ACCT203-IP3-Adjusting Entries- Student Template

1. **Create journal entries for the following adjustment entries:**

M. Received $1,500 cash from a customer for 3 months of service

N. Employees are paid $2,250 every Friday for a 5-day work week. April 30, 2021 is a Wednesday.

O. Record use of 1 month’s prepaid auto insurance ($900 for 3 months).

P. On April 30, 2021, the supplies on hand is $45 (On April 1, 2021 it was $350).

Q, Depreciation for the current month includes equipment ($750) and trucks ($450). Make a compound entry.

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| Journal Entry | | | |
|  | **ACCOUNT** | **DEBIT** | **CREDIT** |
| **M.** |  |  |  |
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| **N.** |  |  |  |
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|  |  |  |  |
| **O.** |  |  |  |
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| **P.** |  |  |  |
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| **Q.** |  |  |  |
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1. **Post the transaction to the ledger. Your general ledger cash balance uses a full ledger sheet; use the T Chart for all other accounts. (Transactions a–l are from IP2. However, amounts have been changed.)**

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| **Colorado Service Center** | | | | | | |
| **General Ledger** | | | | | | |
| **Account: Cash** | | | | | Account Number: 101 | |
|  |  |  |  | | **Balance** | |
|  | **Trans.** | **Description** | **DEBIT** | **CREDIT** | **DEBIT** | **CREDIT** |
| **1** |  | Open Balance | 35,000 |  | 35,000 |  |
| **2** | **a.** | Notes Payable | 49,000 |  | 84,000 |  |
| **3** | **b.** | Land |  | 26,500 | 57,500 |  |
| **4** | **d.** | Service Revenue | 4.300 |  | 61.800 |  |
| **5** | **f.** | Payment on account |  | 3,275 | 58,525 |  |
| **6** | **g.** | Expenses |  | 6,000 | 52,525 |  |
| **7** | **h.** | Received payment | 3,100 |  | 55,625 |  |
| **8** | **i.** | Prepaid Auto Insurance |  | 900 | 54,725 |  |
| **9** | **k.** | Harper, drawing |  | 3,500 | 51,225 |  |
| **10** | **l.** | Maintenance Expense |  | 230 | 50,995 |  |
| **11** |  |  |  |  |  |  |
| **12** |  |  |  |  |  |  |
| **13** |  |  |  |  |  |  |

