Adjusting Financial Accounts for Prepayments, Accruals and Depreciation / Amortisation

Rolls Royce have published their accounts:

Statement of Comprehensive Income for years ending:

**2016 (£m) 2015 (£m)**



PTO

Statement of Financial Position as at year end:

**2016 (£m) 2015 (£m)**



Make the following adjustments to these accounts and show the full impact they would have on both financial statements:

1. Their accounts needs to be adjusted to show amortisation of £150m in 2016.
2. The machinery and equipment they bought in 2015 depreciated by £100m in 2015 and £120m in 2016
3. They paid for their electricity bill early in 2015, so have a £20m prepayment.
4. What they owed for some advertising they conducted in 2016 had not been settled by the financial year end. By the end of 2016 they owed £30m to an advertising agency.

Assume tax stay the same.