

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	3,360	
1200	Accounts Receivable	1,330	
1300	Office Supplies	165	
1400	Prepaid Insurance	1,145	
1600	Office Equipment	5,475	
1601	Acc. Amort. – Office Equip		3,295
1650	Vehicles	66,300	
1651	Acc. Amort. – Vehicles		25,300
1700	Building	207,000	
1701	Acc. Amort. – Building		52,200
1800	Land	71,250	
2010	Interest Payable		1,135
2020	Wages Payable		200
2050	Unearned Fees		610
2600	Long Term Note Payable		180,000
3100	John Doe, Capital		81,170
3200	John Doe, Withdrawals	36,000	
4100	Fees Earned		149,330
5010	Amort. – Office Equip	775	
5015	Amort. – Vehicles	8,000	
5020	Amort. – Building	9,300	
5100	Wages Expense	57,245	
5150	Interest Expense	17,335	
5200	Insurance Expense	4,225	
5300	Office Supplies Expense	315	
5400	Property Tax Expense	4,020	
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		493,240	493,240
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Required:

Prepare the three Financial Statements (Assume there was a \$30,000 new investment by the owner during the year)

ABC COMPANY
INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2002

Revenue:		
Fees Earned		\$ 149,330
Expenses:		
Amortization– Office Equipment	\$ 775	
Amortization– Vehicles	8,000	
Amortization– Building	9,300	
Wages	57,245	
Interest	17,335	
Insurance	4,225	
Office Supplies	315	
Property Tax	4,020	

Total Expenses		101,215

Net Income		\$ 48,115
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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		\$ 51,170
Plus: Investments by Owner	\$ 30,000	
Net Income	48,115	78,115
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		\$ 129,285
Less: Withdrawals by Owner		36,000

John Doe, Capital December 31		\$ 93,285
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ABC COMPANY
BALANCE SHEET
DECEMBER 31, 2002

ASSETS:		
Cash		\$ 3,360
Accounts Receivable		1,330
Office Supplies		165
Prepaid Insurance		1,145
Office Equipment	\$ 5,475	
Less: Accumulated Amortization	3,295	2,180

Vehicles	\$ 66,300	
Less: Accumulated Amortization	25,300	41,000

Building	\$ 207,000	
Less: Accumulated Amortization	52,200	154,800

Land		71,250

TOTAL ASSETS		\$ 275,230
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LIABILITIES:		
Interest Payable		\$ 1,135
Wages Payable		200
Unearned Fees		610
Long Term Note Payable		180,000

TOTAL LIABILITIES		\$ 181,945
EQUITY:		
John Doe, Capital		93,285

TOTAL LIABILITIES AND EQUITY		\$ 275,230
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