

## **Frequently Used Adjusting Journals**

<b>Items</b>	<b>Adjusting Journals</b>	<b>Remarks</b>
Use of Supplies	Supplies Exp. Dr. Supplies Cr.	For used portion only.
Use of Prepaid Expenses	..... Expense Dr. Prepaid ..... Cr.	<u>For Expired portion only:</u> Insurance Exp. Dr. Prepaid Insurance Cr.
Accrued/Due/Unpaid Expenses	..... Expense Dr. ..... Payable Cr.	<u>For Unpaid Salary:</u> Salaries Exp. Dr. Salaries Payable Cr.
Depreciation	Depreciation Exp. Dr. Accumulated Depreciation Cr.	Depreciation amount for that period only.
Service provided on account/credit	Accounts Receivable Dr. ..... Revenue Cr.	<u>For Service Revenue on credit:</u> Accounts Receivable Dr. Service Revenue Cr.
Earning from previously advance received amount	Unearned Service Revenue Dr. Service Revenue Cr.	For earned portion only.
Interest due on Note Payable	Interest Expense Dr. Interest Payable Cr.	For the interest amount of that period only.

**Adjusting Entries are done to comply with:**

- Matching (Expense Recognition) Principle
- Revenue Recognition Principle
- Time Period Assumption