

ΠΡΟΤΕΙΝΟΜΕΝΕΣ ΛΥΣΕΙΣ -- ΛΟΓΙΣΤΙΚΗΣ-- ΠΑΓΚΥΠΡΙΕΣ ΕΞΕΤΑΣΕΙΣ 2009

Answer 1

(a)

**Profit and Loss and Appropriation of Y. Yiannakou and G. Georgiou
for the year ended 31 Dec 2008**

	€	€		€	€
Selling & Distribution exps	22.700		Gross profit		80.000
Add due	1.500	24.200	Commission received	3.000	
Administration exps	14.500		Less: recd in advance	500	2.500
Less: prepaid	800	13.700	Provision for bad debts		160
Finance exp (1900+800)		2.700			
Loan interest		120			
Depreciation:					
- Premises		4.000			
- Motor vehicles		1.600			
Net profit		36.340			
		82.660			82.660
G. Georgiou salary		8.000	Net profit		36.340
Interest on capital			Interest on drawings		
Y.Y	3.500		Y.Y	700	
G.G	2.000	5.500	G.G	800	1500
Share of profit					
Y.Y (3/5)	14.604				
G.G (2/5)	9.736	24.340			
		37.840			37.840

18 x 0.5 = 9

(b)

Partner's Current A/C

	Y.Y			Y.Y	G.G
	€	€		€	€
B/ce b/d		3.000	B/ce b/d	4.000	
Drawings	7.000	8.000	Salary	—	8.000
Interest on drawings	700	800	Loan Interest	120	
B/ces c/d	14.524	7.936	Interest on Capital	3.500	2.000
	22.224	19.736	Share of profit	14.604	9.736
				22.224	19.736

12 x 0.5 = 6

(c)

Balance sheet of
as at 31 December 2008

FIXED ASSETS	Cost €	Deprec. €	Net €		Y.Y €	G.G €	Total €
Premises	100.000	29.000	71.000	CAPITAL A/cs	35.000	20.000	55.000
Motor Vehicles	16.000	9.600	6.400	CURRENT A/cs	14.524	7.936	22.460
	116.000	38.600	77.400				
CURRENT ASSETS				LONG TERM LIAB.			
Stock		12.000		Bank Loan		27.000	
Debtors	36.000			Y.Y. Loan		8.000	35.000
Less provision for bad debts	1.440	34.560					
Adm exps prepaid		800	47.360	CURRENT LIAB.			
				Creditors		8.300	
				Bank overdraft		2.000	
				Com. rec. in advan		500	
				Selling & Dist due		1.500	12.300
			124.760				124.760

20 x 0.25 = 5

Answer 2

Exercise 1

(a)

Motor Vehicles Account

2007		€	2007		€
Jan 1	Balance b/d	54.000	Sept 1	Disposal	12.000
			Dec 31	Balance c/d	42.000
2008		54.000			54.000
Jan 1	Balance b/d	42.000	2008		
Oct 1	Bank	10.000	Dec 31	Balance c/d	52.000
2009		52.000			52.000
Jan 1	Balance b/d	52.000			

8 x 0.5 = 4

(b)

Provision for depreciation on M.Vehicles

2007		€	2007		€
Sept 1	Disposal W1	5.400	Jan 1	Balance b/d	16.500
Dec 31	Balance c/d	21.100	Dec 31	Depreciat. W2	10.000
2008		26.500	2008		26.500
			Jan 1	Balance b/d	21.100
Dec 31	Balance c/d	30.000	Dec 31	Depreciation W3	8.900
		30.000	2009		30.000
			Jan 1	Balance b/d	30.000

6 x 1 = 6

(c)

Disposal Account

2007		€	2007		€
Sept 1	M.Vehicles	12.000	Sept 1	Prov. for depr.	5.400
Sept 1	Profit on sale	900	Sept 1	Bank	7.500
		12.900			12.900

4 x 0.5 = 2

Working 1) Aggregate depreciation of Motor Vehicle sold

- Date of purchase 1/6/2005
- Date of sold 1/6/2007

Total months used: 27 €12.000 x 20% X 27/12 = **€5.400**

Working 2) Depreciation for the Year 2007

- € 54.000 x 20% x 8/12 = €7.200
- € 42.000 x 20% x 4/12 = **€2.800** **€10.000**

Working 3) Depreciation for the Year 2008

- €42.000 x 20% = €8.400
- €10.000 x 20% x 3/12 = **€ 500** **€8.900**

Exercise 2

(a)

Head Office Books

Branch Current Alc

	€		€
Balance b/d	68.400	Remittances from Branch	65.200
Net Profit	16.400	Goods in transit	1.600
		Remittances in transit	2.000
		(67.200 – 65.200)	
		Balance c/d	16.000
	<u>84.800</u>		<u>84.800</u>
Balance b/d	<u>16.000</u>		

