

1. Thomas Magnum began operations as a private investigator on January 1, 2017. The trial balance at the end of 1st quarter is as follows-

Thomas Magnum P.I.
Trial Balance
For the Quarter Ended March 31, 2017

S.L.	Particulars	Trial Balance	
		Dr.	Cr.
1	Cash	11400	
2	A/R	5620	
3	Supplies	1050	
4	Prepaid Insurance	2400	
5	Equipments	30000	
6	N/P		10000
7	A/P		12350
8	Capital		20000
9	Drawings	600	
10	Service Revenue	-	13620
11	Salaries Expenses	2200	
12	Travel Expenses	1300	
13	Rent Expenses	1200	
14	Misc. Expenses	200	
	Total	<u>55970</u>	<u>55970</u>

Other Data:

- i. Supplies on hand total Tk. 380.
- ii. Depreciation is Tk. 1,000 per quarter.
- iii. Interest accrued on 6-month note payable, issued January 1, Tk. 300.
- iv. Insurance expires @ Tk. 200 per month.
- v. Services provided but unbilled at March 31 total Tk. 530.

Instructions:

Enter the trial balance on a work sheet and complete the worksheet.

2. The adjusted trial balance columns of the worksheet for Porter Company are as follows:

PORTER COMPANY
Worksheet
For the Year Ended December 31, 2016

Account No.	Particulars	Adjust. Trial Balance	
		Dr.	Cr.
101	Cash	18800	
112	A/R	16200	
126	Supplies	2300	
130	Prepaid Insurance	4400	
151	Office Equipment	44000	
152	Acc. Dep.- Off. Equip.		20000
200	N/P		20000
201	A/P		8000
212	Salaries Payable		2600
230	Interest Payable		1000
301	Capital		36000
306	Drawings	12000	
400	Service revenue		77800
610	Advertising Exp.	12000	
631	Supplies Exp.	3700	
711	Dep. Expenses	8000	
722	Insurance Exp.	4000	
726	Salaries Exp.	39000	
905	Interest Exp.	1000	
	Total	<u>165400</u>	<u>165400</u>

Instructions

- i. Complete the worksheet.
- ii. Prepare income statement.
- iii. Prepare Owner's Equity Statement.
- iv. Prepare Balance Sheet considering 50% amount of N/P is long term.
- v. Prepare Closing Entries.

H.W.3. At the end of its first month of operations, DREAM ANSWERING SERVICE has the following unadjusted trial balance.

DREAM ANSWERING SERVICE

August 31, 2016

Trial Balance

Particulars	Debit (Tk.)	Credit (Tk.)
Cash	5,400	--
Accounts Receivable	2,800	--
Prepaid Insurance	2,400	--
Supplies	1,300	--
Equipment	60,000	--
Notes Payable	--	40,000
Accounts Payable	--	2,400
Capital	--	30,000
Drawing	1,000	--
Service Revenue	--	4,900
Salaries Expenses	3,200	--
Utilities Expenses	800	--
Advertisement Expenses	400	--
Total	<u>77,300</u>	<u>77,300</u>

Other data:

- i. Insurance expires at the rate of Tk. 2,400 per year.
- ii. Tk. 400 supplies are expired in the month of August.
- iii. Advertisement expenses are accrued Tk. 600 during August.
- iv. Monthly depreciation on the equipment is Tk. 900.

Instructions: Prepare a worksheet.

H.W.4. PARAMOUNT SERVICE AGENCY started its operation on May 1, 2016. At the 31 August, 2016, PARAMOUNT SERVICE AGENCY has the following unadjusted trial balance-

PARAMOUNT SERVICE AGENCY
Trial Balance
For the period ended August 31, 2016

S.L.	Particulars	Trial Balance	
		Dr.	Cr.
1	Cash	54000	
2	A/R	28000	
3	Supplies	13000	
4	Prepaid Insurance	24000	
5	Equipments	600000	
6	N/P		400000
7	A/P		24000
8	Capital		300000
9	Drawings	10000	
10	Service Revenue	-	49000
11	Salaries Expenses	32000	
12	Travel Expenses	20000	
13	Utilities Expenses	8000	
14	Misc. Expenses	4000	
15	Unearned Revenue		20000
	Total	<u>793000</u>	<u>793000</u>

Other Data:

1. Insurance expired at the rate of Tk. 200 per month.
2. Tk. 1000 of supplies is on hand at August 31.
3. Monthly depreciation on equipment is Tk. 900.
4. Interest of Tk. 500 on the notes payable has accrued.