

Name: _____

3A Accounting Practice Test - Chapter 9

Section A: Adjustment Entries

1. Record the following adjusting entries in the General Journal below.

i) At the end of the month N. Bhatia noticed the need to adjust for the following changes to his accounts:

- One month's worth of office rent was now expired. N. Bhatia pays \$1,000.00 a month for rent.
- There were only \$100.00 of office supplies left on hand. N. Bhatia had \$600.00 of supplies at the beginning of this accounting period.
- One month's worth of depreciation on the office computer is recorded. N. Bhatia paid \$4,000.00 expects to use his computer for 3 years, after which he expects to sell it for \$400.00.

Date	Account Title and Explanation	P.R.	Debit	Credit
March 31	Rent Expense		1000.00	
	Prepaid Rent			1000.00
	<i>To adjust for one month's expired rent.</i>			
March 31	Supplies Expense		500.00	
	Supplies			500.00
	<i>To adjust for supplies consumed during the month.</i>			
March 31	Depreciation Exp – Office Equip.		100.00	
	Acc. Dep'n – Office Equip,			100.00
	<i>To adjust for one month's depreciation.</i>			

ii) Show these adjustments within the Eight-Column Worksheet provided. Go on to complete the

worksheet after the adjustments.

Section B: Closing Entries

1. Using the information contained within your worksheet, show the journal entries that would be used to record the closing entries. **Note: Remember to close ALL of your expense accounts, including the ones created in your adjusting entries.**

Date	Account Title and Explanation	P.R.	Debit	Credit
March 31	Fees Earned		7,000.00	
	Income Summary			7,000.00
	<i>To close the revenue accounts.</i>			
March 31	Income Summary		2,600.00	
	Bank Charges			50.00
	Car Expense			750.00
	Telephone Expense			200.00
	Rent Expense			1000.00
	Supplies Expense			500.00
	Depr'n Exp - Comp. Equip.			100.00
	<i>To close the expense accounts.</i>			
March 31	Income Summary		4,400.00	
	Capital			4,400.00
	<i>To close the Income Summary.</i>			
March 31	Capital		3,000.00	
	Drawings			3,000.00
	<i>To close the Drawings account.</i>			