

Trading and Profit and Loss Account for the							
year ended 31st December 2014							
						£	£
Turnover							217,450
Cost of Sales							120,960
Gross Profit							96,490
Distribution Costs							(19,450)
Administrative Expenses							(45,778)
Operating Profit							31,262
Interest Payable and Similar Charges							(1,500)
Profit on Ordinary Activities Before Tax							29,762
Tax on Profit on Ordinary Activities							(18,000)
Profit on Ordinary Activities After Tax							11,762
Dividends							(3,000)
Retained Profit for the Financial Year							8,762
Profit and Loss Account b/f							5,030
Profit and Loss Account c/f							13,792

Balance Sheet at 31st December 2014							
						£	£
Fixed Assets							28,597
Current Assets							
Stock						16,845	
Debtors						28,450	
Cash at Bank and in Hand						9,400	
						54,695	
Creditors : Amounts falling due within one year						(29,000)	
Net Current Assets							25,695
Total Assets less Current Liabilities							54,292
Creditors : Amounts falling due after more than one year						(15,000)	
							39,292
Capital and Reserves							
Ordinary Share Capital							20,000
Share Premium Account							4,000
Revaluation Reserve							13,792
Profit and Loss Account							1,500
							39,292

WORKINGS						
(1) Admin Expenses						
	Per Trial Balance				24,525	
	Directors' Remuneration				18,050	
	Depreciation				3,203	
					45,778	
(2) Fixed Assets						
				Cost	Provision	NBV
					for Dep'n	
				£	£	£
	Land and Buildings			22,000	(1,690)	20,310
	Plant And Machinery			16,000	(7,713)	8,287
						28,597

(3) Creditors : Amounts Falling Due Within One Year							
						£	
						8,000	
						18,000	
						3,000	
						29,000	

(4) DEPRECIATION

$$\text{Dep'n (L+B)} = 2\% \times 22000 = £440$$

$$\text{Dep'n (P+E)} = 25\% \times (16000 - 4950) = £2763$$

(5) DIVIDEND

$$\text{Dividend} = 15\% \times 20,000 = £3000$$