

Study Unit 2

Class Example 1

You are preparing the Annual Financial Statements for Storms for Africa (Pty) Ltd. They have a 28 February 2014 reporting date. They have given you the following information:

Trade Creditors	: R 14 800
Inventory	: R 10 000
Machinery	: R 102 000
Debtors	: R 15 500
Cash in Bank	: R 4 800
Long-term Loan	: R 80 000
Equity	: R 37 500

Required:

Prepare the Statement of Financial Position for Storms for Africa (Pty) Ltd

Study Unit 2

Class Example 1 - Solution

Storms for Africa (Pty) Ltd

Statement of Financial Position as at 28 February 2014

ASSETS

<u>Non-current Assets</u>	102 000
Property, Plant and Equipment	102 000
<u>Current Assets</u>	30 300
Inventory	10 000
Trade and other Receivables	15 500
Cash and Cash Equivalents	4 800
Total Assets	132 300

EQUITY AND LIABILITIES

Equity	37 500
<u>Non-current Liabilities</u>	80 000
Long-term Loan	80 000
<u>Current Liabilities</u>	14 800
Trade and other Payables	14 800
Total Equity and Liabilities	132 300