1. EX.3-1

eBook

Classifying Types of Adjustments

Classify the following items as (a) prepaid expense, (b) unearned revenue, (c) accrued revenue, or (d) accrued expense:

1. A two-year premium paid on a fire insurance policy.

2. Fees earned but not yet received.

3. Fees received but not yet earned.

4. Salary owed but not yet paid.

5. Subscriptions received in advance by a magazine publisher.

6. Supplies on hand.

7. Taxes owed but payable in the following period.

8. Utilities owed but not yet paid.