**YEAR 12 ACCOUNTING WEEK 3 WORKSHEET**

**Lesson 43**

S: Accounting Report

S/S: Final Accounts (Balance Day Adjustments)

LO: Identify Balance day Adjustments and prepare adjustment entries (Depreciation)

**7. Depreciation**

1. General Journal Entry for Recording Depreciation

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Date |  |  | Particulars |  |  | Debit $ |  |  | Credit $ |  |
|  |  |  |  | |  |  |  |  |  |  |  |
|  |  |  | Depreciation on (name of the asset) | |  |  | xx |  |  |  |  |
|  |  |  |  | Provision for depreciation (name of the asset) |  |  |  |  |  | xx |  |
|  |  |  | (To record the amount of depreciation charged on a fixed | |  |  |  |  |  |  |  |
|  |  |  | asset) | |  |  |  |  |  |  |  |
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**ACTIVITY 4**

The following is an extract from the Trial Balance of Anju’s Store.

Trial Balance of Anju’s Store

As at 31st January, 2015

|  |  |  |  |
| --- | --- | --- | --- |
|  | $ |  | $ |
| Accounts Receivable | 2 800 | Provision for doubtful debts | 600 |
| Advertising | 6 000 | Sales | 40 000 |
| Bad Debt | 300 | Loan | 5 000 |
| Interest on Loan | 600 | Accounts Payable | 2 000 |
| Cost of goods sold | 29 000 |  |  |
| Inventory | 25 000 |  |  |
| Wages - Shop | 8 000 |  |  |

**The following items are yet to be recorded on balance day:**

1. Advertising $300 has been paid for the month of February 2015.
2. Shop wages unpaid $ 700.
3. Additional Bad debts written off $300.
4. Provision for doubtful debts to be provided at a rate of 5% per annum.

**Required:**

* 1. Prepare the general journal entries for the above adjustments. (Financial year ends on 31/01/15).
  2. Prepare the ledger accounts for the above adjustment entries in 3 column form.

**General Journal**

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** |
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2. **Ledger Account in Three Column Form**

**Advertising**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
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**Advertising Prepaid**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
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**Shop Wages**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
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**Shop Wages Due**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
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**Doubtful Debts**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
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**Provision for Doubtful Debts**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
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**Lesson 44**

S: Accounting Report

S/S: Final Accounts (Balance Day Adjustments)

LO: Prepare Balance Day Adjustments.

**ACTIVITY 5**

1. The following represents the trial balance extract of Siteri’s Enterprise.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Siteri’s Enterprises** | |  |
| **Trial Balance (extract) as at 31st July 2015** | | |  |
|  | **$** |  | **$** |
| Accounts Receivables | 8500 | Provision for doubtful debts | 200 |
| Equipment | 15000 | Commission Received | 300 |
| Bad Debts | 250 | Loan (10% p.a.) | 15000 |
| Interest on Loan | 300 | Accounts Payable | 9560 |
| Discount allowed | 200 |  |  |
| Office Salaries | 5050 |  |  |

The balance day adjustments:

1. 1.Interest on Loan owing.
2. 2.Office Salaries Unexpired $50.
3. 3.Commission received in advance $60.
4. 4.Provide depreciation on equipment at 8% on cost.
5. 5.Wrote off additional Bad Debts $230.
6. 6.Provision for doubtful debts to be provided at a rate of 3% per annum.

**Required:**

1. (a) Prepare the general journal entries for the above adjustments.
2. (b) Prepare Statement of Financial Performance (extract) to show the effects of the adjustments above.
3. (c) Prepare Statement of Financial Position (extract) to show the effects of the adjustments above.

**General Journal**

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** |
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**Statement of Financial Performance (Extract)**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **$** |  | **$** |
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**Statement of Financial Position (Extract)**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **$** |  | **$** |
|  |  |  |  |
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**Lesson 45**

S: Accounting Report

S/S: Final Accounts (Balance Day Adjustments)

LO: Prepare Balance Day Adjustments.

