2 The directors of W Limited have provided the following balances at 1 August 2016:

	Cost	Accumulated depreciation	Net book value
	\$	s	value \$
Motor vehicles	125 000	43750	81 250

The company policy is to provide depreciation on motor vehicles at 20% per annum using the reducing balance method. Depreciation is charged on a month-by-month basis.

During the year ended 31 July 2017, the following transactions took place:

- 1 A motor vehicle was purchased on 31 January 2017 at a cost of \$28230.
- A motor vehicle was sold on 28 February 2017 for \$14 600. It had originally been purchased on 30 April 2015 at a cost of \$19 500.
- 3 There were no other additions or disposals of motor vehicles during the year.

REQUIRED

(a) State the double entry required to record the disposal of a non-current asset **before** the profit or loss on disposal is transferred to the income statement (amounts are **not** required).

accounts to be debited	accounts to be credited	

(a)	ended 31 July 2017 (dates are not required).
	[7]
(c)	Calculate the effect on profit for the year of each of transactions 1 and 2.