Source B for Question 2

The DW Club is a sports club. Its members pay an annual subscription of $50.

On 1 January 2022, it introduced a life membership scheme with a one-off fee of $400.

Summarised ledger accounts for the years ended 31 December 2022 and 2023 showed the following:

Annual subscriptions

2022		$	2022		$
Jan 1	Balance b/d	200	Jan 1–Dec 31	Bank	19 550
Dec 31	Income and expenditure	19 850	Dec 31	Balance c/d	500
		20 050			20 050
2023			2023		
Jan 1	Balance b/d	500	Jan 1–Dec 31	Bank	19 700
Dec 31	Income and expenditure	19 300	Dec 31	Balance c/d	100
		19 800			19 800

Life membership fees

2022		$	2022		$
Dec 31	Income and expenditure	40	Jan 12	Bank	400
	Balance c/d	360			
		400			400
2023			2023		
Dec 31	Income and expenditure	200	Jan 1	Balance b/d	360
	Balance c/d	1 760	Jan1–Dec 31	Bank	1 600
		1 960			1 960

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Additional information

Depreciation of delivery vehicles for the year amounted to $16 100. After this had been provided, an impairment review of delivery vehicles was undertaken on 31 December 2024. This showed the following:

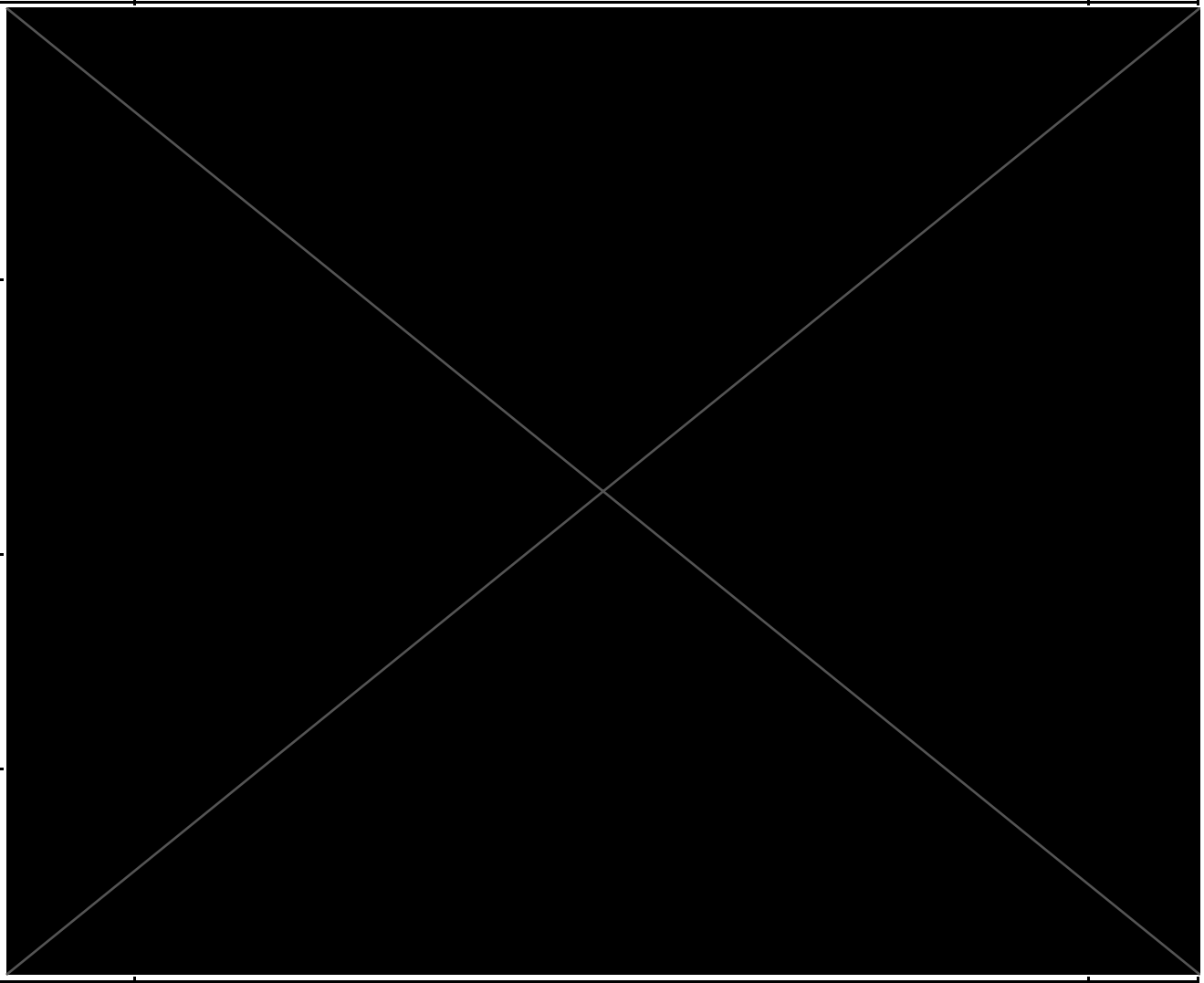
	value in use $	potential sales value $	estimated selling costs $
Vehicle A	15 600	15 700	150
Vehicle B	21 900	22 600	200
Vehicle C	25 600	24 800	200

(c) Complete the following table to show the recoverable amount and any impairment loss for **each** vehicle.

	carrying amount $	recoverable amount $	impairment loss $
Vehicle A	16 800		
Vehicle B	24 100		
Vehicle C	22 800		

[6]

DO NOT WRITE IN THIS MARGIN

Question	Answer	Marks
		
1(c)	**Complete the following table to show the recoverable amount and any impairment loss for <u>each</u> vehicle.**	**6**

vehicle	carrying amount $	recoverable amount $	impairment loss $
A	16 800	15 600 **(1)**	1 200 **(1)**
B	24 100	22 400 **(1)**	1 700 **(1)**
C	22 800	25 600 **(1)**	0 **(1)**

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