**Unified Exam Bookkeeping and Accounts Past Year Papers Collection - Year 2011 Question 3**

The following Trial Balance was extracted from the books of Tao as at 30 September 2011. **You are required to** prepare the Income Statement for the year ended 30 September 2011 and Statement of Financial Position as at that date,

|  |  |  |
| --- | --- | --- |
|  | **RM** | **RM** |
| Inventory, 1 October 2010 | 4,612 |  |
| Purchases and Sales | 150,780 | 217,740 |
| Returns | 230 | 848 |
| Debtors and Creditors | 16,400 | 7,620 |
| Cash At Bank | 5,420 |  |
| Petty Cash | 90 |  |
| Fixtures And Fittings, at cost | 12,900 |  |
| Delivery Van, at cost | 59,000 |  |
| Provision For Depreciation, 1 October 2010 |  |  |
| — Fixtures And Fittings |  | 3,160 |
| — Delivery Van |  |  |
| Drawings | 7,800 |  |
| Capital |  | 70,464 |
| Wages And Salaries | 33,400 |  |
| Insurance Expenses | 1,740 |  |
| Advertising Expenses | 4,320 |  |
| Shophouse Rental | 1,100 |  |
| Stationery | 500 |  |
| General Expenses | 800 |  |
| Discounts | 660 | 580 |
| Fixed Deposit | 10,000 |  |
| Allowance For Doubtful Debts |  | 960 |
| Interests On Fixed Deposit |  | 500 |
| Bad Debts | 120 |  |
|  | 309,872 | 309,872 |

**The following information should be taken into account:**

1. Inventory at 30 September 2011: RM 8,250 at cost (RM 8,370 at market price).
2. Half-year insurance expenses of RM 1,740 had been paid on 1 June 2011.
3. The annual shophouse rental is RM 1,200.
4. RM 150 worth of stationery was still unused.
5. The Delivery Van Account appeared in the Ledger as follows:

Delivery Van Account

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2010 |  |  | 2010 |  |  |
| Oct 1 | Balance b/d (Old Van) | 40,000 | Oct 1 | Bank (Disposal of old van) | 29,000 |
| 1 | Bank (Cost of new van) | 48,000 |  |  |  |
|  |  |  | 2011 |  |  |
|  |  |  | Sep 30 | Balance c/d | 59,000 |
|  |  | 88,000 |  |  | 88,000 |
| 2011 |  |  |  |  |  |
| Oct 1 | Balance b/d | 59,000 |  |  |  |

1. Provision for depreciation:

— Fixtures And Fittings: 25% per annum on reducing balance

— Delivery Van: 20% per annum on cost

1. Write off RM 300 as a bad debt and adjust the allowance for doubtful debts to 5% of the remaining debtors.