

INSURANCE CLAIMS PROCESSING

TEXTBOOK WAY?

DAMAGE BY

We had to do some repairs and maintenance work because of water. We claimed the expense under our insurance.

Below are the details of transactions as they occurred, followed by the list of relevant accounts available in our accounting system.

I am wondering what the TEXTBOOK WAY would be to post the journals of those transactions correctly using the accounts available, please and thank you.

Please note that none of the months of May, June and July are closed yet, so I can enter transactions without using any additional corrections journals.

DETAILS OF TRANSACTIONS

- In **MAY 2023** we receive the invoice for the work done: \$ 2,000 ex GST
- In **JUNE 2023** we paid the bill to the electrician who carried out the work
- In **JULY 2023** we received the refund for the amount spent MINUS EXCESS of \$ 500
(ie. we receive a refund for \$ 1,500)

RELEVANT AVAILABLE ACCOUNTS

- [OTHER CURRENT ASSETS] Insurance Claims
- [OTHER CURRENT LIABILITY] Insurance Works
- [EXPENSE] Repairs and Maintenance

Month	INS. CLAIMS C. ASSETS	INS. WORKS C. LIABILITIES	CASH	REPAIRS + MAINTENANCE EXPENSE
MAY	2,000	2,000		
JUNE	2,000	2,000	2,000	
JULY	2,000 1,500 500	2,000	2,000 1,500	500