

MUF0022 ACCOUNTING UNIT 2

Assessment Task 3: Academic Poster

Scenario 3: Nijah's Roses

Nijah Khan owns and operates Nijah's Roses, a small business selling roses. The business has been operating for one year. Nijah buys roses at a cost price of \$2 each and sells the roses at a sales price of \$4 each.

The following pre-adjustment Trial Balance is for the year ending 31 July 2018.

Pre-adjustment Trial Balance for the year ending 31 July 2018

	\$	\$
Bank	2 400	
Capital		4 000
Cost of Sales	6 000	
Creditors Control		3 000
Debtors Control	1 000	
Discount Expense	100	
Discount Revenue		300
Drawings	200	
Electricity	600	
Equipment	5 000	
Loan – Mad Bank (repayable \$800 per year)		4 000
Sales		10 000
Stock Control	6 000	
	21 300	21 300

Additional information:

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- A physical stocktake held on 30 July 2018 showed 3 100 roses on hand.
- Debtor – Love Hearts have indicated that they will only be able to pay 10 cents in the dollar of the \$1 000 owing.
- Depreciation of Equipment is calculated at 10% using the straight line method. The Equipment was purchased on 1 August 2017.