

(a) Complete the Income Statement for Cadden Ltd for the year ended 31/12/2021. (17 marks)

Income Statement for Cadden Ltd for the year ended 31/12/2021			
	€	€	€
Cash sales			270,000
Less Cost of Sales			
Stock 01/01/2021		6,000	
Cash purchases		165,000	
Add carriage inwards		<u>1,000</u>	
		172,000	
Less stock 31/12/2021		<u>5,000</u>	
Cost of goods sold			<u>167,000</u>
Gross Profit			103,000
Less Expenses: (1m)			
Telephone & Broadband		2,500 (1m)	
Light & Heat		11,500 (1m)	
Rent		16,000 (1m)	
Wages		43,500 (1m)	
Marketing expenses		8,800 (1m)	
Depreciation on equipment		8,000 (3m) OF	<u>90,300</u>
Net Profit (1m)			12,700(2m) OF
Less Dividends paid			<u>10,000(1m)</u>
			2,700
Add opening P&L balance 01/01/21 / Opening reserves			<u>17,000(1m)</u>
P&L balance 31/12/21 / Closing reserves/retained profit/earnings (1m)			19,700(2m) OF

(b) Complete the Statement of Financial Position of Cadden Ltd as at 31/12/2021. (24 marks)

Statement of Financial Position of Cadden Ltd as at 31/12/2021			
	€	€	€
	Cost	Depreciation	N.B.V.
Fixed Assets (1m)			
Buildings	220,000(1m)	-	220,000(1m)
Equipment	<u>40,000 (1m)</u>	<u>8,000(1m) OF</u>	<u>32,000 (1m) OF</u>
	<u>260,000</u>	<u>8,000</u>	252,000
Current Assets (1m)			
Closing Stock/Stock 31/12/21	5,000 (1m)		
Cash in hand	5,700 (1m)		
Debtors	<u>12,000(1m)</u>	22,700	
Current Liabilities/Creditors amounts falling due within 1 year (1m)			
Creditors	9,000(1m)		
Bank Overdraft	<u>5,000(1m)</u>	<u>14,000</u>	
Working Capital (1m)			<u>8,700(1m) OF</u>
Total Net Assets(1m)			<u>260,700(1m) OF</u>
Financed by: (1m)			
	Authorised	Issued	
Share Capital: €1 Ordinary shares	<u>400,000(1m)</u>	160,000(1m)	
Reserves			
Profit & Loss Balance 31/12/21 / Closing reserves / Retained profit		19,700(1m) OF	
Long-term liabilities/Creditors falling due after more than 1 year			
Nine-year loan		<u>81,000(1m)</u>	
Capital Employed (1m)			<u>260,700(1m) OF</u>