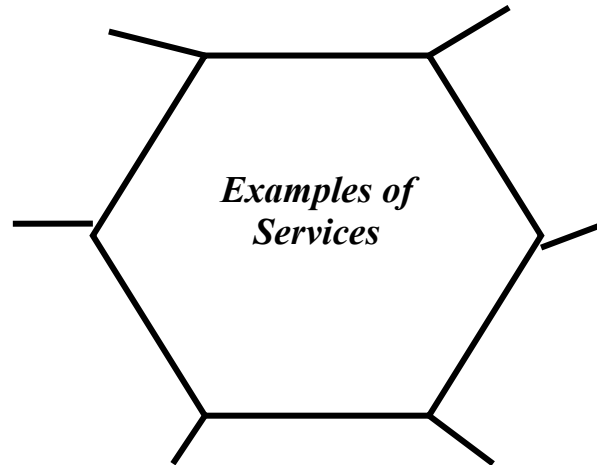
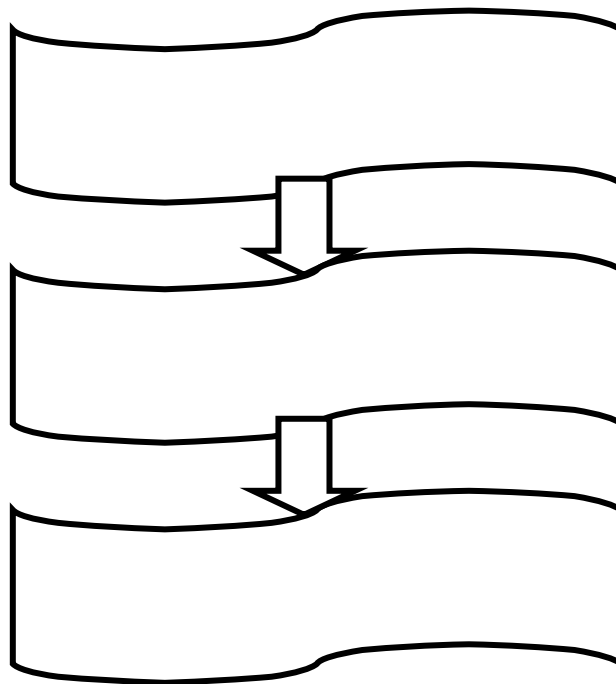


SERVICE FIRMS



Accounts of Service Firms





*******SAMPLE QUESTION*******

Johanna Kuusipuska runs a hairdressing business she prepares an operating statement and a balance sheet at the end of each year. The following trial balance was taken from the books on 31 December 2006:

	Dr.	Cr.
Income from Salon		140,000
Rates	3000	
Insurance	15,000	
Wages	40,000	
Light and heat	1500	
Materials used in Salon	7000	
Cash	1500	
Bank Overdraft		7000
Premises	90,000	
Equipment	25000	
Capital		36,000
	183000	183000

Prepare an Operating Statement as for year ended 31-12-06 and a Balance Sheet as at that date.