8 x 0.5 = 4

Branch's books

Head Office Current Alc

	€		€
Remittances to H.O.	67.200	Balance cbd	83.200
Balance c/d	16.000		
	<u>83.200</u>		<u>83.200</u>
		Balance b/d	16.000

(b)

3 x 0.5 = 1.5

Trial Balance

	Head office €	Branch €
Sundry Assets	231.600	40.800
Branch Current Account	16.000	—
Goods in transit	1.600	—
Cash in transit	2.000	—
	<u>251.200</u>	<u>40.800</u>
Capital	200.000	—
Sundry creditors	34.800	24.800
Head office current A/c	—	16.000
Branch Net Profit	16.400	—
	<u>251.200</u>	<u>40.800</u>

10 x 0.25 = 2.5

Answer 3

(a) In the books of the partnership

i) **Realisation Account**

	€		€
Land & Buildings	600.000	Creditors	22.000
Motor Vans	60.000	ELUAMA plc (purchase price)	950.000
Furniture & Fittings	40.000		
Stock	100.000		
Debtors	26.000		
Profit on Realisation:			
Anderson (146.000x3/5)	87.600		
Brown (146.000x2/5)	58.400		
	972.000		972.000

$8 \times 0.5 = 4$

ii) **Partners Capital Accounts**

	Anderson	Brown		Anderson	Brown
Current a/c		12.000	Balance b/d	500.000	300.000
Shares in ELUAMA plc	540.000	360.000	Current a/c	40.000	
Bank	87.600		Profit on Realisation	87.600	58.400
			Bank		13.600
	627.600	372.000		627.600	372.000

$8 \times 0.5 = 4$

iii) **Bank Account**

	€		€
Balance b/d	24.000	Capital Anderson	87.600
ELUAMA plc	50.000		
Capital Brown	13.600		
	87.600		87.600

$3 \times 0.5 = 1.5$

iv) **ELUAMA plc**

	€		€
Realisation(purchase price)	950.000	Bank	50.000
		Shares in ELUAMA plc (250000 x €3.60)	900.000
	950.000		950.000

$3 \times 0.5 = 1.5$

(b) In the books of ELUAMA plc

Journal

Account name	Debit €	Credit €
Land & Buildings	730.000	
Motor Vans	40.600	
Furniture & Fittings	30.000	
Stock	110.000	
Debtors	26.000	
Goodwill (working)	38.000	
Anderson & Brown (purchase price)		950.000
Provision for bad debts		2.600
Creditors		22.000
Vendors Anderson & Brown (purchase price)	950.000	
Bank		50.000
Ordinary share capital (shares 300.000 x €3)		900.000
Preliminary expenses	5.000	
Bank		5.000
Ordinary shareholders(shares 60000 x €3.60)	216.000	
Ordinary share capital (shares 60.000 x €3)		180.000
Share premium (shares 60.000 x €0.60)		36.000
Bank	216.000	
Ordinary shareholders		216.000

18 x 0.5 = 9

Working: **Calculation of Goodwill**

	€	€
Land & Buildings	730.000	
Motor Vans	40.600	
Furniture & Fittings	30.000	
Stock	110.000	
Debtors	26.000	
Goodwill	38.000	
Vendors Anderson & Brown (purchase price)		950.000
Provision for bad debts		2.600
Creditors		<u>22.000</u>
	<u>974.600</u>	<u>974.600</u>

Answer 4

Balance Sheet of Exporters Co. Ltd as at 31 December 2008

	Cost	Depreciation	Net
	€	€	€
<u>Fixed Assets</u>			
Buildings	670.000	-	670.000
Motor Van	60.000	20.100	39.900
Office Equipment	20.200	8.500	11.700
	750.200	28.600	721.600
<u>Current Assets</u>			
Stock	100.000		
Debtors	120.000		
Expenses prepaid	15.000	235.000	
<u>Less: Current Liabilities</u>			
Creditors	90.000		
Bank Overdraft	40.000		
Corporation Tax	30.930		
Proposed Dividends: Ordinary shares	22.400		
7% Preference shares	6.000		
Debenture Interest due	8.000	197.330	
WORKING CAPITAL			37.670
NET ASSETS			759.270
<u>Authorised Share Capital</u>			
200.000 7% Pref. Shares of €1 each.		200.000	
400.000 Ordinary Shares of €2 each		800.000	1.000.000
<u>Issued Share Capital</u>			
200.000 7% Pref. Shares of €1 each.		200.000	
150.000 Ordinary Shares of €2 each		300.000	500.000
<u>Reserves and Surpluses</u>			
Profit and Loss Balance		38.170	
General Reserve		50.700	
Share Premium		20.400	109.270
<u>Long Term Liabilities</u>			
8 % Debentures Loan			150.000
			759.270

