

**Solution:**

(1)

| JOURNAL ENTRIES FOR SALARIES (in \$) |                               |        |        |
|--------------------------------------|-------------------------------|--------|--------|
| Name: Choi Co.                       |                               |        |        |
| Date                                 | Particulars                   | Debit  | Credit |
| March                                | Compensation Expense          | 40,000 |        |
|                                      | To Cash                       |        | 30,000 |
|                                      | To Accrued Wages              |        | 10,000 |
|                                      | (Being salary paid for March) |        |        |

(2)

The current salaries and wages payable will be \$10,000 because the previous balance must have been cleared already!