**Lemon Crush Products has supplied the following information as of 30 June 2022.**

|  |  |
| --- | --- |
| **Account** | **$** |
| Cash at bank | 5 850 |
| Accounts payable | 52 322 |
| Office equipment | 21 370 |
| Accounts receivable | 39 066 |
| GST Credits | 5 275 |
| Inventory | 54 685 |
| Investments | 36 800 |
| Loan – short term | 9 250 |
| Loan – long term | 9 250 |
| Capital | ? |
| Land and buildings | 204 710 |
| Mortgage | 48 250 |

Required:

* Prepare a vertical balance sheet of Lemon Crush Products at 30 June 2022.

**Lemon Crush Services has supplied the following information as of 30 June 2022.**

|  |  |
| --- | --- |
| **Account** | **$** |
| Lemon Crusher wages | 80 000 |
| Motor vehicle expenses | 27 000 |
| Interest income | 5 000 |
| Office wages | 20 000 |
| Direct material | 5 275 |
| Fees | 170 000 |
| Bank fees | 500 |
| Telephone | 3 500 |
| Electricity | 4 700 |
| Advertising | 1 700 |

**Prepare an income statement at 30 June 2022.**

Solutions:

**Lemon Crush Products**

**Balance Sheet**

**as at 30 June 2020**

|  |  |  |
| --- | --- | --- |
| **Current assets** | **$** |  |
| Cash at bank | 5 850 | 1 |
| Accounts receivable | 39 066 | 1 |
| GST control/clearing | 5 275 | 1 |
| Inventory | 54 685 | 1 |
| **Total current assets** | 104 876 |  |
| **Non-current assets** |  |  |
| Investments | 36 800 | 1 |
| Office equipment | 21 370 | 1 |
| Land and buildings | 204 710 | 1 |
| **Total non-current assets** | 262 880 |  |
| **Total assets** | **367 756** |  |
| **Current liabilities** |  |  |
| Accounts payable | 52 322 | 1 |
| Loan | 9 250 | 1 |
| **Total current liabilities** | 61 572 |  |
| **Non-current liabilities** |  |  |
| Loan | 9 250 | 1 |
| Mortgage | 48 250 | 1 |
| **Total non-current liabilities** | 57 500 |  |
| **Total liabilities** | **119 072** |  |
| **Net Assets** | **248 684** | \*1 |
| **Equity** |  |  |
| Capital | 248 684 | 1 |
| **Total equity** | **248 684** | \* |

*\*1 mark for both titles and totals*

*-1 for missing totals/poor format to a maximum of 2*

*-1 for foreign items to a maximum of 3*

Lemon Crush Services

Income Statement

30 June 2022

|  |  |  |  |
| --- | --- | --- | --- |
| Fees |  |  | 170 000 |
| Add other income |  |  |  |
| Interest income |  |  | 5 000 |
|  |  |  | 175 000 |
| Less expenses |  |  |  |
| Direct expenses |  |  |  |
| Direct materials | 5 275 |  |  |
| Lemon Crusher wages | 80 000 | 85 275 |  |
| Selling Expenses |  |  |  |
| Advertising | 1 700 | 1 700 |  |
| General and Administration expenses |  |  |  |
| Telephone expense | 3 500 |  |  |
| Electricity | 4 700 |  |  |
| Office wages | 20 000 | 28 200 |  |
| Financial expenses |  |  |  |
| Bank Fees | 500 | 500 | 115 675 |
| Profit for the period |  |  | 59 325 |