

For preparing the adjusting entries, the following data were assembled:

- a. Supplies on hand on February 28 were P750.
- b. Fees earned but unbilled on February 28 were P2,900.
- c. Depreciation of equipment was estimated to be P5,400 for the year.
- d. Unpaid wages accrued on February 28 were P800.
- e. The balance in unearned fees represented the February 1 receipt in advance for services to be provided. Only P1,600 of the services was provided between February 1 and February 28.

Instructions: Journalize the adjusting entries necessary on February 28.

4. Jacksonville Financial Services Co., which specializes in appliance repair services, is owned and operated by Cindy Latty. Jacksonville Financial Services Co.'s accounting clerk prepared the unadjusted trial balance at December 31, 2012, shown below.

Jacksonville Financial Services Co.		
Unadjusted Trial Balance		
December 31, 2012		
	<u>Debit</u>	<u>Credit</u>
Cash	P 10,200	
Accounts Receivable	34,750	
Prepaid Insurance	6,000	
Supplies	1,725	
Land	50,000	
Building	80,750	
Accumulated Depreciation—Building		P 37,850
Equipment	45,000	
Accumulated Depreciation—Equipment		17,650
Accounts Payable		3,750
Unearned Rent		3,600
Cindy Latty, Capital		103,550
Cindy Latty, Drawing	8,000	
Fees Earned		158,600
Salaries and Wages Expense	56,850	
Utilities Expense	12,100	
Advertising Expense	7,500	
Repairs Expense	6,100	
Miscellaneous Expense	4,025	
	<u>P325,000</u>	<u>P325,000</u>

The data needed to determine year-end adjustments are as follows:

- a. Depreciation of building for the year, P2,100.
- b. Depreciation of equipment for the year, P3,000.
- c. Accrued salaries and wages at December 31, P800.
- d. Unexpired insurance at December 31, P1,500.
- e. Fees earned but unbilled on December 31, P2,150.
- f. Supplies on hand at December 31, P600.
- g. Rent unearned at December 31, P1,500.

Instructions: Journalize the adjusting entries. Add additional accounts as needed. Determine the balances of the accounts affected by the adjusting entries and prepare an adjusted trial balance.