Following are selected borrowing transactions by Campus Housing Corporation.

1-Jun	Campus purchased new furniture in exchange for a \$500,000 promissory note. The note was due in 6 months and bears interest at 8% per annum.
1-Jul	Borrowed cash of \$90,000, giving a \$100,000 one-year note. The interest is implicit in the difference between the cash borrowed and the note's \$100,000 maturity value.
1-Oct	Campus was experiencing a temporary cash flow crunch. The company issued a \$40,000 one-year note in settlement of an outstanding account payable. The note bears interest at 8% per annum. The agreement with the creditor was that Campus would repay the note as soon as possible, and the total interest would be allocated to each month based on the "rule of 78s."
31-Oct	Campus paid the note and accrued interest resulting from the October 1 transaction.
1-Nov	Borrowed \$75,000 cash from a local bank by issuing a 2-year, 6% promissory note. The interest is to be calculated based on actual days, using a 365-day year assumption.
1-Dec	Campus paid the note and accrued interest resulting from the June 1 transaction.

(a) Prepare journal entries necessary to record the above transactions.

(b) Prepare year-end adjusting journal entries pertinent to the above borrowing transactions.