

The following is the Adjusted Trial Balance for ABC Company as at December 31, 2002:

ABC COMPANY
ADJUSTED TRIAL BALANCE
DECEMBER 31, 2002

ACCOUNT #	ACCOUNT NAME	DEBIT	CREDIT
1020	Cash	2,850	
1200	Accounts Receivable	90	
1300	Office Supplies	60	
1400	Prepaid Insurance	370	
1600	Office Equipment	3,400	
1601	Acc. Amort. – Office Equip.		2,980
1700	Building	174,500	
1701	Acc. Amort. – Building		35,950
1800	Land	48,000	
2010	Interest Payable		1,120
2020	Wages Payable		120
2030	Property Tax Payable		780
2050	Unearned Fees		460
2600	Long Term Note Payable		155,750
3100	John Doe, Capital		30,260
3200	John Doe, Withdrawals	12,000	
4100	Fees Earned		52,570
5010	Amortization – Office Equip.	680	
5020	Amortization – Building	7,200	
5100	Wages Expense	8,820	
5150	Interest Expense	14,590	
5200	Insurance Expense	1,100	
5300	Office Supplies Expense	120	
5400	Property Tax Expense	3,880	
5500	Utilities Expense	2,330	
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	Totals	279,990	279,990
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Required:

Prepare the three Financial Statements (Assume there are no new investments during the year)

Revenue:		
Fees Earned		
Expenses:		
Amortization– Office Equipment		
Amortization– Building		
Wages		
Interest		
Insurance		
Office Supplies		
Property Tax		
Utilities		

Total Expenses		

Net Income (Loss)		
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John Doe, Capital January 1		
Plus: Investments by Owner		
Net Income		
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Less: Withdrawals by Owner		
Net Loss		
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John Doe, Capital December 31		
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ASSETS:		
Cash		
Accounts Receivable		
Office Supplies		
Prepaid Insurance		
Office Equipment		
Less: Accumulated Amortization		

Building		
Less: Accumulated Amortization		

Land		

TOTAL ASSETS		
		=====
LIABILITIES:		
Interest Payable		
Wages Payable		
Property Tax Payable		
Unearned Fees		
Long Term Note Payable		

TOTAL LIABILITIES		
EQUITY:		
John Doe, Capital		

TOTAL LIABILITIES AND EQUITY		
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ABC COMPANY
INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2002

Revenue:		
Fees Earned		\$ 52,570
Expenses:		
Amortization– Office Equipment	\$ 680	
Amortization– Building	7,200	
Wages	8,820	
Interest	14,590	
Insurance	1,100	
Office Supplies	120	
Property Tax	3,880	
Utilities	2,330	

Total Expenses		38,720

Net Income		\$ 13,850
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ABC COMPANY
STATEMENT OF CHANGE IN OWNER'S EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2002

John Doe, Capital January 1		\$ 30,260
Plus: Investments by Owner	\$ 0	
Net Income	13,850	13,850
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		\$ 44,110
Less: Withdrawals by Owner	\$ 12,000	
Net Loss	0	12,000
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John Doe, Capital December 31		\$ 32,110
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ABC COMPANY

BALANCE SHEET

DECEMBER 31, 2002

ASSETS:		
Cash		\$ 2,850
Accounts Receivable		90
Office Supplies		60
Prepaid Insurance		370
Office Equipment	\$ 3,400	
Less: Accumulated Amortization	2,980	420

Building	\$ 174,500	
Less: Accumulated Amortization	35,950	138,550

Land		48,000

TOTAL ASSETS		\$ 190,340
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LIABILITIES:		
Interest Payable		\$ 1,120
Wages Payable		120
Property Tax Payable		780
Unearned Fees		460
Long Term Note Payable		155,750

TOTAL LIABILITIES		\$ 158,230
EQUITY:		
John Doe, Capital		32,110

TOTAL LIABILITIES AND EQUITY		\$ 190,340
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