



## Quick Questions On Reversing Entries, Correcting Entries, And The 13 Accounting Steps

1. The XYZ Company pays each of its 4 employees \$300 for a five-day week. Make the June 30 payroll adjusting entry required for an accounting cycle which ends on a Wednesday. Make the Thursday reversing entry and the Friday payroll entry.

DATE		ACCOUNT TITLE AND DESCRIPTION	PR	DEBIT	CREDIT
June	30	Salaries Expense (4) (\$300/5) (3)		720	
		Salaries Payable			720
July	1	Salaries Payable		720	
		Salaries Expense			720
July	2	Salaries Expense		1,200	
		Cash			1,200

2. Make the June 30 correcting entry necessary to correct for a \$200 purchase of Equipment which had been incorrectly recorded as a purchase of supplies.

DATE		ACCOUNT TITLE AND DESCRIPTION	PR	DEBIT	CREDIT
June	30	Equipment		200	
		Supplies			200

3. List the 13 Accounting Steps.

1. Journal Entries	4. Adjusting Journal Entries		9. Closing Journal Entries	12. Reversing Journal Entries
2. Post to Ledger	5. Post to Ledger	7. Income Statement	10. Post to Ledger	13. Correcting Journal Entries
3. Trial Balance	6. Adjusted Trial Balance	8. Balance Sheet	11. Post-Closing Trial Balance	