

## Club Accounts 2002

### 7. Club Accounts

Included among the assets and liabilities of the All Stars Tennis Club on 1/1/2001 were the following:

Clubhouse & Courts €520,000, Bar Stock €2,100, Equipment (at cost) €11,200, Life Membership €24,000, Bar Debtors €90, Bar Creditors €1,250, Subscriptions prepaid €600, 8% Government Investments €25,000, Investment interest due €500, Levy Reserve Fund €20,000, Wages due €900.

The Club Treasurer has supplied the following account of the Club's activities during the year ended 31/12/2001:

<b>Receipts</b>	<b>€</b>	<b>Payments</b>	<b>€</b>
Bank Current Account	3,950	Bar Purchases	71,500
Investments income	1,500	Sundry Expenses	83,620
Entrance fees	16,000	Catering Costs	2,480
Catering Receipts	5,250	Equipment	12,500
Annual Sponsorship	36,000	Coaching lessons	4,650
Subscriptions	96,600	Repayment of €12,000 loan on	
Bar Receipts	104,440	31/12/2001 together with 1¼ years' interest	13,500
		Transfer to Building Society 31/12/2001	45,000
		Balance	30,490
	<u>€263,740</u>		<u>€263,740</u>

You are given the following additional information and instructions:

1. Bar stock on 31/12/2001 was €2,300.
2. Equipment owned on 31/12/2001 is to be depreciated at the rate of 20% of cost
3. Clubhouse and courts to be depreciated by 2% of cost.
4. Bar debtors and bar creditors on 31/12/2001 were €140 and €1,980 respectively.
5. Subscriptions include
  - 2 life memberships of €4,000 each.
  - Subscriptions for 2002 amounting to €1,500
  - Levy for 2001 of €100 on 200 members
  - Levy of €100 on 12 members for 2000
6. Life membership was to be written off over a ten year period commencing in 2001.

**You are required to:**

- (a) Show the Club's Accumulated Fund (Capital) on 1/1/2001. (30)
- (b) Show the Income and Expenditure Account for the year ended 31/12/2001. (35)
- (c) Show the Club's Balance Sheet at 31/12/2001. (20)
- (d) Indicate the points you, as Treasurer, would make to a proposal by the members at the AGM to reduce subscriptions by 10%. (15)

**(100 marks)**

