Record the adjusting journal entries under each category below.

## **DEFERRED EXPENSE: Supplies**

On December 5, Atherton Plumbing purchased \$250 in supplies. As of December 31, only \$50 worth of those supplies were left. Record the expense.

Dec	5	Supplies		2	5	0	00				
		Cash						2	5	0	00
Dec	31										

## **DEFERRED EXPENSE: Prepaid Insurance**

On December 1, Atherton Plumbing purchased a 6-month insurance policy for \$600. As of December 31, one month (or \$100) of that coverage had been used. Record the expense.

Dec	1	Prepaid Insurance		6	0	0	00				
		Cash						6	0	0	00
Dec	31										

### **DEFERRED REVENUE: Unearned Revenues**

On November 2, Huber Rental Properties received 3 months' rent, totaling \$2,400, in advance for one of its commercial properties. As of December 31, 2 months' worth of this rent had been earned. Record the fees earned.

Nov	2	Cash	2	4	0	0	00					
		Unearned Fees						2	4	0	0	00
Dec	31											

# **ACCRUED EXPENSES: Accrued Wages Expense**

Assume that December 31 is a Wednesday. On that date, Huber Rental Properties owes \$500 in wages to employees. These wages will be paid on Friday, the usual payday. Record the expense.

	Dec	31						
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### **ACCRUED REVENUES: Accrued Interest Income**

Atherton Plumbing granted a customer additional time to pay an invoice; however, the customer must pay interest at a rate of 10% annually. At the end of the accounting period, the interest that has accumulated totals \$80. Record the interest income (a type of revenues).

Dec	31						