Accounting Quiz: Notes Receivable Name:

1. On October 1, B.A.D. company accepted a $20,000 note as an extension for an accounts receivable due from a customer named BillyBob McGee. Journalize the transaction from B.A.D. company’s perspective.

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| **Date** | **Account** | **Amount** |
| 10/1 |  |  |
|  |  |  |

1. The above named note was for 6 months at an interest rate of 8%. Journalize the adjustment necessary on December 31.

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| **Date** | **Account** | **Amount** |
| 12/31 |  |  |
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1. Calculate the maturity date. Journalize the entry to record receipt of the full amount due (assuming that the adjustment in question 2 had already been made previously).

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| **Date** | **Account** | **Amount** |
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1. If customer McGee HAD NOT PAID & therefore dishonored the note, what would the journal entry have been on the maturity date?

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| **Date** | **Account** | **Amount** |
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