

F3 CASE 6-MR YOUSEF

The following trial balance has been extracted from the ledger of Mr Yousef, a sole trader.

TRIAL BALANCE AS AT 31 MAY 20X6

	Dr	Cr
	\$	\$
Sales		138,078
Purchases	82,350	
Carriage	5,144	
Drawings	7,800	
Rent and insurance	6,622	
Postage and stationery	3,001	
Advertising	1,330	
Salaries and wages	26,420	
Irrecoverable debts	877	
Allowance for receivables, at 1 Jun 20X5		130
Trade receivables	12,120	
Trade Payables		6,471
Cash on hand	177	
Cash at bank	1,002	
Inventory as at 1 Jun 20X5	11,927	
Equipment at cost	58,000	
Accumulated depreciation, at 1 Jun 20X5		19,000
Capital, at 1 Jun 20X5		<u>53,091</u>
	<u>216,770</u>	<u>216,770</u>

The following additional information as at 31 May 20X6 is available.

- Rent is accrued by \$210.
- Insurance has been prepaid by \$880.
- \$2,211 of carriage represents carriage inwards on purchases.
- Equipment is to be depreciated at 15% per annum using the straight-line method.
- The allowance for receivables is to be increased by \$40.
- Inventory at the close of business has been valued at \$13,551.

Required

- Prepare the statement of profit or loss for Mr Yousef for the year ended 31 May 20X6.
- Prepare the statement of financial position for Mr Yousef as at 31 May 20X6.