

Task IM-4.31: Preparing Financial Statements from Bookkeeping Entries

DRESSELHAUS PLC is a British company. It discloses the balance sheet as below:

DRESSELHAUS PLC's STATEMENT of FINANCIAL POSITION as at 31.12.20X5			
A			C, L
<i>Non-current assets</i>	[GBP]	<i>Equity</i>	[GBP]
P, P, E	80,000.00	Share capital	50,000.00
Intangibles		Reserves	
Financial assets		Retained earnings	77,000.00
<i>Current assets</i>		<i>Liabilities</i>	
Inventory	40,000.00	Interest bear liab	40,000.00
Accounts receivables		Accounts payables	
Prepaid expenses	1,000.00	Provisions	
Cash/Bank	79,000.00	Tax liabilities	33,000.00
Total assets	200,000.00	Total equity and liab.	200,000.00

Exhibit 1: Balance sheet

DRESSELHAUS PLC records the Bookkeeping entries as below:

DR Tax Liabilities	33,000.00	GBP
CR Cash/Bank	33,000.00	GBP
DR Rent	1,000.00	GBP
CR Prepaid Expenses	1,000.00	GBP
DR Rent	15,500.00	GBP
CR Cash/Bank	15,500.00	GBP
DR Prepaid Expenses	1,500.00	GBP
CR Rent	1,500.00	GBP
DR Purchase	120,000.00	GBP
DR VAT	24,000.00	GBP
CR Cash/Bank	144,000.00	GBP
DR Purchase	60,000.00	GBP
DR VAT	12,000.00	GBP
DR Accounts Payables	72,000.00	GBP

DR Accounts Receivables A/R	1,500.00	GBP
CR VAT	250.00	GBP
CR Returns Outwards	1,250.00	GBP
 DR Depreciation	 20,000.00	 GBP
CR Acc. Depr.	20,000.00	GBP
 DR Labour	 36,000.00	 GBP
CR Cash/Bank	36,000.00	GBP
 DR Administration	 12,000.00	 GBP
CR Cash/Bank	12,000.00	GBP
 DR Cash/Bank	 140,000.00	 GBP
DR Accounts Receivables	400,000.00	GBP
CR VAT	90,000.00	GBP
CR Revenue	450,000.00	GBP

At the end of the Accounting period 20X6, DRESSELHAUS PLC has stock to the extent of 13,000.00 GBP.

DRESSELHAUS PLC pays a dividend to its shareholder to the extent of 25 % of the distributed amount. The remaining amount is carried forward to the next Accounting period 20X7.

Required: Prepare a statement of profit and loss and other comprehensive income and a balance sheet.

DRESSELHAUS PLC ist ein englisches Unternehmen. Es zeigt die Bilanz wie unten:

DRESSELHAUS PLC's STATEMENT of FINANCIAL POSITION as at 31.12.20X5			
A			C, L
<i>Non-current assets</i>	[GBP]	<i>Equity</i>	[GBP]
P, P, E	80,000.00	Share capital	50,000.00
Intangibles		Reserves	
Financial assets		Retained earnings	77,000.00
<i>Current assets</i>		<i>Liabilities</i>	
Inventory	40,000.00	Interest bear liab	40,000.00
Accounts receivables		Accounts payables	
Prepaid expenses	1,000.00	Provisions	
Cash/Bank	79,000.00	Tax liabilities	33,000.00
Total assets	200,000.00	Total equity and liab.	200,000.00

Exhibit 1: Balance sheet

DRESSELHAUS PLC zeichnet die folgenden Buchungssätze auf:

DR Tax Liabilities	33,000.00	GBP
CR Cash/Bank	33,000.00	GBP
DR Rent	1,000.00	GBP
CR Prepaid Expenses	1,000.00	GBP
DR Rent	15,500.00	GBP
CR Cash/Bank	15,500.00	GBP
DR Prepaid Expenses	1,500.00	GBP
CR Rent	1,500.00	GBP
DR Purchase	120,000.00	GBP
DR VAT	24,000.00	GBP
CR Cash/Bank	144,000.00	GBP
DR Purchase	60,000.00	GBP
DR VAT	12,000.00	GBP
DR Accounts Payables	72,000.00	GBP
DR Accounts Receivables A/R	1,500.00	GBP
CR VAT	250.00	GBP
CR Returns Outwards	1,250.00	GBP
DR Depreciation	20,000.00	GBP
CR Acc. Depr.	20,000.00	GBP
DR Labour	36,000.00	GBP
CR Cash/Bank	36,000.00	GBP
DR Administration	12,000.00	GBP
CR Cash/Bank	12,000.00	GBP
DR Cash/Bank	140,000.00	GBP
DR Accounts Receivables	400,000.00	GBP
CR VAT	90,000.00	GBP
CR Revenue	450,000.00	GBP

Zum Ende der Abrechnungsperiode 20X6 hat DRESSELHAUS PLC noch Lagerbestände in Höhe von 13,000.00 GBP.

DRESSELHAUS PLC zahlt an seine Anteilseigner eine Dividende von 25 % des Ausschüttungsfähigen Betrags. Der Rest wird in die nächste Abrechnungsperiode 20X7 vorgetragen.

