

# Paramount Marine Safety Limited

## Profit & Loss Account

Year ending 31<sup>st</sup> December 2016

	£	£
<b>Sales</b>		90,000
Cost of Sales		34,000
<b>Gross Profit</b>		<u>56,000</u>
<i>Less Expenses:</i>		
Salaries	27,000	
Rents <i>(excludes £500 Prepayment)</i>	3,000	
Sales Commissions	9,000	
Electricity <i>(includes £200 Accrual)</i>	800	
Telephone <i>(includes £100 Accrual)</i>	400	
Advertising	2,500	
Insurance	1,000	
Motor Expenses	750	
Depreciation	2,000	
Bank Interest	400	
Total Expenses	<u>47,350</u>	<u>46,850</u>
<b>Total Net Profit</b>		<u><u>9,150</u></u>

## Balance Sheet

Year ending 31<sup>st</sup> December 2016

	£	£
<b>Fixed Assets</b>		
Plant & Machinery		6,000
<b>Current Assets</b>		
Stock	10,200	
Debtors	9,750	
Prepayments	500	
<b>Total</b>	<u>20,450</u>	<u>20,450</u>
<b>Current Liabilities</b>		
Creditors	2,700	
Accruals	300	
Loan Repayments	2,000	
Overdraft	300	
<b>Total</b>	<u>5,300</u>	<u>5,300</u>
Current Assets less Current Liabilities <i>(i.e. Working Capital)</i>	15,150	
<b>Long term Liabilities – amounts due beyond 12 months</b>		
Bank Loan		<u>2,000</u>
<b>Total Assets less all Liabilities</b>		<b>19,150</b>
<b>Capital Employed</b>		
Owners' capital introduced		10,000
Profits for first year of trade		<u>9,150</u>
<b>Total Capital Employed</b>		<b>19,150</b>

## Cash Flow Statement

### Year ending 31<sup>st</sup> December 2016

	£	£
<b>Inflows</b>		
Owners' capital introduced	10,000	
Cash from sales <span style="float: right;"><i>(actually received by the year end)</i></span>	80,250	
Loan received	6,000	
<b>Total</b>	96,250	<b>96,250</b>
 <b>Outflows</b>		
Trade Creditors <span style="float: right;"><i>(actually paid out before the year end to suppliers etc)</i></span>	41,500	
Expenses paid out <span style="float: right;"><i>(excludes accruals &amp; depreciation)</i></span>	44,550	
Capital Expenditure	8,000	
Loan Capital Repayments	2,000	
Prepayment <span style="float: right;"><i>(rent)</i></span>	500	
<b>Total</b>	96,550	<b>96,550</b>
Cash at Bank <i>(i.e. overdraft)</i>		<b>(300)</b>