

**ILLUSTRATIVE ACCOUNTING ENTRIES  
STATE UNIVERSITY/COLLEGE TUITION FEES  
(RA Books)**

**ASSUMPTIONS:**

a) Semester starts at Nov. 1, 2004 and ends at March 31, 2005

b) Tuition fee and payment schemes:

	Tuition Fee/ Student	No. of Students	Total
Cash Scheme	500	20	10,000
Four Installment Scheme			15,000
<i>Upon enrolment - Nov. 2</i>	125	30	3,750
<i>Prelims - Dec. 18</i>	125	30	3,750
<i>Midterm - Jan. 31</i>	125	30	3,750
<i>Finals - March 31</i>	125	30	3,750
<i>Total Tuition Fees for the Semester</i>			<u>25,000</u>

**Journal Entries**

**FY 2004**

1. Accounts Receivable 25,000  
    Tuition Fees 25,000  
    *To set up accounts receivable  
    upon enrollment*

Computation	Tuition Fee/ month*	No. of months	Total
<i>CY income (Nov. 1 to Dec. 31, 2004)</i>	5,000	2	10,000
<i>Ensuing Year income (Jan. 1 to Mar. 31, 2005)</i>	5,000	3	15,000
<i>Total</i>			<u>25,000</u>

*(Tuition fee per month = P 500 x 50 students/5 months)*

2. Cash-Collecting Officers 13,750  
    Accounts Receivables 13,750  
    *To record collection for November*

Computation	Tuition Fee/ Students	Student s	Amount
<i>Cash Scheme</i>	500	20	10,000
<i>Four Installment Scheme</i>	125	30	3,750
<i>Total</i>			<u>13,750</u>

3. Cash in Bank-LCCA 13,750  
    Cash-Collecting Officers 13,750  
    *To record deposit of collections*

4. Cash-Collecting Officers 3,750  
    Accounts Receivables 3,750  
    *To record collection for the 4th installment  
    (P 125 x 30 students = P 3,750)*

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5. Cash in Bank-LCCA	3,750	
Cash-Collecting Officers		3,750
<i>To record deposit of collections</i>		
6. Tuition Fees	15,000	
Other Deferred Credits		15,000
<i>To record reclassification of unearned income</i>		
7.a Tuition Fees	10,000	
Income and Expense Summary		10,000
<i>To close the income account to Income and Expense Summary</i>		
7.b Income and Expense Summary	10,000	
Retained Operating Surplus		10,000
<i>To close Income and Expense Summary to Retained Operating Surplus</i>		
7.c Retained Operating Surplus	10,000	
Government Equity		10,000
<i>To close Retained Operating Surplus to Government Equity</i>		

<b>ENDING BALANCES</b>		
Cash in Bank-LCCA	17,500	
Accounts Receivables	7,500	
Other Deferred Credits		15,000
Government Equity		10,000
Total	<u>25,000</u>	<u>25,000</u>

**FY 2005**

8. Other Deferred Credits	15,000	
Tuition Fees		15,000
<i>To record automatic adjustment of deferred income</i>		
9. Cash-Collecting Officers	3,500	
Accounts Receivable		3,500
<i>To record collections of tuition fee for the month of January Four installment Scheme</i>		
<i>( P 125/mo. x 28 students = P 3,500)</i>		
10. Cash in Bank-LCCA	3,500	
Cash-Collecting Officers		3,500
<i>To record deposit of collections</i>		

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11. Cash-Collecting Officers	3,375	
Accounts Receivables		3,375
<i>To record collection for March</i>		
<i>(Assume: 1 student dropped)</i>		
<i>( P 125/mo. X 27 students = P 3,375)</i>		
12. Cash in Bank-LCCA	3,375	
Cash-Collecting Officers		3,375
<i>To record deposit of collections</i>		
13. Bad Debts	19	
Allowance for Doubtful Accounts		19
<i>To record allowance for doubtful accounts</i>		
<i>Balance of Accounts Receivable</i>	625	
<i>Date of Accounts Receivable</i>	Nov. 1, 2004	
<i>Age as of Dec. 31,2005</i>	14 months	
<i>Rate of provision per NGAS table</i>	13%	
<i>Allowance for Doubtful Accounts (625 x 3%)</i>	19	
14.a Tuition Fees	15,000	
Income and Expense Summary		15,000
<i>To close income accounts</i>		
<i>to Income and Expense Summary</i>		
14.b Income and Expense Summary	19	
Bad Debts		19
<i>To close expense accounts</i>		
14.c Income and Expense Summary	14,981	
Retained Operating Surplus		14,981
<i>To close Income and Expense Summary</i>		
<i>to Retained Operating Surplus</i>		
14.d Retained Operating Surplus	14,981	
Government Equity		14,981
<i>To close Retained Operating Surplus</i>		
<i>to Government Equity</i>		
<b>ENDING BALANCES</b>		
Cash in Bank-LCCA	24,375	
Accounts Receivables	625	
Allowance for Doubtful Accounts		19
Government Equity		24,981
	<u>25,000</u>	<u>25,000</u>

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15. Bad Debts	88			
Allowance for Doubtful Accounts		88		
<i>To record allowance for doubtful accounts</i>				
	rate	Rec'ble		
		Bad Debts		
	FY 2006	4	625	25.00
	FY 2007	5	625	31.50
	FY 2008	5	625	31.50
				<u>88.00</u>
				<u>88.00</u>
16. Allowance for Doubtful Accounts	107			
Loss of Assets	518			
Accounts Receivables		625		
<i>To record writing off of receivable based on approved authority</i>				
<i>(Assumed all receivables were written-off)</i>				
17.a Income and Expense Summary	606			
Bad Debts		88		
Loss of Assets		518		
<i>To record closing of Bad Debts and Loss of Assets to Income and Expense Summary</i>				
17.b Retained Operating Surplus	606			
Income and Expense Summary		606		
<i>To close Income and Expense Summary</i>				
17.c Government Equity	606			
Retained Operating Surplus		606		
<i>To close Retained Operating Surplus to Government Equity account</i>				
<b>ENDING BALANCES</b>				
Cash in Bank-LCCA	24,375			
Government Equity		24,375		
	<u>24,375</u>	<u>24,375</u>		
<b>FY 2009</b>				
18. Cash-Collecting Officers	125			
Tuition Fees		125		
<i>To record collection of accounts written-off</i>				
19. Cash in Bank-LCCA	125			
Cash-Collecting Officers		125		
<i>To record deposit of collection</i>				
20.a Tuition Fees	125			
Income and Expense Summary		125		
<i>To close income accounts to Income and Expense Summary</i>				

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20.b Income and Expense Summary	125	
Retained Operating Surplus		125
<i>To close Income and Expense Summary</i>		
<i>to Retained Operating Surplus</i>		
20.c Retained Operating Surplus	125	
Government Equity		125
<i>To close Retained Operating Surplus</i>		
<i>to Government Equity account</i>		

<i>ENDING BALANCES</i>		
<i>Cash in Bank-LCCA</i>	24,500	
<i>Government Equity</i>		24,500
	<u>24,500</u>	<u>24,500</u>