

Information Given in Question

b/d's	Land & Buildings	290,000
	Vehicles & Machinery	60,000
	L&H due	400
	Value of Cattle	60,000
	Value of Sheep	18,000
	Milk cheque due	2,400
	Stock of Fuel	800
	months investment interest due	

Cattle / Sheep Split	Cattle	Sheep
General Farm Expenses	60%	40%
Fertiliser	60%	40%
Vets Fees & Medicines	60%	40%

Months 12

Land

Depreciation	
L&B	290,000
Land	-
Buildings	290,000
Buildings	0%
Machinery	60,000
New	6,500
	66,500
Dep	10%

Lodgements		Payments	
balance b/d	2,800	Fertiliser	3,000
Milk	28,000	Gen Farm Exp	15,000
Sheep	22,000	Dairy Wages	1,500
Cattle	13,000	Sheep	19,000
Lambs	12,600	Cattle	14,000
Calves	5,900	L&H	3,400
Single Payment - Sheep	3,400	Machinery	6,500
Single Payment - Cattle	2,500	Repairs	6,300
Wool	1,800	Vet & Medicines	1,750
Forestry Premium	2,100	Bank Loan + Interest	16,350
4% Interest from Investment Bond	600		
6		c/d	7,900

Total M	Date	Months b/d	Months this year	rate
18	30/04 =	14	4	6%



c/d's	Cattle	62,000	Drawings	
	Sheep	25,000	Milk	700
	Milk cheque	1,800	Lamb	300
	Fertiliser creditors	400	VHI in vet	650
	L&H - oil	900	Expense Drawings	20%

Jan	1
Feb	2
Mar	3
Apr	4
May	5
June	6
July	7
Aug	8

(a) Statement of Capital

Assets		Liabilities	
Land & Buildings	290,000	L&H due	400
Vehicles & Machinery	60,000	<i>Loan</i>	15,000
Value of Cattle	60,000	<i>Loan Interest</i>	1,050
Value of Sheep	18,000		
Milk cheque due	2,400		
Stock of Fuel	800		
0 months investment interest due			
Bank	2,800		
Investment	30,000		
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	464,000	Capital	447,550

Calculate the Loan & Interest b/d

Total	% Rate	Total Months	Months Split	Year
16,350	6%	18	14 = b/d	12
			4 = P&(L)	
16,350	=	Loan	+ 6% * 18 / 12	
			+ 9%	
	=	Loan	+ 9%	
	=	109%	of the Loan	
16,350	/	109%	=	15,000

Calculate the amount of the Investment

€ 600	=	6	months
	=	100	per month
	=	1,200	a year
	@ 4%	means	@ 12 months
Investment	=	30,000	

(d) Drawings + Workings

General Farm Expenses

Bank	15,000	⇒ P&(L)	15,000
		Cattle 60%	9,000
		Sheep 40%	6,000

Fertiliser

Bank	3,000	⇒ P&(L)	3,400
c/d-L	400	Cattle 60%	2,040
		Sheep 40%	1,360

Veterinary & Medicines

Bank	1,750	Drawings	650
		⇒ P&(L)	1,100
		Cattle 60%	660
		Sheep 40%	440

Drawings

Milk	700	⇒ c/d-L	4,880
Lambs	300		
Loan Int	60		
L&H	580		
Health Ins	650		
Repairs	1,260		
Dep: M	1,330		
Dep: B	-		

Legend		Splitting a Closing entry	
Figure given as either a b/d or c/d		Figure Given in Bank	

Bank Loan

Bank	20,000	b/d-L	20,000
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Loan Interest

Bank	1,350	b/d-L	1,050
		⇒ P&(L)	300
		Drawings	60
		P&(L)	240

Investment Interest

b/d-A	-	Bank	600
P&(L)	1,200	⇒ c/d-A	600

Light & Heat

b/d-A Fuel	800	b/d-L L&H	400
Bank	3,400	c/d-A Fuel	900
		⇒ P&(L)	2,900
		Drawing	580
		P&(L)	2,320

Repairs

Bank	6,300	⇒ P&(L)	6,300
		Drawing	1,260
		P&(L)	5,040

Machinery

b/d-A	60,000	c/d-A	66,500
Bank	6,500		

Dep - Machinery

	⇒ P&(L)	6,650
	Drawings	1,330
	P&(L)	5,320
66,500	10%	

Land & Buildings

L&B	290000
Land	0
⇒ Buildings	290000

Dep - Buildings

	⇒ P&(L)	-
	Drawings	-
	P&(L)	-
290,000	0%	

(b) Enterprise Analysis Accounts

	Cattle & Milk		Sheep	
Sales	Cattle	18,900	Sheep	22,000
	Milk	27,400	Lambs	12,600
			Wool	1,800
Single Payment	Cattle	2,500	Sheep	3,400
↑ in Stock	↑ Cattle	2,000	↑ Sheep	7,000
Drawings	Milk	700	Lamb	300
		51,500		47,100
Purchases	Cattle	14,000	Sheep	19,000
↓ in Stock	↓ Cattle	-	↓ Sheep	-
Wages	Dairy Wages	1,500	Gen Farm Exp	6,000
Gen Farm Exp	Gen Farm Exp	9,000	Fertiliser	1,360
Fertiliser	Fertiliser	2,040	Vets	440
Vet & Med	Vets	660		26,800
		27,200		
	Profit - Cattle & Sheep	24,300	Profit - Sheep	20,300

Sales of Milk

b/d-A	2,400	c/d-A	1,800
⇒ P&(L)	27,400	Bank	28,000

Sales of Cattle

⇒ P&(L)	18,900	Bank - Cattle	13,000
		Bank - Calves	5,900

Stock of Cattle

b/d	60,000		
c/d	62,000		
	2,000	An Increase	

Stock of Sheep

b/d	18,000		
c/d	25,000		
	7,000	An Increase	

(c) General Profit & Loss Account

Incomes			
Profit on Cattle	24,300		
Profit on Sheep	20,300	44,600	
Investment Income		1200	
Forestry Premium		2,100	47,900
Expenses			
L&H		2320	
Repairs		5040	
Loan Interest		240	
Depreciation - Machinery	5,320		
Depreciation - Buildings	-	5,320	12,920
Net Profit			34,980