

Lottie is a trader. Her financial year end is 30 April. Lottie pays \$360 per annum for insurance. On 1 May 2023, insurance of \$60 was prepaid. On 1 August Lottie paid \$360 by bank transfer for the year 1 July 2023 to 30 June 2024.

REQUIRED

(e) Prepare the insurance account for the year ended 30 April 2024. Bring down the balance at 1 May 2024.

Lottie Insurance account					
Date	Details	\$	Date	Details	\$
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[4]

[Total: 20]

Question	Answer	Marks																																				
1(e)	<div><div>Lottie Insurance account</div><table><tr><td>Date 2023</td><td>Details</td><td>\$</td><td>Date 2024</td><td>Details</td><td>\$</td></tr><tr><td>May 1</td><td>Balance b/d }</td><td>60</td><td>Apr 30</td><td>Income statement (1)</td><td>360</td></tr><tr><td>Aug 1</td><td>Bank } (1)</td><td><u>360</u></td><td></td><td>Balance c/d</td><td><u>60</u></td></tr><tr><td></td><td></td><td><u>420</u></td><td></td><td></td><td><u>420</u></td></tr><tr><td>2024</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>May 1</td><td>Balance b/d (1)OF</td><td>60</td><td></td><td></td><td></td></tr></table></div> <div>Dates (1)</div>	Date 2023	Details	\$	Date 2024	Details	\$	May 1	Balance b/d }	60	Apr 30	Income statement (1)	360	Aug 1	Bank } (1)	<u>360</u>		Balance c/d	<u>60</u>			<u>420</u>			<u>420</u>	2024						May 1	Balance b/d (1)OF	60				4
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