

Following is the Unadjusted Trial Balance of ABC Company as at December 31, 2002:

Cash	4,000	
Office Supplies	2,800	
Prepaid Insurance	3,650	
Equipment	47,000	
Accumulated Amortization – Equipment		
Accounts Payable		13,000
Wages Payable		
John Doe, Capital		28,000
John Doe, Withdrawals	16,000	
Fees Earned		78,750
Amortization Expense – Equipment		
Wages Expense	35,000	
Insurance Expense		
Rent Expense	10,600	
Office Supplies Expense		
Utilities Expense	700	
	-----	-----
Totals	119,750	119,750
	=====	=====

1. Put the Unadjusted Trial Balance on the worksheet
2. Journalize the following adjustments
 - a. There was really only \$500 of Office Supplies on hand.
 - b. Expired insurance was \$3,000
 - c. Estimated amortization on the Office Equipment was \$3,000
 - d. Wages owing to one employee was \$600
3. Post the Adjusting entries on the worksheet
4. Complete the Worksheet
5. Journalize the year end Closing Entries.

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Adjusting Entries:

ADJ #	ACCOUNT	TYPE	DEBIT	CREDIT
a)				
	Explain:			
b)				
	Explain:			
c)				
	Explain:			
d)				
	Explain:			

Closing Entries:

#	ACCOUNT	TYPE	DEBIT	CREDIT
1.				
	Explain:			
2.				
	Explain:			
3.				
	Explain:			
4.				
	Explain:			

WORKSHEET

[illegible]

ABC COMPANY

WORKSHEET

DECEMBER 31, 2002

	Unadjusted T/Bal		Adjustments		Adjusted T/Bal		Income Statement		Balance Sheet	
	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Cash	4,000				4,000				4,000	
Office Supplies	2,800		a)	2,300	500				500	
Prepaid Insurance	3,650		b)	3,000	650				650	
Equipment	47,000				47,000				47,000	
Acc. Amort – Equip			c)	3,000		3,000				3,000
Accounts Payable		13,000				13,000				13,000
Wages Payable			d)	600		600				600
John Doe, Capital		28,000				28,000				28,000
John Doe, Withdrawals	16,000				16,000				16,000	
Fees Earned		78,750				78,750		78,750		
Amortization Expense			3,000	c)	3,000		3,000			
Wages Expense	35,000		600	d)	35,600		35,600			
Insurance Expense			3,000	b)	3,000		3,000			
Rent Expense	10,600				10,600		10,600			
Office Supplies Expense			2,300	a)	2,300		2,300			
Utilities Expense	700				700		700			
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	119,750	119,750	8,900	8,900	123,350	123,350	55,200	78,750	68,150	44,600
	=====	=====	=====	=====	=====	=====	23,550			23,550
							-----	-----	-----	-----
							78,750	78,750	68,150	68,150
							=====	=====	=====	=====

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Adjusting Entries:

ADJ #	ACCOUNT	TYPE	DEBIT	CREDIT
a)	Office Supplies Expense	EX	2,300	
	Office Supplies	A		2,300
	Explain: Adjust supplies to actual			
b)	Insurance Expense	EX	3,000	
	Prepaid Insurance	A		3,000
	Explain: Record expired insurance			
c)	Amortization Expense, Equipment	EX	3,000	
	Accumulated Amortization – Equipment	A		3,000
	Explain: Record estimated amortization			
d)	Wages Expense	EX	600	
	Wages Payable	L		600
	Explain: Record wages owed employee			

Closing Entries:

#	ACCOUNT	TYPE	DEBIT	CREDIT
1.	Fees Earned	R	78,750	
	Income Summary	T		78,750
	Explain: Close Revenue account			
2.	Income Summary	T	55,200	
	Amortization Expense – Equipment	EX		3,000
	Wages Expense	EX		35,600
	Insurance Expense	EX		3,000
	Rent Expense	EX		10,600
	Office Supplies Expense	EX		2,300
	Utilities Expense	EX		700
	Explain: Close Expense accounts			
3.	Income Summary	T	23,550	
	John Doe, Capital	EQ		23,550
	Explain: Close Income Summary to Capital			
4.	John Doe, Capital	EQ	16,000	
	John Doe, Withdrawals	EQ		16,000
	Explain: Close Withdrawals to Capital			