

**ΥΠΟΥΡΓΕΙΟ ΠΑΙΔΕΙΑΣ ΚΑΙ ΠΟΛΙΤΙΣΜΟΥ  
ΔΙΕΥΘΥΝΣΗ ΑΝΩΤΕΡΗΣ ΚΑΙ ΑΝΩΤΑΤΗΣ ΕΚΠΑΙΔΕΥΣΗΣ  
ΥΠΗΡΕΣΙΑ ΕΞΕΤΑΣΕΩΝ**

**ΠΑΓΚΥΠΡΙΕΣ ΕΞΕΤΑΣΕΙΣ 2006**

**Μάθημα:** Λογιστική

**Ημερομηνία και ώρα εξέτασης:** Παρασκευή 9 Ιουνίου 2006  
7:30 – 10:30

**ΤΟ ΕΞΕΤΑΣΤΙΚΟ ΔΟΚΙΜΙΟ ΑΠΟΤΕΛΕΙΤΑΙ ΑΠΟ 6 ΣΕΛΙΔΕΣ**

- ΟΔΗΓΙΕΣ:** (α) Να απαντήσετε σε όλες τις ερωτήσεις.  
(β) Οι υπολογισμοί σας πρέπει να φαίνονται καθαρά στο γραπτό σας.  
(γ) Επισυνάπτεται τυπολόγιο αριθμοδεικτών.

**QUESTION 1**

The following is the Balance Sheet of Andreas and Petros who are partners, sharing profits and losses in the proportion of 3:2 respectively, as at 31 December 2005:

	£	£		£	£
<b>Fixed Assets</b>			<b>Capital Accounts</b>		
Buildings	70.400		Andreas	84.000	
Machinery	41.000	111.400	Petros	56.000	140.000
<b>Current Assets</b>			<b>Current Liabilities</b>		
Stock	14.600		Creditors	21.200	
Debtors	36.400	51.000	Bank	1.200	22.400
		162.400			162.400

On 1 January 2006 they decided to admit Renos as a new partner, on the following terms:

- (i) Renos is to bring into the business, as capital:
- £18.000 cash (paid into the Bank A/c).
  - His motor van, valued at £10.000.
- (ii) Renos is also to pay £5.000 for his share of Goodwill, which amount is to remain into the business.

- (iii) The new profit sharing ratio for Andreas, Petros and Renos will be 3:2:1 respectively.
- (iv) To revalue certain of the assets as follows:
- |           |         |
|-----------|---------|
| Buildings | £91.400 |
| Machinery | £36.800 |
| Stock     | £21.200 |
- (v) A provision for bad debts is to be created for £1.800.

**REQUIRED:**

After the completion of the above terms prepare:

- (a) The Revaluation Account. **(5,5 marks)**
- (b) The Partners' Capital Accounts (in columnar form). **(6,5 marks)**
- (Total 12 marks)**

**QUESTION 2**

1. On 1 January 2004 the Motor Vans account of the Cyprus Transport Co Ltd showed a debit balance of £82.000. The Provision for Depreciation on Motor Vans account on the same date was £28.400.

On 1 July 2005 the Cyprus Transport Co Ltd purchased a new motor van for £8.000 by cheque.

One of the motor vans purchased on 1 January 2003 for £5.000 was sold on 30 September 2005 for the sum of £1.800 by cheque.

Depreciation is charged at 20% per annum on cost (straight line method) for each month of ownership.

**REQUIRED:**

For the years ended 31 December 2004 and 2005 prepare:

- (a) The Motor Vans Account. **(2 marks)**
- (b) The Provision for Depreciation on Motor Vans Account. **(3 marks)**
- (c) The Motor Vans Disposal Account. **(1,5 marks)**

**NOTE:** All your workings must be shown. **(3,5 marks)**

2. The following information concerns the business of D. Demetriou, a sole trader, for the year 2005.

- (i) The depreciation for the year amounted to £5.400.
- (ii) The opening stock was £35.200.
- (iii) The stock turned over five times during the year.
- (iv) The gross profit ratio was 25% and the net profit ratio 10%.
- (v) The sales for the year amounted to £250.000.
- (vi) All other expenses except depreciation should be considered as General Expenses.

**REQUIRED:**

Prepare the Trading and Profit & Loss accounts for the year ended 31 December 2005.

