

Practice Question

The following trial balance was extracted from the books of Amir Sadiq as at 31 March 2003.

	\$	\$
Capital		33000
Drawings	2500	
Buildings at cost	20000	
Fixtures and equipment at valuation	3400	
Motor vehicles at cost	8000	
Provision for depreciation of motor vehicles		3250
Provision for doubtful debts		200
Debtors	7500	
Creditors		6700
Bank overdraft		2880
Motor vehicle expenses	1240	
General expenses	2030	
Wages	11940	
Insurance	1470	
Carriage inwards	700	
Discount received		250
Sales		92100
Purchases	68500	
Sales returns	1200	
Stock 1 April 2002	9900	
	138380	138380

Additional information

1. At 31 March 2003:
 Stock was valued at \$10200.
 Wages outstanding amounted to \$1080.
 Insurance prepaid amounted to \$210.
2. During the year ended 31 March 2003 Amir took goods costing \$300 for his own use. No entries had been made in the accounting records.
3. The provision for doubtful debts is to be maintained at 2% of the debtors.
4. Motor vehicles are to be depreciated at 20% per annum using the reducing balance method.
5. Fixtures and equipment were valued at \$2800 on 31 March 2003. No fixtures and equipment were bought or sold during the year ended 31 March 2003.

