

7. Tabular Statement

The financial position of Delaney Ltd on 01/01/2016 is shown in the following balance sheet:

| Balance Sheet as at 01/01/2016 | | | |
|--|----------------|---------------------|----------------|
| | Cost | Dep. to date | Net |
| | € | € | € |
| Fixed Assets | | | |
| Land and buildings | 630,000 | 25,000 | 605,000 |
| Vehicles | 50,000 | 27,000 | 23,000 |
| Equipment | <u>15,000</u> | <u>3,000</u> | <u>12,000</u> |
| | <u>695,000</u> | <u>55,000</u> | 640,000 |
| Current Assets | | | |
| Stock | 73,000 | | |
| Debtors (less provision 4%) | <u>86,400</u> | 159,400 | |
| Less Creditors: amounts falling due within 1 year | | | |
| Creditors | 54,000 | | |
| Bank | 32,000 | | |
| VAT | 8,400 | | |
| Expenses due | <u>6,000</u> | <u>100,400</u> | <u>59,000</u> |
| | | | <u>699,000</u> |
| Financed by | | | |
| Capital and Reserves | | | |
| Authorised – 800,000 ordinary shares @ €1 each | | | |
| Issued – 560,000 ordinary shares @ €1 each | | 560,000 | |
| Share premium | | 30,000 | |
| Profit and loss balance | | <u>109,000</u> | <u>699,000</u> |
| | | | <u>699,000</u> |

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The following transactions took place during 2016:

- Jan Delaney Ltd decided to revalue land and buildings on 01/01/2016 at €800,000. The land element of the new value is €110,000.
- Feb Delaney Ltd bought an adjoining business on 01/02/2016 which included buildings €180,000, equipment €50,000, debtors €12,000 and creditors €20,000. The purchase price was discharged by granting the seller 200,000 shares in Delaney Ltd at a premium of 20c per share.
- Mar Management decided that the provision for bad debts should be increased to 6% of debtors at the end of March.
- April Purchased goods on credit for €14,760. This included VAT of 23%.
- June Received a bank statement on June 30 showing a credit transfer received of €7,200 to cover 8 month's rent received in advance from June 1 and a direct debit of €4,800 to cover security (costs) for the year ended 30/04/2016.
- July Paid by cheque a creditor account balance of €1,800 and received a discount of €100.
- Aug A payment of €900 was received from J. Barry, a debtor, whose debt had been previously written off. This represents 60% of the original debt and Barry has undertaken to pay the remainder of the debt.
- On the same day goods to the value of €369 were sold on credit to Barry. This includes 23% VAT and a mark-up on cost of 20%.
- Sept Received €50,000 from the issue of the remaining shares.
- Oct Goods previously sold for €738 by Delaney Ltd were returned. This figure includes VAT at 23% and a mark-up on cost of 20%. Delaney Ltd issued a credit note for €700 due to a delay in returning these goods.
- Nov A creditor who was owed €4,000 by Delaney Ltd, accepted equipment, the book value of which was €3,200, in full settlement of the debt. The equipment cost €5,400.
- Dec The buildings depreciation charge for the year is 2% of book value. The depreciation charge is to be calculated from the date of valuation and date of purchase. The total depreciation charge on vehicles for the year is €8,000.

Required:

Record on a tabular statement the effect each of the above transactions had on the relevant asset and liability and ascertain the total assets and liabilities on 31/12/2016.

(100 marks)