

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	150	
1300	Office Supplies	50	
1400	Prepaid Insurance	980	
1600	Office Equipment	3,400	
1601	Acc. Amort. – Office Equip.		2,900
1700	Building	174,500	
1701	Acc. Amort. – Building		36,850
1800	Land	48,000	
2010	Interest Payable		3,900
2020	Wages Payable		200
2030	Property Tax Payable		1,040
2050	Unearned Fees		750
2600	Long Term Note Payable		155,750
3100	John Doe, Capital		30,260
3200	John Doe, Withdrawals	12,000	
4100	Fees Earned		52,340
5010	Amortization – Office Equip.	600	
5020	Amortization – Building	8,100	
5100	Wages Expense	8,900	
5150	Interest Expense	17,370	
5200	Insurance Expense	490	
5300	Office Supplies Expense	130	
5400	Property Tax Expense	4,140	
5500	Utilities Expense	2,330	
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	Totals	283,990	283,990
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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		\$ 52,340
Expenses:		
Amortization– Office Equipment	\$ 600	
Amortization– Building	8,100	
Wages	8,900	
Interest	17,370	
Insurance	490	
Office Supplies	130	
Property Tax	4,140	
Utilities	2,330	

Total Expenses		42,060

Net Income		\$ 10,280
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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	10,280	10,280
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		\$ 40,540
Less: Withdrawals by Owner	\$ 12,000	
Net Loss	0	12,000
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John Doe, Capital December 31		\$ 28,540
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ABC COMPANY

BALANCE SHEET

DECEMBER 31, 2002

ASSETS:		
Cash		\$ 2,850
Accounts Receivable		150
Office Supplies		50
Prepaid Insurance		980
Office Equipment	\$ 3,400	
Less: Accumulated Amortization	2,900	500

Building	\$ 174,500	
Less: Accumulated Amortization	36,850	137,650

Land		48,000

TOTAL ASSETS		\$ 190,180
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LIABILITIES:		
Interest Payable		\$ 3,900
Wages Payable		200
Property Tax Payable		1,040
Unearned Fees		750
Long Term Note Payable		155,750

TOTAL LIABILITIES		\$ 161,640
EQUITY:		
John Doe, Capital		28,540

TOTAL LIABILITIES AND EQUITY		\$ 190,180
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