

Name : Syed Gohar Ali Shah

Roll NO : 15701

Paper : Financial Accounting

Teacher : Sir Naveed Azeem

Exam : Mid Term

Date	A/c Title	Debit	Credit
Dec 31	a) Bad Debt Expense Account Receivable	1400	1400
b) (1) 1% of Net sales			
Sales Revenue		840000	
Less: Sales Returns Allowance (20000)			
Net sales		<u>820000</u>	
Dec 31	Bad Debt expense 1% (820000) Allowance for doubtful account	8200	8200
b) (2) 10% of A/c Receivables			
Dec 31	Bad Debt Expense (110000 x 10%) = 11000 Allowance for doubtful account (11000 - 2100) = 8900	8900	8900

(c) (1) 0.75% of Net sales

Date	A/c Title	Debit	Credit
Dec 31	Bad Debt Expense Allowance for doubtful accounts $(82000 \times 0.75\%) = 6150$	6150	6150

(c) (2) 6% of Account Receivable

Dec 31	Bad Debt Expense Allowance for doubtful accounts $(11000 \times 6\%) = 6600$ $6600 + 200 = 6800$	6800	6800
--------	---	------	------

Financial Accounting Q# 2 Roll# 15701

Date	A/C Title	Debit	Credit
Jan 1	Accumulated Depreciation - Machinery Machinery	62000	62000
June 30	Depreciation Expense Accumulated Depreciation - Computer (45000 × 1/5 × 6/12)	4500	4500
June 30	Cash Accumulated Depreciation - Computer (45000 × 3/5) = 27000; 27000 + 4500 = 31500	14000	31500
	Gain on disposal [14000 - (45000 - 31500)] Computer		500 45000
Dec 31	Depreciation Expense Accumulated Depreciation - Truck (33000 - 3000) × 1/6	5000	5000
Dec 31	Loss on disposal Accumulated Depreciation - Truck (33000 - 3000) × 4/6 = 20000	13000	20000
			33000