

## Final Account

ABC Company was organized on January-1, 2016. The company prepares yearly financial statements. The adjusted trial balance amounts at December-31 are shown below.

### Trial Balance

Debits	Tk.	Credits	Tk.
Cash	6,700	Accumulated Depreciation-Equipment	850
Accounts Receivable	600	Accounts Payable	1,510
Prepaid Rent	900	Salaries and Wages Payable	400
Supplies	1,000	Interest Payable	50
Equipment	15,000	Unearned Rent Revenue	500
Owner's Drawings	600	Owner's Capital	15,500
Salaries and Wages Expense	9,400	Service Revenue	14,200
Rent Expense	1,500	Rent Revenue	800
Advertisement Expense	1,500	Notes Payable	5,000
Supplies Expense	200		
Utilities Expense	510		
Interest Expense	50		
Depreciation expense	850		
Total debits	<u>38,810</u>	Total credits	<u>38,810</u>

(a) Prepare the income statements for the end of the year 31<sup>st</sup> December, 2016.

(b) Prepare the Balance sheet for the year 31<sup>st</sup> December, 2016 of ABC Ltd.

ABC Company Ltd.  
Income statement  
For the year ended 31<sup>st</sup> December, 2016

Particulars	Amount	Amount
<b>Revenues or Income:</b>		
Service revenue	14,200	
Rent revenues	<u>800</u>	
Total revenues or incomes		15,000
<b>Less: Expenses-</b>		
Salaries and Wages Expense	9,400	
Rent Expense	1,500	
Advertisement Expense	1,500	
Supplies Expense	200	
Utilities Expense	510	
Interest Expense	50	
Depreciation expense	850	
		14,010
<b>Net income</b>		<u><u>990</u></u>

ABC Company Ltd.  
Statement of financial position/ Balance sheet  
For the year 31<sup>st</sup> December, 2018

Particulars	Amount	Amount
<b>Assets:</b>		
<i><b>Current assets:</b></i>		
Cash	6,700	
Account receivables	600	
Prepaid rent	900	
Supplies	1000	
<b>Total current assets</b>		9,200
<i><b>Non-current assets:</b></i>		
Equipment	15,000	
<b>Less:</b> Accumulated depreciation	850	
Total Non-current assets		14,150
<b>Total Assets</b>		<b><u>23,350</u></b>
<b>Liabilities and Owners' equities:</b>		
<b>Liabilities:</b>		
<i><b>Current Liabilities:</b></i>		
Accounts payable	1,510	
Salaries and wages payable	400	
Interest Payable	50	
Unearned Rent Revenue	500	
<b>Total current Liabilities</b>		2,460
<i><b>Long term Liabilities:</b></i>		
Notes payables		5,000
<b>Total Liabilities</b>		7,460
<b>Owner's equities:</b>		
Owner's Capital	15,500	
Less: Owner's Drawings	(600)	
<b>Add:</b> Net income	990	
<b>Total Owner's equities</b>		15,890
<b>Total Liabilities and Owner's equities</b>		<b><u>23,350</u></b>