

2/15

Make an adjusting entry for each of the following information for the month of March:

(15 Marks)

- 855 a. The useful life of the office equipment was estimated five years with zero salvage value. Record depreciation for the month of March.

$$\begin{array}{r} 285 \times 3 \\ 855 \\ 1710 \\ 2565 \\ 3420 \\ 4275 \\ 5130 \\ 5985 \\ 6840 \\ 7695 \\ 8550 \end{array}$$

~~office~~
dep. exp office equipment
Accum. dep office equipment

Dr	Cr
190	
	190
	285
3	6
1710	1710
51	51
68	68
	30

- b. Fees of \$8,400 were earned during the month of March from services performed for clients who had paid in advance. Record the adjusting entry.

~~Fees Receivable~~ 8,400
Unearned Retainer Fees
Fees earned 8,400

- c. Salaries earned by employees during March but not yet paid and recorded amounted to \$1,665. Record it now.

1

Salaries exp 1,665
Cash payable 1,665

$$\begin{array}{r} 18 \\ 54 \\ 3 \end{array}$$

- d. On March 1, the business moved into a new office and paid the first three months' rent (\$5,400) in advance. Record the adjusting entry for March now.

2

Pre-paid rent
Rent expense 1800
~~Account payable~~ 3600

- e. Services rendered to clients during March but not yet recorded amounted to \$3,900. Record it now.

3

~~Account payable~~ 3900
Unearned Retainer fees 3900
Fee earned

- f. Office supplies on hand at March 31 amounted to \$700. Record the adjusting entry.

4

office supplies exp 700 - 1050 = 350
office supplies 700 - 1050 = 350