**(10 marks)**

**(Total 20 marks)**

**QUESTION 3**

The following Trial Balance was extracted from the books of STAR CO LTD on 31 December 2005:

	£	£
Ordinary Share Capital		200.000
5% Preference Share Capital		80.000
Land and Buildings	216.000	
Furniture & Fittings	20.000	
Provision for Depreciation on Furniture & Fittings		3.200
Delivery Vans	28.000	
Provision for Depreciation on Delivery Vans		12.000
Stock on 31 December 2005	119.000	
Debtors	68.000	
Provision for Bad Debts		3.800
Creditors		34.000
Salaries	33.200	
General Reserve		23.000
4% Debentures		60.000
Interim Preference Share Dividend	2.800	
Bad Debts	1.500	
Profit and Loss (balance 1 January 2005)		26.400
Directors Remuneration	30.000	
Debenture Interest	1.800	
Auditors Fees	10.000	
Goodwill	20.000	
Gross Profit		124.000
Bank	16.100	
	566.400	566.400

**NOTES:**

- (i) The Authorised Share Capital of the Company consists of 150 000 Ordinary Shares of £2 each and 100 000 5% Preference Shares of £1 each.
- (ii) Debenture interest is due for three months.
- (iii) Salaries prepaid amounted to £2.500.
- (iv) Depreciation is provided on Furniture & Fittings at 10% on cost and on Delivery Vans at 20% on book value.
- (v) Provision for Bad Debts is to be adjusted at 4% on debtors.
- (vi) The directors decided to:
  - Make a provision for corporation tax 10% on Net Profit.
  - Provide for the balance of the preference share dividend and for a final dividend of 6% on Ordinary Share Capital.
  - Transfer to General Reserve £6.000.
  - Write off Goodwill by £5.000.

**REQUIRED:**

- (a) The Profit and Loss and Appropriation Accounts for the year ended 31 December 2005. **(10 marks)**
- (b) The Balance Sheet, in **vertical form**, as at 31 December 2005. **(14 marks)**

**(Total 24 Marks)**

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**QUESTION 4**

A and B are partners sharing profits and losses in the proportion of 3:2 respectively. Their Balance Sheet on 31 December 2005 was as follows:

	£	£		£	£
<b>Fixed Assets</b>			<b>Capital A/cs:</b>		
Land & Buildings	500.000		A	400.000	
Motor Vans	60.000	560.000	B	230.000	630.000
<b>Current Assets</b>			<b>Current A/cs:</b>		
Stock	85.000		A (Cr)	12.600	
Debtors	14.000		B (Dr)	(2.100)	10.500
Cash	6.400	105.400	<b>Current Liabilities:</b>		
			Creditors	7.500	
			Bank Overdraft	17.400	24.900
		665.400			665.400

On 1 January 2006 VERA plc was formed with an authorised share capital of 800 000 ordinary shares of £2 each and took over all the above assets, except cash, and the liabilities, except bank overdraft which was repaid by the partnership.

The following assets taken over by VERA plc were revalued as follows:

Land & Buildings	£650.000
Motor Vans	£ 45.000
Stock	£ 97.000
Debtors	£ 13.300 (the difference being a provision for bad debts)

The purchase consideration was agreed to £822.800 and it was discharged by a cash payment of £72.800 and the balance by the issue to the partners of 300 000 ordinary shares.

In order to finance the purchase of the partnership VERA plc issued to the public 150 000 ordinary shares at a premium of 50%.

VERA plc paid £3.500 for preliminary expenses.

**REQUIRED:**

- (a) In the books of the partnership show the following A/cs:
- Realization A/c. **(4 marks)**
  - Partners' Capital A/cs. **(5 marks)**
  - Cash A/c. **(3 marks)**
  - VERA plc A/c. **(2 marks)**

- (b) In the books of VERA plc prepare journal entries, including those relating to cash, to record the above transactions.  
(Narrations are not required).

**(15 marks)**  
**(Total 29 marks)**

**QUESTION 5**

Hamilton Ltd has its Head Office in Nicosia and a Branch at Larnaca. All accounting records are kept by the Head Office. All purchases are made by the Head Office and goods are invoiced to the Branch at cost plus 50% on cost. The Branch makes both cash and credit sales.

The following information relates to the Branch transactions for the year ended 31 December 2005:

	£
Stock 1.1.2005	45.600
Debtors 1.1.2005	68.800
Goods sent to Branch	540.000
Goods returned by Branch	19.200
Goods returned by branch debtors to Branch	4.800
Goods returned by branch debtors direct to H.O.	600
Cash sales	131.200
Cash received from debtors	366.400
Bad Debts	5.600
Discounts Allowed	7.200
Allowances off selling price	8.000
Sundry Expenses	98.000
Debtors 31.12.2005	78.400
Stock 31.12.2005	36.000

**REQUIRED:**

- (a) Branch Stock A/c with **double money columns**. **(11 marks)**  
(b) Branch Debtors A/c. **(4 marks)**

**(Total 15 marks)**  
**(Grand Total 100 marks)**