

4. Tabular Statement

The financial position of Harris Ltd on 1/1/2006 is shown in the following Balance sheet:

Balance Sheet as at 1/1/2006			
	Cost €	Dep to date €	Net €
Fixed Assets			
Land & Buildings	414,000	12,420	401,580
Vehicles	<u>68,400</u>	<u>29,700</u>	<u>38,700</u>
	<u>482,400</u>	<u>42,120</u>	440,280
Current Assets			
Stock	53,820		
Debtors	55,530		
Advertising prepaid	<u>1,350</u>	110,700	
Less Creditors: Amounts falling due within one year			
Creditors	58,680		
Bank Overdraft	9,090		
Wages due	<u>2,160</u>	<u>(69,930)</u>	
Net Current Assets			<u>40,770</u>
			<u>481,050</u>
Financed By			
Capital and Reserves			
Authorised – 765,000 Ordinary Shares @ €1 each			
Issued – 387,000 Ordinary Shares @ €1 each			387,000
Share Premium			36,000
Profit and Loss Balance			<u>58,050</u>
			<u>481,050</u>

The following transactions took place during 2006:

Jan	On 1/1/2006 Harris Ltd re-valued Land and Buildings at €20,000. This valuation included land now valued at €80,000.
Feb	On 1/2/2006 Harris Ltd bought an adjoining business which included buildings €300,000, Vehicles €50,000, Stock €20,000 and Creditors €30,000. The purchase price was discharged by granting the seller 290,000 shares in Harris Ltd at a premium of 20c per share.
March	Goods previously sold by Harris Ltd for €15,000 were returned. The selling price of these goods was cost plus 20%. Owing to a delay in returning these goods a credit note was issued showing a deduction of 10% of invoice price as a restocking charge.
April	A vehicle which cost €15,000 was traded in against a new vehicle costing €34,000. An allowance of €10,000 was made for the old van. Depreciation to date on the old van was €4,500.
May	Received a bank statement on May 31 showing a direct debit of €3,000 to cover advertising for the year ended 31/5/2007 and a credit transfer received of €2,500 to cover 10 months rent in advance from May 1.
Aug	A payment of €700 was received from a debtor whose debt had been previously written off and who now wishes to trade with Harris Ltd again. This represents 70% of the original debt and the debtor had undertaken to pay the remainder of the debt in February 2007.
Dec	The Buildings depreciation charge for the year to be 2% of book value. The depreciation charge to be calculated from date of valuation and date of purchase. The total depreciation charge on vehicles for the year was €20,000.

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 31/12/2006.

(60 marks)