

**Solution:**

(1)

JOURNAL ENTRY FOR SUBSCRIPTIONS (in millions of \$)		
Particulars	Debit	Credit
Cash To Unearned Subscription Revenue (Being new subscriptions for the year)	35	35
Unearned Subscription Revenue To Sales (Being magazines delivered)	30	30

(2)

Unearned Revenue account will be incremented with the unearned subscription revenue earned during 2012 April.

Thus,

$$\text{Total unearned revenue (April 2012)} = \$340.4 + \$5 = \$345.4 \text{ million}$$