

(b) Interest for six months of \$3768, to be paid on March 31. Date of adjustment: January 31.

11. For each of the following cases, give the adjusting entry for interest owing:
- (a) Loan of \$8000 for one year at 9 percent interest, to be repaid on March 31. Date of adjustment: August 31.
 - (b) Loan of \$12 000 for six months at 8 percent interest, to be repaid on October 31. Date of adjustment: June 30.
12. (a) Copy the T-accounts that follow:

Salaries Expense	Salaries Payable
Dec. 31 29 000	

- (b) At the end of the fiscal period, \$750 is owed to the employees. Prepare the adjusting entry to record the salaries owing.
 - (c) Post the adjusting entry to the T-accounts.
13. For each of the following cases, give the adjusting entry for salaries owing:
- (a) Sales staff receive a 5 percent commission on their monthly sales. In May, they sold \$26 000 worth of goods for which they are to be paid on June 30. The date of the adjustment is May 31.
 - (b) The total earnings of all hourly employees is \$3500 per day, excluding Saturdays and Sundays. They are paid every Friday. What will the adjusting entry be if the financial statements are prepared as at the end of the work day on Wednesday?
14. At the end of the fiscal period, April 30, W. Pollock, a lawyer, had completed \$6000 worth of work for clients, but had not yet prepared the invoices.
- (a) Prepare the journal entry to record the information.
 - (b) Post the entry to T-accounts for April 30.
15. New Star Software is preparing financial statements for the end of the fiscal period December 31, 20—. On November 1, New Star received \$20 000 in contract revenue. As of December 31, half of the contract work had been completed and supplied to the customer.
- (a) Prepare the journal entry to record the unearned revenue (\$20 000) on November 1.
 - (b) Record the December 31 adjustment to Unearned Revenue and Contract Revenue.
 - (c) After posting, what will be the December 31 balance in Unearned Revenue?