Andy Wright, D.D.S., opened a dental practice on January 1, 2008. During the first month of operations the following transactions occurred.

1. Performed services for patients who had dental plan insurance. At January 31, $875 of such services was earned but not yet recorded.
2. Utility expenses incurred but not paid prior to January 31 totaled $520.
3. Purchased dental equipment on January 1 for $80,000, paying $20,000 in cash and signing a $60,000, 3-year note payable. The equipment depreciates $400 per month. Interest is $500 per month.
4. Purchased a one-year malpractice insurance policy on January 1 for $12,000.
5. Purchased $1,600 of dental supplies. On January 31, determined that $400 of supplies were on hand.

**Instructions**

Prepare the adjusting entries on January 31.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 1. | Jan 31 | Account/Description | Debit | Credit |
|  |  |  |  |  |
| 2. | Jan 31 |  |  |  |
|  |  |  |  |  |
| 3. | Jan 31 |  |  |  |
|  |  |  |  |  |
|  |  | (To Record Depreciation) |  |  |
| 4. | Jan 31 |  |  |  |
|  |  |  |  |  |
| 5. | Jan 31 |  |  |  |
|  |  |  |  |  |