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| **Equipment** | | | | | | |  | | **Truck** | | | | | | | |
| Bal | 17,500 |  | | |  | |  | | Bal | | 29,000 | |  | |  | |
| **Bal.** |  |  | | |  | |  | | **Bal.** | |  | |  | |  | |
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| **Accum. deprec. equipment** | | | | | | |  | | **Accum. deprec. truck** | | | | | | | |
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| **Bal.** |  |  | | |  | |  | | **Bal.** | |  | |  | |  | |
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| **Accounts receivable** | | | | | |  | | **Supplies** | | | | | | | |
| Bal. | 4,200 | | h. | 3,100 | |  | | e. | | 350 | |  | |  | |
| c. | 5,560 | |  |  | |  | |  | |  | |  | |  | |
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| **Bal.** |  | |  |  | |  | | **Bal.** | |  | |  | |  | |
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| **Land** | | | | | | |  | | **Prepaid auto insurance** | | | | | | | |
| b. | 26,500 |  | | |  | |  | | i. | | 900 | |  | |  | |
|  |  |  | | |  | |  | |  | |  | |  | |  | |
| **Bal.** |  |  | | |  | |  | | **Bal.** | |  | |  | |  | |
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| **Accounts payable** | | | | | | |  | | **Notes payable** | | | | | | | |
| f. | 3,275 | Bal. | | | 5,700 | |  | |  | |  | | a. | | 49,000 | |
|  |  | e. | | | 350 | |  | |  | |  | |  | |  | |
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| **Bal.** |  |  | | |  | |  | | **Bal.** | |  | |  | |  | |
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| **Salary payable** | | | | | | |  | | **Utilities payable** | | | | | | | |
|  |  |  | | |  | |  | |  | |  | | j. | | 255 | |
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| **Bal.** |  |  | | |  | |  | | **Bal.** | |  | |  | |  | |
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| **Unearned service revenue** | | | | | | |  | | **Service revenue** | | | | | | | |
|  |  |  | | |  | |  | |  | |  | | c. | | 5,560 | |
|  |  |  | | |  | |  | |  | |  | | d. | | 4,300 | |
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| **Bal.** |  |  | | |  | |  | | **Bal.** | |  | |  | |  | |
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| **Harper, capital** | | | | | | |  | | **Harper, drawing** | | | | | | | |
|  |  | Bal. | | | 80,000 | |  | | k. | | 3,500 | |  | |  | |
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| **Bal.** |  |  | | |  | |  | | **Bal.** | |  | |  | |  | |
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| **Deprec. expense - equipment** | | | | | | |  | | **Deprec. expense - truck** | | | | | | | |
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| **Bal.** |  |  | | |  | |  | | **Bal.** | |  | |  | |  | |
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| **Insurance expense** | | | | | | |  | | **Rent expense** | | | | | | | |
|  |  |  | | |  | |  | | g. | | 2,000 | |  | |  | |
| **Bal.** |  |  | | |  | |  | | **Bal.** | |  | |  | |  | |
|  | | | | | | |  | |  | | | | | | | |
| **Salary expense** | | | | | | |  | | **Supplies expense** | | | | | | | |
| g. | 4,000 |  | | |  | |  | |  | |  | |  | |  | |
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| **Bal.** |  |  | | |  | |  | | **Bal.** | |  | |  | |  | |
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| **Maintenance expense** | | | | | | |  | | **Utilities expense** | | | | | | | |
| l. | 230 |  | | |  | |  | | j. | | 255 | |  | |  | |
| **Bal.** |  |  | | |  | |  | | **Bal.** | |  | |  | |  | |

1. **Prepare the adjusted trial balance of Colorado Service Center at April 30, 2021.**

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| **Colorado Service Center** | | |
| **Adjusted Trial Balance** | | |
| **April 30, 2021** | | |
| **ACCOUNT** | **DEBIT** | **CREDIT** |
| **Cash** |  |  |
| **Equipment** |  |  |
| **Truck** |  |  |
| **Accum. deprec. equipment** |  |  |
| **Accum. deprec. truck** |  |  |
| **Accounts receivable** |  |  |
| **Supplies** |  |  |
| **Land** |  |  |
| **Prepaid auto insurance** |  |  |
| **Accounts payable** |  |  |
| **Notes payable** |  |  |
| **Salary payable** |  |  |
| **Utilities payable** |  |  |
| **Unearned Service Revenue** |  |  |
| **Harper, capital** |  |  |
| **Harper, drawing** |  |  |
| **Service revenue** |  |  |
| **Depreciation expense - Equip** |  |  |
| **Depreciation expense – Truck** |  |  |
| **Insurance expense** |  |  |
| **Rent expense** |  |  |
| **Salary expense** |  |  |
| **Supplies expense** |  |  |
| **Maintenance Expense** |  |  |
| **Utilities expense** |  |  |
| **Total** |  |  |

1. **Complete the end of the accounting cycle for Colorado Service Center by creating the income statement, statement of owner’s equity, and balance sheet for the month ending April 30, 2021.**

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| **Income Statement** | | | |
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|  | **Revenue:** |  |  |
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|  | **Expenses:** |  |  |
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|  | **Total Expenses** |  |  |
|  | **Net Income** |  |  |
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| **Statement of Owner's Equity** | | |
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|  | **Harper, capital – April 1, 2021** |  |
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|  | Less: Harper, drawing |  |
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| **Balance Sheet** | | | | | |
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| **Assets** | | |  | **Liabilities** | |
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| **Equipment** |  |  |  |  |  |
| **Less: Accum. Dep.** |  |  |  | **Total Liabilities** |  |
| **Truck** |  |  |  |  |  |
| **Less: Accum. Dep.** |  |  |  | **Owner's Equity** |  |
|  |  |  |  |  |  |
| **Total Assets** | |  |  | **Total Liabilities & OE** | 131,600 |