

The Provision that Siemens reports is an estimated warranty liability. What would constitute additions to the provision? Prepare a journal entry to record this addition.

General Journal		
Description	Debit	Credit
<div>◆</div>		
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What constitutes “usage” of the provision? Besides the provision, what other accounts are likely to be affected by usage? Prepare a journal entry to record usage of €993 million in 2018.

General Journal		
Description	Debit	Credit
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Siemens reported sales revenue of €83,044 million in 2018 and €82,863 in 2017. Calculate the ratio of warranty expense to sales for each year.

Round to one decimal place (i.e., 5.6%)

2018 %

2017 %