

BE3-10 At the end of its first year of operations, the trial balance of Rafael Company shows Equipment \$30,000 and zero balances in Accumulated Depreciation—Equipment and Depreciation Expense. Depreciation for the year is estimated to be \$3,000. Prepare the adjusting entry for depreciation at December 31, and indicate the balance sheet presentation for the equipment at December 31.

E3-18 (Work Sheet Preparation) The trial balance of R. L. Stein Roofing at March 31, 2005, is as follows.

R. L. STEIN ROOFING TRIAL BALANCE MARCH 31, 2005		
	Debit	Credit
Cash	\$ 2,300	
Accounts Receivable	2,600	
Roofing Supplies	1,100	
Equipment	6,000	
Accumulated Depreciation—Equipment		\$ 1,200
Accounts Payable		1,100
Unearned Service Revenue		300
Common Stock		6,400
Retained Earnings		600
Service Revenue		3,000
Salaries Expense	500	
Miscellaneous Expense	100	
	\$12,600	\$12,600

Other data:

1. A physical count reveals only \$520 of roofing supplies on hand.
2. Equipment is depreciated at a rate of \$120 per month.
3. Unearned service revenue amounted to \$100 on March 31.
4. Accrued salaries are \$850.

Instructions

Enter the trial balance on a work sheet and complete the work sheet, assuming that the adjustments relate only to the month of March. (Ignore income taxes.)

E3-20 (Partial Work Sheet Preparation) Jurassic Park Co. prepares monthly financial statements from a work sheet. Selected portions of the January work sheet showed the following data.

JURASSIC PARK CO. WORK SHEET (PARTIAL) FOR MONTH ENDED JANUARY 31, 2005						
Account Title	Trial Balance		Adjustments		Adjusted Trial Balance	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Supplies	3,256			(a) 1,500	1,756	
Accumulated Depreciation		6,682		(b) 257		6,939
Interest Payable		100		(c) 50		150
Supplies Expense			(a) 1,500		1,500	
Depreciation Expense			(b) 257		257	
Interest Expense			(c) 50		50	

During February no events occurred that affected these accounts, but at the end of February the following information was available.

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|--------------------------|-------|
| (a) Supplies on hand | \$715 |
| (b) Monthly depreciation | \$257 |
| (c) Accrued interest | \$ 50 |

Instructions

Reproduce the data that would appear in the February work sheet, and indicate the amounts that would be shown in the February income statement.