

7. Service Firm

The following were included among the assets and liabilities of Tranquillity Health Ltd on 01/01/2019:

Buildings and grounds at cost €650,000; equipment at cost €70,000; vehicles at cost €60,000; stock in shop €4,700; stock of heating oil €1,900; 5% investments €80,000; contract cleaning prepaid €750; clients' deposits paid in advance €5,700; creditors for supplies to Tranquillity Health Ltd €3,700.

The authorised capital of the company was €650,000 and the issued capital was €525,000.

All fixed assets have 3 years' accumulated depreciation on 01/01/2019.

The following is a receipts and payments account for the year ended 31/12/2019:

Receipts and Payments Account of Tranquillity Health Ltd for year ended 31/12/2019

	€		€
Balance at bank 01/01/2019	93,900	Laundry	3,400
Clients' fees	273,100	Telephone and broadband	2,600
Investment income	3,500	Wages and salaries	82,900
Shop receipts	63,600	Repayment of €70,000 loan on 01/05/2019 with 18 months' interest	75,400
		Equipment	15,000
		New extension	110,000
		New vehicle	38,000
		Insurance	8,700
		Contract cleaning	4,600
		Light and heat	5,900
		Purchases – shop	29,100
		Purchases – supplies	31,300
		Balance at bank 31/12/2019	<u>27,200</u>
	<u>434,100</u>		<u>434,100</u>