**ACTIVITY 6**

The following are some balance day adjustments:

1. Insurance due $75
2. Wages paid in advance $150
3. Rent income due $55
4. Interest received in advance $15
5. Bad debts written off $65
6. Create 5% doubtful debts [Accounts Receivable $565]
7. Provide 10% depreciation on cost of Motor Vehicle [Motor Vehicle cost $25 000]

**Required:**

Prepare the balance day adjustment entries for 1 to 7 on the space provided below.

**General Journal**

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** |
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**Lesson 46**

S: Accounting Report

S/S: Final Accounts (Balance Day Adjustments)

LO: Prepare Balance Day Adjustments.

**ACTIVITY 7**

Use the Trial Balance and Balance Day Adjustments below to answer the questions that follows

The following is an extract from the Trial Balance of Nawaka Supermarket.

Trial Balance of Nawaka Supermarket

As at 31st June, 2019

|  |  |  |  |
| --- | --- | --- | --- |
|  | $ |  | $ |
| Accounts Receivable | 4 800 | Provision for doubtful debts | 500 |
| Insurance | 6 000 | Sales | 50 000 |
| Bad Debt | 300 | Loan | 5 000 |
| Salary | 6000 | Accounts Payable | 7 000 |
| Equipment | 30 000 |  |  |
| Inventory | 25 000 |  |  |
| Rent | 2 000 |  |  |

**The following items are yet to be recorded on balance day:**

1. 1. Insurance accrued $100.
2. 2. Salary paid in advance $150.
3. 3.Additional Bad debts written off $200.
4. 4. Provision for doubtful debts to be provided at a rate of 10% per annum.
5. 5. Provide 5% depreciation on Equipment using straight line method.

**Required:**

* 1. (a) Prepare the general journal entries for the above adjustments.
  2. (b)Prepare the ledger accounts for the above adjustment entries in 3 column form.

1. **General Journal**

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** |
|  |  |  |  |
|  |  |  |
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b. **Ledger Account in Three Column Form**

1. **Insurance**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
|  |  |  |  |  |

1. **Insurance Accrued**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
|  |  |  |  |  |

1. **Salary**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
|  |  |  |  |  |

1. **Salary in Advance**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
|  |  |  |  |  |

1. **Bad Debts**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
|  |  |  |  |  |

1. **Accounts Receivable**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
|  |  |  |  |  |

1. **Doubtful Debts**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
|  |  |  |  |  |

1. **Provision for Doubtful Debts**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
|  |  |  |  |  |

1. **Depreciation - Equipment**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
|  |  |  |  |  |

1. **Accumulated Depreciation - Equipment**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** | **Balance** |
|  |  |  |  |  |
|  |  |  |  |  |

**Lesson 47**

S: Accounting Report

S/S: Final Accounts (Worksheets)

LO: Identify the Worksheet Columns

**Worksheet**

- is a nature of a blueprint divided into various columns which helps Accountants to collect and organize information to formulate Financial Statements.

- Columns in a Worksheet consists of:

* Trial Balance Column
* Adjustments Column
* Adjusted Trial Balance Column
* Statement of Financial Performance Column
* Statement of Financial Position

**Trial Balance Column**

-Ledger account balances to be entered in the correct columns of the Trial Balance.

- Debit must equal to credit side.

**Adjustments Column**

- All given balance day adjustments to be entered on the Debit or Credit side of the adjustment column.

- New entries to be done below the Trial balance totals.

**Adjusted Trial Balance Column**

- Figures derived from the adjustment columns are added or subtracted from the trial balance to gage the amount that will be entered in the Statement of Financial Performance and Statement of Financial Position.

**Statement of Financial Performance Column**

- Transfer all income and expense items from the adjusted trial balance to these columns to find out the net profit or loss.

- The difference between the two columns represents Net Profit or Net Loss.

**Statement of Financial Position Column**

From the adjusted trial balance transfer the Assets, Liabilities and capital to the Statement of Financial Position.