

## 7. Tabular Statement

The financial position of Sadler Ltd on 1/1/1998 is shown in the following balance sheet:

### Balance sheet as at 1/1/1998

	Cost £	Dep to date £	Net £
<b>Fixed Assets</b>			
Land & buildings	250,000	20,000	230,000
Equipment	40,000	15,000	25,000
	<u>290,000</u>	<u>35,000</u>	<u>255,000</u>
<b>Current Assets</b>			
Stock		65,000	
Debtors (Less provision 5%)		76,000	
		<u>141,000</u>	
<b>Less Creditors: amount falling due within 1 year</b>			
Creditors	59,000		
Bank	21,000		
Expenses due	2,000	82,000	
		<u>82,000</u>	
<b>Net Current Assets</b>			59,000
			<u>314,000</u>
<b>Financed by:</b>			
<b>Capital and Reserves</b>			
Authorised - 400,000 ordinary shares @ £1 each			280,000
Issued - 280,000 ordinary shares @ £1 each			12,000
Share premium			22,000
Profit and loss balance			<u>314,000</u>

The following transactions took place during 1998:

- Jan Sadler Ltd bought an adjoining business which included buildings £110,000, debtors £15,000 and creditors £35,000. The purchase price was discharged by granting the seller 80,000 shares in Sadler Ltd at a premium 25p per share.
- Feb Sadler Ltd decided to re-value the land and buildings at £500,000 which includes land valued at £50,000 on 28/2/1998.
- March A payment of £900 was received from a debtor whose debt had been previously written off and who now wishes to trade with Sadler Ltd again. This represents 60% of the original debt and the debtor had undertaken to pay the remainder of the debt by December 1998.
- April Goods previously sold for £720 were returned. The selling price of these goods was cost plus 20%. Owing to the delay in returning these goods a credit note was issued showing a deduction of 10% of selling price as a restocking charge.
- May Received a bank statement on May 31 showing a direct debit of £1,800 to cover van insurance for year ended 31/3/1999 and a credit transfer received of £3,600 representing 9 months rent in advance from May 1.
- June A creditor who was owed £400 by Sadler Ltd accepted equipment, the book value of which was £300, in full settlement of the debt. This equipment had cost £800.
- July An interim dividend of 6p per share was paid
- Oct Received £50,000 from the issue of the remaining shares.
- Nov Received balance of previously written off bad debt as agreed in March.
- Dec The buildings are to be depreciated at the rate of 2% per annum of value at 28/2/1998.

### You are required to:

Record on a tabular statement the effect each of the above transactions had on the relevant asset and liability and ascertain the total assets and liabilities on 31/12/1998.

(100 marks)