

- 1 B Limited is a private limited company trading as a wholesaler of garden equipment. The draft trial balance at 30 June 2016 has been extracted from the books of account and is shown below.

	Debit \$	Credit \$
Bank loan		26 400
Bank		14 040
Cash	650	
Directors' remuneration	53 200	
Fixtures and fittings		
Cost	18 110	
Provision for depreciation at 1 July 2015		5 310
Land and buildings		
Cost	135 000	
Provision for depreciation at 1 July 2015		21 840
Motor vehicles		
Cost	41 600	
Provision for depreciation at 1 July 2015		19 200
Interest paid	5 920	
Inventory at 1 July 2015	62 400	
Office costs	18 330	
Property costs	21 940	
Purchases	268 200	
Retained earnings		30 570
Revenue		563 800
Selling and distribution costs	36 120	
Share capital (ordinary shares of \$1 each)		60 000
Trade payables		39 810
Trade receivables	71 000	
Wages and salaries	<u>48 500</u>	
	<u>780 970</u>	<u>780 970</u>

Additional information

- The value of inventory at 30 June 2016 was \$70 300 at cost.
- Land and buildings at 30 June 2016 were as follows:

	\$
Land	70 000
Buildings	65 000

- Depreciation is to be provided as follows:

Asset	Annual Rate	Method	Charge to
Fixtures and fittings	15%	Reducing balance	Office costs
Buildings	2%	Straight-line	Property costs
Motor vehicles	25%	Reducing balance	Selling and distribution costs