

Term: II



Session 2023-2024

Name: _____

Section: _____

Date: _____

Quiz 3

Anika owns property which she rents out to university students. She has made a consistent profit for each year she has been in business. Her trial balance at 31 August 2022 was as follows.

	Debit \$	Credit \$
Capital		400 000
Rent receivable		162 000
General expenses	26 500	
Bank	39 400	
Rates	38 200	
Insurance	12 400	
Repairs	32 000	
Drawings	18 500	
Non-current assets at cost		
Premises	418 000	
Fittings	90 000	
Provision for depreciation of non-current assets		
Premises		42 000
Fittings		71 000
	<u>675 000</u>	<u>675 000</u>

Additional information

- 1 At 31 August 2022, rent received of \$8100 has been paid in advance.
- 2 At 31 August 2022, general expenses of \$1300 have been paid in advance and rates of \$3400 were owing.
- 3 The insurance includes \$1800 paid for the 15 month period ending 30 November 2022.
- 4 Expenditure of \$9000 for new fittings has been recorded in repairs.
- 5 Depreciation is to be provided as follows:

Premises	by equal instalments on cost each year over a 50 year period
Fittings	20% per annum by the reducing balance method

A full year's depreciation is charged on fittings during the year of purchase.

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Teacher's feedback: