Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Table 3.11 Profit and Loss Account for BTW LTD for the year ended 31 December 2016. Fill in for the values for Cost of Goods Sold, Expenses, Net Profit before Tax, Net Profit after Interest and Tax, and Retained Profit.

1.)

|  |  |
| --- | --- |
|  | $000 |
| Sales Revenue | 950 |
| Cost of Goods Sold |  |
| Gross Profit | 650 |
| Expenses |  |
| Net Profit before Interest and Tax | 350 |
| Interest | 10 |
| Net Profit before Tax |  |
| Tax | 40 |
| Net Profit after Interest and Tax |  |
| Dividends | 50 |
| Retained Profit |  |

2.) A firm at the beginning of a trading period had $500 worth of stock. It then bought more stock during this period valued at $800. It then closed this period with stock valued at $200. What is its COGS during this period?

Cost of Sales = Opening stock + purchases – closing stock

What would its gross profit be if it sold 400 units of a product at $10 each?

Gross Profit = Sales Revenue – Cost of Sales

Table 3.4.2 A Statement of Financial Position

XYZ Ltd

Balance sheet as at 30 June 2012

 $m $m

|  |  |  |
| --- | --- | --- |
| **Fixed Assets** |  |  |
| Fixed Assets | 600 |  |
| Accumulated Depreciation  | 30 |  |
| **Net Fixed Assets** |  | 570 |
|  |  |  |
| **Current Assets** |  |  |
| Cash | 20 |  |
| Debtors | 15 |  |
| Stock | 55 |  |
| **Total Current Assets** | 90 |  |
|  |  |  |
| **Current Liabilities** |  |  |
| Overdraft | 10 |  |
| Creditors | 20 |  |
| Short-term Loans | 15 |  |
| **Total Current Liabilities** | 45 |  |
|  |  |  |
|  |  |  |
| Net Current Assets (Working Capital) |  | 45 |
| Total Assets Less Current Liabilities |  | 615 |
|  |  |  |
| **Long-term Liabilities**  | 250 |  |
|  |  |  |
| **Net Assets**  |  | 365 |
| **Financed By:** |  |  |
| Share Capital  | 220 |  |
| Retained Profit | 145 |  |
| **Equity** |  | 365 |

|  |  |  |
| --- | --- | --- |
| **Fixed Assets** |  |  |
| Fixed Assets |  |  |
| Accumulated Depreciation  |  |  |
| **Net Fixed Assets** |  |  |
|  |  |  |
| **Current Assets** |  |  |
| Cash |  |  |
| Debtors |  |  |
| Stock |  |  |
| **Total Current Assets** |  |  |
|  |  |  |
| **Current Liabilities** |  |  |
| Overdraft |  |  |
| Creditors |  |  |
| Short-term Loans |  |  |
| **Total Current Liabilities** |  |  |
|  |  |  |
|  |  |  |
| Net Current Assets (Working Capital) |  |  |
| Total Assets Less Current Liabilities |  |  |
|  |  |  |
| **Long-term Liabilities**  |  |  |
|  |  |  |
| **Net Assets**  |  |  |
| **Financed By:** |  |  |
| Share Capital  |  |  |
| Retained Profit |  |  |
| **Equity** |  |  |

Using the above table, prepare another balance sheet for the year ended 30 June 2013 after the following adjustments occurred.

1. Cash increased by $10 million
2. Creditors rose by $15 million
3. Stock decreased by $5 million
4. A long-term loan increased by 10%
5. Debtors rose by $5 million
6. Retained profit fell by $26 million
7. The bank overdraft reduced by $4 million
8. Net fixed assets, share capital and short-term loans remained the same