



National University of Computer & Emerging Sciences, Karachi
Fall-2024 BSCS-FAST-School of Computer Science



Quiz 2 BSCS(3B)

28 October, 2024, 11.00 AM to 12.00 AM

Course Code: AF1001	Course Name: Fundamental of Accounting
Instructor Name: Muhammad Ahsan	
Student Roll No:	Section No: BCS-3B

QUESTION 1 (10 MARKS) CLO2

The Off-Campus Playhouse adjusts its accounts every month. Below is the company's unadjusted trial balance dated September 30, 2011. Additional information is provided for use in preparing the company's adjusting entries for the month of September. (Bear in mind that adjusting entries have already been made for the first eight months of 2011.)

OFF-CAMPUS PLAYHOUSE UNADJUSTED TRIAL BALANCE SEPTEMBER 30, 2011			
Cash	\$	8,200	
Prepaid costume rental		1,800	
Land		80,000	
Building		150,000	
Accumulated depreciation: building			\$ 18,500
Fixtures and equipment		18,000	
Accumulated depreciation: fixtures and equipment			4,500
Notes payable			100,000
Accounts payable			5,700
Unearned admissions revenue (nursing homes)			1,500
Income taxes payable			4,700
Capital stock			9,000
Retained earnings			26,400
Dividends		9,000	
Admissions revenue			180,200
Concessions revenue			19,600
Salaries expense		57,400	
Costume rental expense		2,700	
Utilities expense		7,100	
Depreciation expense: building		4,000	
Depreciation expense: fixtures and equipment		2,400	
Interest expense		8,500	
Income taxes expense		21,000	
		<u>\$370,100</u>	<u>\$370,100</u>

Other Data

1. Costume rental expense for the month is \$600. However, the costume rental expense for several months has been paid in advance.
2. The building is being depreciated over a period of 25 years (300 months).
3. The fixtures and equipment are being depreciated over a period of five years (60 months).
4. On the first of each month, the theater pays the interest which accrued in the prior month on its note payable. At September 30, accrued interest payable on this note amounts to \$1,062.
5. The playhouse allows local nursing homes to bring seniors to the plays on any weekday performance for a fixed price of \$500 per month. On August 31, a nursing home made a \$1,500 advance payment covering the months of September, October, and November.
6. The theater receives a percentage of the revenue earned by Sweet Corporation, the concessionaire operating the snack bar. For snack bar sales in September, Sweet owes Off-Campus Playhouse \$4,600, payable on October 14. No entry has yet been made to record this revenue.
7. Salaries earned by employees, but not recorded or paid as of September 30, amount to \$2,200. No entry has yet been made to record this liability and expense.
8. Income taxes expense for September is estimated at \$3,600. This amount will be paid in the October 15 installment payment.
9. Utilities expense is recorded as monthly bills are received. No adjusting entries for utilities expense are made at month-end.

Instructions

prepare the necessary adjusting entry.