1 The following is the summarised Balance Sheet of Bracket & Racket Ltd, a limited company wholly owned by its two shareholders, Bracket and Racket.

Balance Sheet as at 31 March 2002

Fixed Assets at Net Book Value	\$000	\$000	\$000
Buildings Fixtures and fittings			250 100 350
<u>Current Assets</u>			
Stock	1540		
Debtors Cash	820 3	2363	
Current Liabilities			
Creditors for supplies Accruals	1210 192		
Bank	203	<u>1605</u>	758 1108
Share capital – Ordinary shares			25
Retained profits Loan accounts – Bracket		104	910
Racket		<u>69</u>	<u>173</u> 1108

The company accountant resigned at the beginning of April 2002 and proper records were not kept for the six-month period 1 April to 30 September 2002.

The following information is available for that six-month period.

	\$000
Payments by cheque for purchases	1996
Payments by cheque for expenses	823
Interest charged on overdraft	20
Cash and cheques banked	2784

Included in the amount banked was \$53000 for the sale of an unused building, book value \$70000.

Prior to banking the takings,

- (i) \$205 000 was used to pay wages for the six months;
- (ii) Bracket and Racket each reduced their loans to the firm by \$45 000.

Depreciation on all fixed assets which remain in the company's books at the end of an accounting period is calculated at 25% per annum on the net book value.

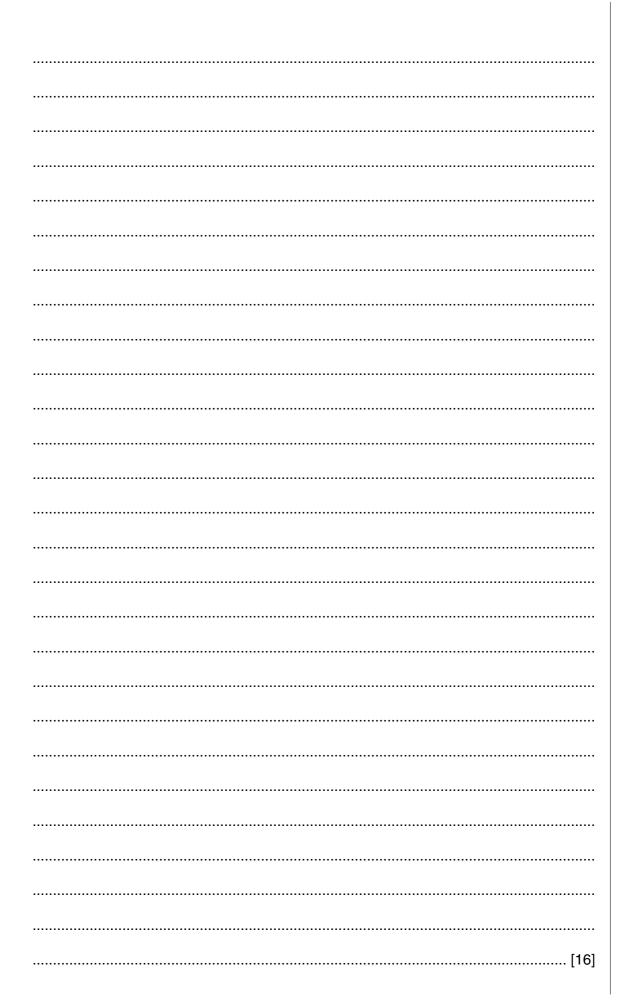
At 30 September 2002 the following figures were available.

\$000
510
103
420
704
8
195
63

Doubtful debts are estimated at 5% at 30 September 2002 and a provision for doubtful debts at that date is to be created.

REQUIRED

(a)	A Trading and Profit and Loss Account for Bracket and Racket Ltd for the six months ended 30 September 2002.



(b)	A Balance Sheet for Bracket and Racket Ltd at 30 September 2002.

The Company needs to improve its premises	but the bank	refuses	either to	allow	a further
increase in overdraft or to grant a loan.					

REQUIRED

(c)	State six other possible sources of finance.
	[6]