**(32 marks)**

The Pickled Pepper is a restaurant located in Fremantle, Western Australia. The owner, Peter Piper, has provided you with the following account list as at 30 June 2018.

**The Pickled Pepper**

**Trial Balance as at 30 June 2018**

|  |  |  |  |
| --- | --- | --- | --- |
| **Account** | **Acc Type** | **Debit** | **Credit** |
| Sales Staff Wages |  | 37,500 |  |
| Bad Debts |  | 800 |  |
| Discount Received |  |  | 3,000 |
| Drawings |  | 34,000 |  |
| Inventory |  | 22,440 |  |
| Accounts Receivable |  | 14,620 |  |
| Accounts Payable |  |  | 25,800 |
| Office Equipment |  | 28,000 |  |
| Restaurant Fixtures and Fittings |  | 100,000 |  |
| Advertising |  | 11,000 |  |
| Loan - ABC Bank |  |  | 200,000 |
| Capital |  |  | 35,860 |
| Sales |  |  | 381,080 |
| Land and Building |  | 191,000 |  |
| Discount Allowed |  | 2,600 |  |
| Cash at Bank |  |  | 20,700 |
| GST Payable |  |  | 8,900 |
| Cost of Sales |  | 214,000 |  |
| Insurance |  | 6,000 |  |
| Interest on Loan |  | 8,200 |  |
| Office Staff Wages |  | 5,180 |  |
| **Total** |  | **$675,340** | **$675,340** |

**Required:**

1. Prepare a ***classified*** Income Statement for the year ending 30 June 2018. (14 marks)
2. Prepare a ***classified*** Balance Sheet (18 marks)