24 x 0.5 = 12

$$1) \text{ Net Profit Ratio} = \frac{\text{Net Profit}}{\text{Sales}} \times 100 = \frac{154.650 \times 100}{650.000} = 23,79\%$$

Δείχνει το ποσοστό του καθαρού κέρδους πάνω στις πωλήσεις που μπορεί να συγκριθεί με το μεικτό κέρδος ή και με το ποσοστό των καθαρών κερδών των προηγούμενων ετών. Η διαφορά από το ποσοστό του μεικτού κέρδους αποτελεί το ποσοστό των εξόδων πάνω στο σύνολο των πωλήσεων.

Με κάθε αύξηση στις πωλήσεις €1 η εταιρεία κατορθώνει αύξηση καθαρού κέρδους €0,24.

$$2) \text{ Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}} = \frac{235000}{197330} = 1,19 \text{ times}$$

Δείχνει κατά πόσο η επιχείρηση μπορεί να ανταποκριθεί στις βραχυπρόθεσμες υποχρεώσεις της χρησιμοποιώντας το βραχυπρόθεσμο ενεργητικό της. Η σχέση 2:1 γίνεται από όλους αποδεκτή ως ικανοποιητική διότι η επιχείρηση είναι σε θέση να πληρώσει τις βραχυπρόθεσμες υποχρεώσεις της και από την άλλη αποφεύγεται η άσκοπη συσσώρευση μεγάλου αποθέματος εμπορευμάτων και διαθέσιμων ρευστών που έχουν σαν συνέπεια την απώλεια τόκων και κινδύνους ζημιάς από τα εμπορεύματα (λόγω φθοράς, αλλαγής της μόδας, κτλ). Το 1,19 είναι χαμηλό και η επιχείρηση πρέπει να κάνει προσπάθειες να το αυξήσει μειώνοντας την περίοδο παραχώρησης πίστωσης στους χρεώστες, αύξησης προθεσμίας αποπληρωμής των απαιτήσεων της.

$$3) \text{ Debtors Ratio} = \frac{\text{Debtors} \times 12}{\text{Credit sales}} = \frac{120.000 \times 12}{399.500} = 3,6 \text{ months}$$

Δείχνει το μέσο όρο χρονικής διάρκειας είσπραξης των χρεωστών. Όταν η επιχείρηση αντιμετωπίζει προβλήματα ρευστότητας θα πρέπει να μειώσει τη διάρκεια των πιστώσεων που παραχωρεί στους πελάτες της.

$$4) \text{ Earnings per share} = \frac{\text{Net Profit after tax} - \text{Preference Share Dividend}}{\text{No of Ordinary Shares}} = \frac{154.650 - 30.930 - 14.000}{150.000} = \frac{109.720}{150.000} = 0,73$$

Δείχνει το κέρδος που αναλογεί στον κάτοχο κοινής μετοχής ονομαστικής αξίας €2, άσχετα αν το παίρνει υπό μορφή μερίσματος ή αν παραμένει στην εταιρεία υπό μορφή αποθεματικών.

$$8 \times 0.5 = 4$$

$$\text{θεωρία} \quad 1 \times 1 = 4$$

Answer 5

Manufacturing A/c

	€	€		€
Stock of R.M		52.000	Trading Account	750.000
Purchases of R.M		320.000		
Carriage Inward		6.000		
		378.000		
Less closing stock of R.M		40.000		
		338.000		
Direct wages		240.000		
Direct expenses		24.000		
PRIME COST		602.000		
Factory OVERHEAD				
Fuel of Power	28.000			
Factory Maintenance	23.000			
Depreciation of R.M	58.000			
Indirect Labour	20.000			
Factory Rates and Ins.	12.000			
Indirect Material	11.000	152.000		
		754.000		
Add work in progress at 1 Jan		116.000		
		870.000		
Less work in progress at 31 Dec		120.000		
Cost of Production		750.000		750.000

16 x 1 = 16

Trading A/C

	Units	€		€	
Stock of finished Goods	1 800	90.000	Sales	12 750 units	2.400.000
Manufacturing A/C	15 000	750.000			
Purchases of finished Goods	750	60.000			
		900.000			
Closing stock (w1)	4 800	240.000			
Cost of sales		660.000			
Gross profit		1.740.000			
		2.400.000			2.400.000

8 x 0.5 = 4

Working

(1) Opening stock	1 800
Add Purchases	750
Add Production	15 000
Less Sales	<u>12 750</u>
	<u>4 800</u>

Cost per Unit €750.000 / 15 000 units = 50

Closing stock = 4 800 x €50 = €240.000