



Q 3//

State Company

Bank reconciliation

Balance per bank	8405	
+ deposits	2000	
-outstanding checks	<u>(850)</u>	
Adjusted balance		<u>9555</u>
Balance per book	8600	
+N/R	980	
- Service charge	<u>(25)</u>	
		<u>9555</u>

Q 4//

1	Utilities expenses	2000	
			<u>Utilities expenses payable 2000</u>
2	$28000 * 20\% = \$5600$		
	A/R	5600	
			<u>Service revenue 5600</u>
3	$3000 + 2500 - 2200 = 3300$		
	Supplies expense	3300	
			<u>Supplies 3300</u>
4	Depreciation expense	4200	
			<u>Accumulated depreciation 4200</u>

5	Salaries expense	5300
	<u>Salaries expense payable</u>	<u>5300</u>

Q 5//:

**MARIA CONCHITA ALONZO COMPANY**  
**MULTIPLE-STEP INCOME STATEMENT**  
**FOR THE YEAR EBDED ON DCEEMBER 2017**

Sales		1380000	
- sales returns	150000		
- sales discount	<u>45000</u>		
		<u>( 195000 )</u>	
Net sales		1185000	
- Cost of goods sold		<u>( 621000)</u>	
Gross profit			564000
- operating expenses:			
Selling expenses	194000		
Administrative expens	<u>97000</u>		<u>(291000)</u>
Net operating income			273000
Other revenue and expenses:			
Interest revenue		86000	
Interest expenses	60000		
Loss from earthquake	<u>150000</u>	<u>210000</u>	<u>(124000)</u>
Net income before tax			149000
Income tax expense			<u>50660</u>
Net income			<u>98320</u>