Operational level 1 Fundamentals of Financial Accounting

Types of Adjustments

Accrual

Prepayments

Deferred Expenses

Revenues

Accrued Revenues

Accrued Expenses

Adjustment no	1(a)-Deferred Expense			
	:fel 1, 2024			
Purc	haved office supplies for east	Rs.10	,000.	
	0.10			
	General Journal			
Date	Account Titles and Explanation	Post Ref.	Debit	Credit
2024 Feb	Office Supplies		10,000	
	Cash			10,000
	(Purchased office supplies on cash)			

Fundamentals of Financial Accounting

	General Ledger Office Supplies											
2024	Cash	10.000	2024 Dec 31	۸di	8 000							
Feb 1	Casii	10,000	Dec 31	Adj	8,000							
Balance	2,000											
					1							

Data for Adjustment(Dec 31,2024)

Office supplies unused/unconsumed/unexpired/on hand Rs.2000

or

Office supplies used/consumed/expired Rs.8,000

General Journal

Da	ate	Account Titles and Explanation	Post Ref.	Debit	Credit
2024 Dec	31	Office Supplies Expense		8,000	
		Office Supplies			8,000
		(To record office supplies expense)			

General Ledger Office Supplies Expense

2024 Dec 31	Adj	8,000		

Cell No: 0332-2935798

Fundamentals of Financial Accounting

	.0110 110 1	(a)-Deferr										
			al Ledger	•					General Journs	il		
2024 Jan 1	Cash	150,000	2024 Dec 31	Adj	120,000		Date		Account Titles and Explanatio	Post Ref.	Debit	Credit
							2024					
							Dec	31	Rent Expense		120,000	
Balance	30,000								Prepaid Rent (To adjust prepaid rent)			120,000
		Rent	Expense						(10 adjust prepaid rent)			
2024	Adj	120,000	p								7	
Dec 31		,									7	
Doto (for Adjus									AV		
Data 1		tment: repaid Re	nt De 30	000								
	r	repaiu Ke	or	,000								
	Re	nt Expen		0,000								
Adiustm	ent no 1	(a)-Deferr	ed Expe	se-Pract	ice no 2							
			al Ledge:									
			Insuran						General Journ	il		
2023	01-	500,000	2022		200.000		Date		A Middle I Developed	Post	Debit	Credit
Aug 1	Cash	500,000	Dec 31	Adj	300,000			,	Account Titles and Explanatio	Ref.	Debit	Credit
							2023 Dec	21	Insurance Expense		200 000	
Ralance	200,000						Dec	31	Prepaid Insurance		300,000	300,00
Dalance	200,000								(To record insurance expense)			000,00
		Insuran	се Ехрег	ıse								
2023	Adj	300,000										
Dec 31	5	,										
							. 13					
Data :	for Adjus	tment:						7				
					_		2					
	Insu	rance Exp	pired Rs.	300,000								
						4						
Adjustm	ent no 1	(a)-Deferr	ed Expe	ıse-Pract	ice no 3							
			al Ledge:	r					General Journ	.1		
2024		Su	pplies 2024						9010110 100114	_	1	ı
July 12	Cash	30,000	Dec 31	Adj	25,000		Date	;	Account Titles and Explanatio	n Post Ref.	Debit	Credit
odly 12			Dec 01				2024	1				
							Dec	31	Supplies Expense		25,000	
Balance	5,000								Supplies			25,000
								1	(To adjust supplies)			
2024			s Expen	se								
Dec 31	Adj	25,000	100									
Data	for Adjus	tment:										

Fundamentals of Financial Accounting

Aajustm	ent no 1											
	Offi	General ce Suppl	Ledger ies Expe	nse					General Journa	l		
2023 Mar 30	3 Cash 67,000 2023 Adi 7,000			Date	;	Account Titles and Explanation	Post Ref.	Debit	Credit			
Mar 30			Dec 31				2023	Π		Kei.		
							Dec	31	Office Supplies		7,000	
Balance	60,000								Office Supplies Expense		1	7,000
		Office S	unnling						(To adjust office supplies expens	e)		
2023			1 -									
Dec 31	Adj	7,000										
											7	
D-4-	C A 4!4											
Data	for Adjust											
	Office su	ıpplies ez o	rpired Rs	.60,000								
	Office s		n hand R	s.7.000								
				,								
Adjustm	ent no 1	b)-Deferr	ed Expen	ıse								
			Ledger	_					General Journa	l		
2023			g Expens	e					· · · · · · · · · · · · · · · · · · ·	Post	1	
July 7	Cash	70,000	Dec 31	Adj	8,000		Date	•	Account Titles and Explanation	Ref.	Debit	Credit
							2023					
							Dec	31	Prepaid Advertising		8,000	0.000
Balance	62,000							1	Advertising Expense (To adjust advertising expense)			8,000
	P	repaid A	l dvertisin:	ď					(10 adjust advertising expense)			
2023		8,000		-					1			
Dec 31	Adj	8,000						U				
								4				
Data	for Adjust	ment:										
	Prepai	id Advert	ising Rs.	8,000								
				-		4						
Adjustm	ent no 1	b):										
	Offi	General	Ledger ies Expe	186					General Journa	l		
2024	Cash	150,000	2024	Adj	5,000		Date		Account Titles and Explanation	Post	Debit	Credit
Jan 1	Odon	100,000	Dec 31		0,000		2024			Ref.	20010	01041
				- 64			Dec	31	Office Supplies		5,000	
Balance	145,000								Office Supplies Expense		,,,,,,	5,000
									(To record office supplies)			
202:		Office S	upplies									
2024 Dec 31	Adj	5,000	\mathbf{L}									
DCC 31												
Data:	for Adjust	ment:										
								-				
	Office	unnlies T	Jsed Rs.1	45 000								
	Jince S	whhues (Joeu NS.1	. 5,500				-		-		

Fundamentals of Financial Accounting

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Mixed P	ractice:													
Adjustm	ent no 1	-Practic	e no 1											
	Un		ral Ledge Transpo					General Tournal						
2023 Feb 1 Cash		130000	130000	130000	130000	2023 Dec 31	Adj	80,000	Date		Account Titles and Explanation	Post Ref.	Debit	Credit
						2023 Dec	31	Transportation Expense		80,000				
Balance	50,000							Unexpired Transportation			80,000			
								(To record transportation expense	e)	M				
	Transportation Expense													
2023 Dec 31	Adj	80,000							N					
Data f	or Adjust	tment:							-					
	Transp	oortation	expired	Rs.80,00	0			OH						
Adjustm	ent no 1	l-Practic	e no 2											
			ral Ledge r Expens					General Journal						
2023 Oct 7	Cash	50000	2023 Dec 31	Adj	40,000	Date		Account Titles and Explanation	Post Ref.	Debit	Credit			
						2023 Dec	31	Prepaid Repair		40,000				
Balance	10,000							Repair Expense			40,000			
								(To adjust repair expense)						
		Prepa	aid Repai	r										
2023 Dec 31	Adi	40,000				4 13								

Repair Expense Rs.10,000