

- Enter the transactions into the General Ledger of Scream Savers.
- Foot the accounts and prepare a Trial Balance.
- How might the owner of the business classify the income?

vii. Below are the transactions for the first week of June for Fantasy Flights, a small business offering flights in a small aircraft as well as teaching people to fly.

2020		
Jun 1	Received \$1 000 in fees for flight training.	
	Received \$7 000 in fees for fantasy flights.	
2	Paid hangar rent of \$1 000.	
	Paid aircraft insurance \$700.	
	Paid aircraft fuel \$275.	
3	Received \$8 000 in fees for flight training.	
4	Paid \$300 interest on bank loan.	
5	Paid \$2 000 for advertising.	
6	Paid wages \$5 000	
7	Received fees \$15 000 for fantasy flights.	

- Enter the transactions into the General Ledger of Fantasy Flights.
- Foot the accounts and prepare a trial balance.
- How might the owner of the business classify the expenses?

B. Complete the following Income Statement questions.

- i. From the following information, prepare an Income Statement for Pete's Plumbing.

Wages of apprentice	\$ 14 000
Vehicle expenses	6 000
Fees	100 000
Telephone	2 000
Postage	1 000
Plumbing materials used	3 000
Office rent	20 000
- ii. From the following information, prepare an Income Statement for Inside Interior Designers.

Interest on mortgage	\$ 4 500
Rent	6 000
Advertising	33 000
Travelling expenses	4 500
Office salaries	45 000
Bank charges	1 500
Designer's commission	30 000
Motor vehicle repairs	1 000
Fees	300 000
Telephone	4 500
Debt collection fee	7 000
Office expenses	5 000

iii. From the following information, prepare an Income Statement for Indi Tours. Use today's date.

Fees	\$200 000
Bank fees and charges	75
Interest received	100
Electricity	500
Telephone	700
Advertising	4 000
Wages for office secretary	5 000
Wages for tour operators	10 000
Bus expenses	5 000
Petrol	19 000
Bus servicing expenses	2 000
Insurance for office	500
Insurance on buses	2 000
Bad debts	3 500

iv. From the following information, prepare an Income Statement for a small real estate agency, Dodgy Traders. Use today's date.

Fees	\$ 175 000
Advertising	10 000
Salespeople's commission	100 000
Rent	12 000
Office insurance	1 000
Office stationery	200
Printing costs of sales brochures	5 000
Cost of operating business internet site	400
Bad debts	20 000
Electricity	800
Telephone	4 000
Postage	700
Water	400
Interest on bank loan	3 000

v. From the following information, prepare an Income Statement for a graphic design business, Image Conscious, as at 31 December 2019.

Fees	\$ 350 000
Wages	100 000
Rent	20 000
Interest received on bank account	2 500
Bad debt	320
Advertising	5 000
Electricity	1 000
Office night security	2 000
Parking space lease	5 000