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**COURSE: ACC 102**  
**MATRIC NO.: 17/MHS01/048**  
**DEPARTMENT: ECONOMICS**

**QUESTION 4**

**ABUAD NUASA BAR INCOME STATEMENT FOR THE YEAR SEPT 2016**

	₦	₦
Bar receipt		154,200
<u>Cost of Bar sales:</u>		
Open inventories	27,000	
add purchases	<u>127,400</u>	
	154,400	
less closing inventory	<u>42,700</u>	<u>-111,700</u>
Gross Bar profit		<u>42,500</u>

**b) INCOME AND EXPENDITURE FOR THE YEAR ENDED 30/9/2016**

	₦	₦
<b>INCOME:</b>		
Bar Profit		42,500
Donations		7,500
Subscriptions		<u>46,900</u>
		96,900
<b>EXPENDITURE</b>		
Travel expenses	28,500	
Ground rent	6,000	
Depreciation for new equipment	4,000	<u>-7,500</u>
Surplus of income over expenses		<u>58,400</u>

**c) STATEMENT OF FINANCIAL POSITION FOR THE YEAR 30/9/2016**

	COST	DEPR	CV
	₦	₦	₦
<b>NON CURRENT ASSETS:</b>			
New equipment	<u>12,000</u>	<u>4,000</u>	8,000
<b>CURRENT ASSETS:</b>			
Bar inventory		42,700	
Subscription oweing		2,300	
Cash		2,000	
Bank		<u>100,000</u>	<u>147,000</u>
			155,000
<b>LIABILITIES:</b>			
Bar payables		10,200	<u>-10,200</u>

144,800

**FINANCED BY**

Accumulated fund	86,400
Surplus	<u>58,400</u>
Accumulated fund 30/9/2016	<u>144,800</u>

d) **ACCUMULATED FUND AS AT 1/10/2016**

	₤	₤
<b>ASSETS:</b>		
Cash		3,500
Bank		60,000
Subscription oweing		3,400
Bar inventory		<u>27,000</u>
		<u>93,900</u>
<b>LIABILITIES:</b>		
Bar payables	<u>7,500</u>	<u>-7,500</u>
		<u>86,400</u>

**WORKINGS**

Purchase ledger control account

	₤	₤
Cash	124,700	Bal b/d 7,500
bal c/d	<u>10,200</u>	Purchases <u>127,400</u>
	<u>134,900</u>	<u>134,900</u>
	bal b/d	10,200

Subscription account

	₤	₤
bal b/f	34,000	Cash 48,000
Income & exp	<u>46,900</u>	bal c/d 2,300
	<u>50,300</u>	<u>50,300</u>

depreciation for new equipment

$$\frac{1}{3} \times 8000 = 4000$$