

12/03/19

Problema #03: Gibbons Repair Service (Unadjusted T-B)

Account title	Debit	Credit
Cash	200	
A/R	1,500	
Prepaid advertising	400	
Supplies on hand	3,000	
Equipment	9,600	
A/P		800
Capital		10,000
Drawing	3,600	
Services fees		14,000
Rent expense	5,500	
Wages expense	1,000	
<del>Total</del> Total	24,800	24,800

### \* Adjusting Entries:

Adjustments	Debit	Credit
a) Advertising expense <small>400, 100 each month</small>	100	
Prepaid advertising		<del>200</del> 100
b) Supplies expense <small>3000-1300=1700</small>	1,700	
Supplies		1,700
c) <del>Acc.</del> Dep. Equipment	1,200	
Acc. Dep. Equipment		1,200

c) Balance Sheet

Gibbons Repair Service

Balance Sheet

As of Dec, 2009

Asset		Liability & O.E	
Cash	200	A/P	1,300
A/R	1,900	W/P	150
Prepaid Advertising	300	Ending Capital	10,650
Supplies on hand	1,300		
Equipment	9,600		
Acc. Dep. Equipment	(1,200)		
	12,100		12,100



(8)

### \* Financial Statements:

#### a) Income Statement

Gibbons repair service

Income Statement

for the period of ending time Dec. 2009

##### Revenues:

Service fees	14,400
Total revenue	14,400

##### Expenses:

Rent	6,000
Wages	1,350
Advertising	100
Supplies	1,700
Dep. equipment	1,200
Total expense	10,250

$$\text{gain} = 14,400 - 10,150 = 4,250$$

#### b) Owner Equity

Beginning capital	10,000
Add: net income	4,250
Less: Owner's withdrawal	(3,600)
Ending capital	10,650

d) A/R		
Service fees	400	
e) Rent expense		400
A/P	500	
f) Wages expense		500
Wages payable (W/P)	150	
		150

\*Adjusted Trial Balance

Account title	Debit	Credit
Cash	200	
A/R <span>1500+400</span>	1,900	
Prepaid advertising <span>400-100</span>	300	
Supplies on hand <span>3000-1700</span>	1,300	
Equipment	9,600	
A/P <span>800+400 +100(prepaid/A)=12</span>		1,300
W/P <span>wages expense</span>		150
Capital		10,000
Drawing	3,600	
Service fees <span>14000+400</span>		14,400
Rent expense <span>6000+500</span>	6,000	
Wages expense <span>1000+150</span>	1,150	
Advertising expense	100	
Supplies expense	1,200	
Dep. exp. equipment		1,200
Acc. dep. equipment	22,050	22,050