Ex. 11–6

a.	June 30	Building	600,000	
		Land	400,000	
		Note Payable		500,000
		Cash		500,000
b.	Dec. 31	Note Payable	25,000	
		Interest Expense ($500,000 × 6% × 1/2)	15,000	
		Cash		40,000
c.	June 30	Note Payable	25,000	
		Interest Expense ($475,000 × 6% × 1/2)	14,250	
		Cash		39,250

Ex. 11–7

a. $5,847,000, the amount disclosed as the current portion of long-term debt.

b. The current liabilities increased by $377,000 ($5,487,000 – $5,110,000).

c. $13,723,000 ($19,210,000 – $5,487,000)

Ex. 11–8

a.	Regular pay (40 hrs. × $40)		$1,600.00
	Overtime pay (20 hrs. × $70)		1,400.00
	Gross pay		$3,000.00
b.	Gross pay		$3,000.00
	Less: Social security tax (6% × $3,000)	$180.00	
	Medicare tax (1.5% × $3,000)	45.00	
	Federal withholding	714.00	939.00
	Net pay		$2,061.00