)			
2.	Insurance Expense		100	
	Prepaid Insurance			100
3.	Depreciation Expense		50	
	Acc. Depr. -- Equipment			50
4.	Unearned Service Revenue		600	
	Service Revenue			600
5.	Accounts Receivable		300	
	Service Revenue			300
6.	Interest Expense		95	
	Interest Payable			95
7.	Salaries Expense		1,625	
	Salaries Payable			1,625

EXERCISE E3-17
page 137
Instruction (a)

Date	Account Titles	Ref.	Debit	Credit
Jan 2	Insurance Expense		1,920	
	Cash			1,920
10	Supplies Expense		1,700	
	Cash			1,700
15	Cash		6,100	
	Service Revenue			6,100

EXERCISE E3-17
page 137
Instruction (b)

Date	Account Titles	Ref.	Debit	Credit
Jan 31	Prepaid Insurance		1,760	
	Insurance Expense			1,760
31	Supplies		650	
	Supplies Expense			650
31	Service Revenue		3,600	
	Unearned Revenue			3,600

Each of the above would need to be reversed.

Chapter 3 -- Question 11
page 129

	<u>Depr. Exp.</u>	<u>Acc. Depr.</u>
Classification?	expense	contra asset
Normal Bal?	debit	credit
Fin Stmt?	Income Statement	Balance Sheet
Real/Nominal?	nominal	real
Closed?	yes	“accumulated”
Step?	2	---
P.C.T.B.?	no	yes

EXERCISE E3-13 – pages 135-136

Date	Account Titles	Ref	Debit	Credit
1.	Accounts Receivable		2,000	
	Service Revenue			2,000
2.	Supplies Expense		1,400	
	Supplies			1,400
3.	Insurance Expense		1,500	
	Prepaid Insurance			1,500
4.	Depreciation Expense		900	
	Acc. Depr - Eqpt			900
5.	Sal & Wages Expense		1,100	
	Sal & Wages Payable			1,100
6.	Unearned Rent Revenue		900	
	Rent Revenue			900

BRIEF EXERCISE *BE3-11

page 131

Date	Account Titles	Ref	Debit	Credit
(a)	Supplies		700	
	Supplies Expense			700
(b)	Service Revenue		3,000	
	Unearned Service Rev			3,000

BRIEF EXERCISE BE3-7

page 130

Date	Account Titles	Ref	Debit	Credit
1.	Interest Expense		400	
	Interest Payable			400
2.	Accounts Receivable		1,900	
	Service Revenue			1,900
3.	Sal & Wages Expense		900	
	Sal & Wages Payable			900