

## ***THE FINANCIAL STATEMENTS***

Listed below are the balances of a sole trader as at 31<sup>st</sup> December

|                                               |       |
|-----------------------------------------------|-------|
| Sales                                         | 14000 |
| Purchases                                     | 5500  |
| Cash in the till at 31 <sup>st</sup> December | 100   |
| Cash in the bank at 31 <sup>st</sup> December | 2900  |
| Debtors                                       | 2200  |
| Creditors                                     | 4400  |
| Wages                                         | 2800  |
| Advertising                                   | 1500  |
| Bank charges                                  | 300   |
| Commission received                           | 500   |
| Interest received                             | 700   |
| Bank loan                                     | 4700  |
| Rent                                          | 1800  |
| Rates                                         | 2400  |
| Interest on bank loan                         | 470   |
| Capital at 1 <sup>st</sup> January            | 18200 |
| Drawings for the year                         | 330   |
| Motor Vehicles -- cost                        | 11600 |
| Freehold Property -- cost                     | 10000 |
| Repairs and maintenance                       | 200   |
| Staff bonuses owed to employees               | 200   |
| Stock at 1 <sup>st</sup> January              | 400   |
| Stock at 31 <sup>st</sup> December            | 500   |

### **REQUIREMENT**

Prepare a profit and loss account for the year ended 31st December and a balance sheet at that date