

## Answers to Practice Test (Acctg 1, Chapters 3,4)

### Multiple Choice

- 1 e
- 2 d
- 3 c
- 4 d
- 5 c
- 6 d
- 7 d
- 8 c
- 9 d
- 10 b
- 11 c
- 12 e
- 13 e
- 14 c
- 15 b

### Problem #1

a	Deprec Exp-- Equipment Accum Dep'n -- Equipment	16,000	16,000
b	Insurance Expense Prepaid Insurance	6,320	6,320
c	Supplies Expense Supplies	2,606	2,606
d	Unearned revenue Earned Revenue	2,000	2,000
e	Insurance expense Prepaid Insurance	4,920	4,920
f	Wage Expense Wages Payable	4,000	4,000

**Problem #2**

12/31/2005	Wages Expense	1,980	
	Wages Payable		1,980
1/4/2006	Wages Expense	5,940	
	Wages Payable	1,980	
	Cash		7,920

**Problem #3**

a	Magician Revenue	18,335	
	Clown Revenue	7,950	
	Misc. Revenue	770	
	Income Summary		27,055
	Income Summary	2,842	
	Advertis Exp		890
	Depn' Exp (auto)		550
	Supplies Exp		252
	Misc Exp		665
	Wardrobe Exp		485
	Income Summary	24,213	
	Capital (Susan White)		24,213
	Capital (susan White)	23,500	
	Withdrawals (Susan White)		23,500

b                    *Post Closing Trial Balance*  
                         *Susan's clown company*  
                         *6/30/2003*

	DR	CR
Cash	1,750	
A/R	425	
Supplies	1,657	
Equipment	2,700	
Automobile	8,500	
Accum Dep'n		4,500
A/P		2,950
Unearned Revenue		550
Capital - Susan White		7,032
TOTAL	15,032	15,032