

Information Given in Question

b/d's	Land & Buildings	405,000
	Vehicles & Machinery	85,000
	L&H due	360
	Value of Cattle	70,000
	Value of Sheep	15,000
	Milk cheque due	1,500
	Stock of Fuel	740
3	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 200,000

Depreciation	
L&B	405,000
Land	200,000
Buildings	205,000
Buildings	2%
Machinery	85,000
New	6,000
	91,000
Dep	10%

Lodgements		Payments	
balance b/d	28,100	Fertiliser	2,400
Milk	27,000	Gen Farm Exp	12,100
Sheep	22,000	Dairy Wages	2,500
Cattle	15,000	Sheep	19,000
Lambs	12,600	Cattle	13,000
Calves	6,000	L&H	2,400
Single Payment - Sheep	2,300	Machinery	6,000
Single Payment - Cattle	3,200	Repairs	5,400
Wool	1,200	Vet & Medicines	2,620
Forestry Premium	1,700	Bank Loan + Interest	19,080
3% Interest from Investment Bond	1,200		
6		c/d	35,800

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



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

c/d's	Cattle	78,000
	Sheep	22,000
	Milk cheque	1,400
	Fertiliser creditors	430
	L&H - oil	500

Drawings	
Milk	850
Lamb	480
VHI in vet	1090
Expense Drawings	25%

(a) Statement of Capital

Assets		Liabilities	
Land & Buildings	405,000	L&H due	360
Vehicles & Machinery	85,000	<i>Loan</i>	18,000
Value of Cattle	70,000	<i>Loan Interest</i>	840
Value of Sheep	15,000		
Milk cheque due	1,500		
Stock of Fuel	740		
3 months investment interest due			
Bank	28,100		
Investment	80,000		
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	685,340	Capital	666,140

Calculate the Loan & Interest b/d

Total	% Rate	Total Months	Months Split	Year
19,080	4%	18	14 = b/d	12
			4 = P&(L)	
19,080	=	Loan	+ 4% * 18 / 12	
			+ 6%	
	=	Loan	+ 6%	
	=	106%	of the Loan	
19,080	/	106%	=	18,000

Calculate the amount of the Investment

€ 1,200	=	3	months
	=	400	per month
	=	4,800	a year
	@ 3%	means	@ 6 months
Investment	=	80,000	

(d) Drawings + Workings

General Farm Expenses

Bank	12,100	⇒ P&(L)	12,100
		Cattle 60%	7,260
		Sheep 40%	4,840

Fertiliser

Bank	2,400	⇒ P&(L)	2,830
c/d-L	430	Cattle 60%	1,698
		Sheep 40%	1,132

Veterinary & Medicines

Bank	2,620	Drawings	1,090
		⇒ P&(L)	1,530
		Cattle 60%	918
		Sheep 40%	612

Drawings

Milk	850	⇒ c/d-L	7,700
Lambs	480		
Loan Int	60		
L&H	570		
Health Ins	1,090		
Repairs	1,350		
Dep: M	2,275		
Dep: B	1,025		

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	1,080	b/d-L	840
		⇒ P&(L)	240
		Drawings	60
		P&(L)	180

Investment Interest

b/d-A	-	Bank	1,200
P&(L)	2,400	⇒ c/d-A	1,200

Light & Heat

b/d-A Fuel	740	b/d-L L&H	360
Bank	2,400	c/d-A Fuel	500
		⇒ P&(L)	2,280
		Drawing	570
		P&(L)	1,710

Repairs

Bank	5,400	⇒ P&(L)	5,400
		Drawing	1,350
		P&(L)	4,050

Machinery

b/d-A	85,000	c/d-A	91,000
Bank	6,000		

Dep - Machinery

	⇒ P&(L)	9,100
	Drawings	2,275
	P&(L)	6,825
91,000	10%	

Land & Buildings

L&B	405000
Land	200000
⇒ Buildings	205000

Dep - Buildings

	⇒ P&(L)	4,100
	Drawings	1,025
	P&(L)	3,075
205,000	2%	

(b) Enterprise Analysis Accounts

	Cattle & Milk		Sheep	
Sales	Cattle	21,000	Sheep	22,000
	Milk	26,900	Lambs	12,600
			Wool	1,200
Single Payment	Cattle	3,200	Sheep	2,300
↑ in Stock	↑ Cattle	8,000	↑ Sheep	-
Drawings	Milk	850	Lamb	480
		59,950		38,580
Purchases	Cattle	13,000	Sheep	19,000
↓ in Stock	↓ Cattle	-	↓ Sheep	- 7,000
Wages	Dairy Wages	2,500	Gen Farm Exp	4,840
Gen Farm Exp	Gen Farm Exp	7,260	Fertiliser	1,132
Fertiliser	Fertiliser	1,698	Vets	612
Vet & Med	Vets	918		18,584
		25,376		
	Profit - Cattle & Sheep	34,574	Profit - Sheep	19,996

Sales of Milk

b/d-A	1,500	c/d-A	1,400
⇒ P&(L)	26,900	Bank	27,000

Sales of Cattle

⇒ P&(L)	21,000	Bank - Cattle	15,000
		Bank - Calves	6,000

Stock of Cattle

b/d	70,000		
c/d	78,000		
		8,000	An Increase

Stock of Sheep

b/d	15,000		
c/d	22,000		
		7,000	An Increase

(c) General Profit & Loss Account

Incomes			
Profit on Cattle	34,574		
Profit on Sheep	19,996	54,570	
Investment Income		2400	
Forestry Premium		1,700	58,670
Expenses			
L&H		1710	
Repairs		4050	
Loan Interest		180	
Depreciation - Machinery	6,825		
Depreciation - Buildings	3,075	9,900	15,840
Net Profit			42,830