

## ADJUSTMENTS:

### PRE-ADJUSTMENT TRIAL BALANCE ON 30 JUNE 2018

Debtors Control	25 200	
Provision for bad debts		1 250
Vehicles	450 000	
Accumulated depreciation on vehicles		120 000
Fixed deposit (12% interest per year)	100 000	
Loan (15% interest per year)		120 000
Rent-income		108 780
Insurance	22 250	
Interest on loan	12 000	
Interest on fixed deposit		7 800
Packing material	4 560	

- 1) A payment of R300 was received from A. Maartens. His account was written off during the year. The bookkeeper recorded the transaction in the CRJ in the Debtors Control column.  
The provision for bad debts must be adjusted to 5% of outstanding debtors.
- 2) Provide for outstanding interest on fixed deposit. Note that the fixed deposit was increased by R20 000 on the first of January 2018 and was properly recorded.
- 3) Provide for outstanding interest on loan. Note that R20 000 was paid back on the loan on the first of March 2018, and it was not recorded.
- 4) Included in insurance is a six-month contract of R7 200 that was paid on the first of April 2018.
- 5) Packing material used during the year amounted to R4 200.
- 6) Write off depreciation on vehicles at 15 % on the diminishing balance method. Take into account that a new vehicle for R120 000 was purchased on the first of March 2018 and it was recorded.
- 7) Rent was received until the end of August. Take into account that the rent was increased by 10 % on the first of February 2018.

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