

**Prob. 3–6A**

|   |       |       |
|---|-------|-------|
| 1. a. Accounts Receivable .....         | 8,000 |       |
| Fees Earned .....                       |       | 8,000 |
| Accrued fees earned.                    |       |       |
| b. Depreciation Expense.....            | 5,500 |       |
| Accumulated Depreciation—Equipment..... |       | 5,500 |
| Depreciation for July.                  |       |       |
| c. Wages Expense.....                   | 2,500 |       |
| Wages Payable.....                      |       | 2,500 |
| Accrued wages.                          |       |       |
| d. Supplies Expense .....               | 1,725 |       |
| Supplies.....                           |       | 1,725 |
| Supplies used.                          |       |       |

**2.**

|                   | Net<br>Income    | Total<br>Assets  | = | Total<br>Liabilities | + | Total<br>Owner's<br>Equity |
|-------------------|------------------|------------------|---|----------------------|---|----------------------------|
| Reported amounts  | \$ 99,480        | \$400,000        |   | \$100,000            |   | \$300,000                  |
| Corrections:      |                  |                  |   |                      |   |                            |
| Adjustment (a)    | + 8,000          | + 8,000          |   | 0                    |   | + 8,000                    |
| Adjustment (b)    | – 5,500          | – 5,500          |   | 0                    |   | – 5,500                    |
| Adjustment (c)    | – 2,500          | 0                |   | + 2,500              |   | – 2,500                    |
| Adjustment (d)    | – 1,725          | – 1,725          |   | 0                    |   | – 1,725                    |
| Corrected amounts | <u>\$ 97,755</u> | <u>\$400,775</u> |   | <u>\$102,500</u>     |   | <u>\$298,275</u>           |