

SUVA SANGAM COLLEGE
YEAR 13 ACCOUNTING
WORKSHEET 7

STRAND 3	Company Accounting
SUB- STRAND	Annual Accounts of Company
Content Learning Outcome	Explore the accounting procedures and prepare the required final accounts for company business.

Questions

1	Differentiate between the following terms		
a	Debenture and Unsecured notes		
b	Capital Reserve and Revenue Reserve		
c	Audit fees and Director's fees		
2	The following adjustments relates to ABC COMPANY LTD for the year ended 30 th June,2021.		
i	Provide for income tax \$7 000		
ii	Interest on debentures accrued \$2500		
iii	Provision for final dividend \$10 000		
iv	Write off goodwill \$2000		
	<u>Required</u>		
	<u>Prepare the General Journal Entries for the above Adjustments (narrations not required)</u>		
3	The following information relates to Broadway Company Ltd.		
	<u>Trial Balance (extract) of Broadway Company Ltd as at 31st March , 2021</u>		
		Dr (\$)	Cr (\$)
	Issued Capital 150 000 @ \$2 per share		300 000
	Paid Up Capital 150 000 @ \$1.50 per share		225 000
	General Reserves		35 000
	Cash at Bank	9 000	
	Profit and Loss Appropriation (01/04/2020)		19 000
	Interim Dividend	5 700	
	Additional Information		
1	Transfer \$4 000 to general reserves		
2	Final dividend was declared at 10% of paid up capital.		
3	Net Income after tax is \$22 500.		
4	Income tax for the year \$3 200.		
	<u>Required:</u>		
	<u>Prepare the Profit and Loss Appropriation Statement of Broadway Company Ltd for the ended 31st March 2021.</u>		