Gefragt: Erstellen Sie eine Gewinn- und Verlustrechnung und eine Bilanz zum 31.12.20X6.

Solution:

Observe the accounts:

Property, Plant, Equipment PPE			
D			C
OV	80,000.00	c/d	80,000.00
b/d	80,000.00		

Inventory INV			
D			C
OV	40,000.00	T/A	40,000.00
T/A	13,000.00	c/d	13,000.00
	53,000.00		53,000.00
b/d	13,000.00		

Prepaid expenses PRE			
D			C
OV	1,000.00	(2)	1,000.00
(4)	1,500.00	c/d	1,500.00
	2,500.00		2,500.00
b/d	1,500.00		

Cash/Bank C/B			
D			C
OV	79,000.00	(1)	33,000.00
(11)	140,000.00	(3)	15,500.00
		(5)	144,000.00
		(9)	36,000.00
c/d	21,500.00	(10)	12,000.00
	240,500.00		240,500.00
		b/d	21,500.00

Issued capital ISS			
D			C
c/d	50,000.00	OV	50,000.00
		b/d	50,000.00

Retained earnings R/E			
D			C
DIV	47,468.75	OV	77,000.00
c/d	142,406.25	P&L	112,875.00
	189,875.00		189,875.00
		b/d	142,406.25

Interest bearing liabilities IBL			
D			C
c/d	40,000.00	OV	40,000.00
		b/d	40,000.00

Income tax liabilities ITL			
D			C
(1)	33,000.00	OV	33,000.00
c/d	48,375.00	P&L	48,375.00
		b/d	48,375.00

D		Rent-20X6 RNT	C	
(2)	1,000.00	(4)	1,500.00	
(3)	15,500.00	c/d	15,000.00	
	<u>16,500.00</u>		<u>16,500.00</u>	
b/d	15,000.00	P&L	15,000.00	

D		Purchase-20X6 PRC	C	
(5)	120,000.00	T/A	180,000.00	
(6)	60,000.00			
	<u>180,000.00</u>		<u>180,000.00</u>	

D		VAT	C	
(5)	24,000.00	(7)	250.00	
(6)	12,000.00	(11)	90,000.00	
c/d	54,250.00			
	<u>90,250.00</u>		<u>90,250.00</u>	
		b/d	54,250.00	

D		Accounts payables A/P	C	
		(6)	72,000.00	
c/d	119,468.75	DIV	47,468.75	
	<u>119,468.75</u>		<u>119,468.75</u>	
		b/d	119,468.75	

D		Accounts receivables A/R	C	
(7)	1,500.00			
(11)	400,000.00	c/d	401,500.00	
	<u>401,500.00</u>		<u>401,500.00</u>	
b/d	401,500.00			

D		Returns Outwards	C	
T/A	1,250.00	(7)	1,250.00	
	<u>1,250.00</u>		<u>1,250.00</u>	

D		Depreciation-20X6 DPR	C	
(8)	20,000.00	P&L	20,000.00	
	<u>20,000.00</u>		<u>20,000.00</u>	

D		Acc depr ACC	C	
c/d	20,000.00	(8)	20,000.00	
	<u>20,000.00</u>	b/d	20,000.00	

Labour-20X6 LAB		Administration-20X6 ADM	
D	C	D	C
(9)	36,000.00	(10)	12,000.00
	P&L		P&L
	36,000.00		12,000.00

Revenue-20X6 REV		Profit and Loss-20X6 T/A - P&L	
D	C	D	C
P&L	450,000.00	INV	40,000.00
(11)	450,000.00	PRC	180,000.00
		GP	244,250.00
			464,250.00
		DPR	20,000.00
		LAB	36,000.00
		RNT	15,000.00
		ADM	12,000.00
		EBT	161,250.00
			244,250.00
		ITL	48,375.00
		R/E	112,875.00
			161,250.00

Exhibit: Accounts

**DRESSELHAUS PLC's
STATEMENT of PROFIT & LOSS
and OTHER COMPREHENSIVE INCOME
for the year ended 31.12.20X6**

	[GBP]
Revenue	450,000.00
Other income	
	450,000.00
Materials	(205,750.00)
Labour	(36,000.00)
Depreciation	(20,000.00)
Other expenses	(27,000.00)
Earnings before int. & taxes (EBIT)	161,250.00
Interest	0.00
Earnings before taxes (EBT)	161,250.00
Income tax expenses	(48,375.00)
Deferred taxes	
Earnings after taxes (EAT)	112,875.00

Exhibit: Income statement

**DRESSELHAUS PLC's
STATEMENT of FINANCIAL POSITION**

A		as at 31.12.20X6		C, L
<i>Non-current assets</i>	[GBP]		<i>Equity</i>	[GBP]
P, P, E	60,000.00		Share capital	50,000.00
Intangibles			Reserves	
Financial assets			Retained earnings	142,406.25
<i>Current assets</i>			<i>Liabilities</i>	
Inventory	13,000.00		Interest bear liab	40,000.00
Accounts receivables	401,500.00		Accounts payables	195,218.75
Prepaid expenses	1,500.00		Provisions	
Cash/Bank	0.00		Tax liabilities	48,375.00
Total assets	476,000.00		Total equity and liab.	476,000.00

Exhibit: Balance sheet