

**ΥΠΟΥΡΓΕΙΟ ΠΑΙΔΕΙΑΣ, ΠΟΛΙΤΙΣΜΟΥ, ΑΘΛΗΤΙΣΜΟΥ ΚΑΙ ΝΕΟΛΑΙΑΣ
ΔΙΕΥΘΥΝΣΗ ΑΝΩΤΕΡΗΣ ΕΚΠΑΙΔΕΥΣΗΣ
ΥΠΗΡΕΣΙΑ ΕΞΕΤΑΣΕΩΝ**

ΠΑΓΚΥΠΡΙΕΣ ΕΞΕΤΑΣΕΙΣ 2020

ΜΑΘΗΜΑ: ΛΟΓΙΣΤΙΚΗ (25)

ΗΜΕΡΟΜΗΝΙΑ ΚΑΙ ΩΡΑ: Παρασκευή, 26 Ιουνίου 2020

08:00 – 11:00

**ΠΡΟΤΕΙΝΟΜΕΝΕΣ ΛΥΣΕΙΣ
ΔΩΔΕΚΑ (12) ΣΕΛΙΔΕΣ**

ANSWER 1

Cyberstrom Plc

(a) (i) Manufacturing A/c for the year ended 31 December 2019

Direct Materials	€	€
Raw Materials:		
Opening Inventory		220.000
Purchases	4.372.000	
Add Carriage Inwards	58.000	4.430.000
		4.650.000
Less Closing Inventory		(110.000)
Cost Raw Materials used		4.540.000
Manufacturing royalties		15.000
Factory wages - direct		491.000
PRIME COST		5.046.000
<u>Factory overhead</u>		
Factory manager's salaries	100.000	
Factory wages - indirect	240.000	
Rent & Rates (400.000-5.000) x4/5	316.000	
Electricity (180.000x75%)	135.000	
Repairs to machinery	18.000	
Depn on Plant & Machinery (980.000 x15%)	147.000	956.000
Work in Progress		
Add work in progress at start	30.000	
Less work in progress at end	(92.000)	(62.000)
Cost Production		5.940.000

12 MARKS

(ii) Production cost per unit=€5.940.000: 29 700 units=€200/unit

1 MARK

(b)

Cyberstorm Plc
Income Statement for the year ended 31 December 2019

	€	€
Sales		9.890.000
<u>Less Cost Sales:</u>		
Opening inventory finished goods	194.000	
Purchases finished goods	1.500.000	
Cost goods manufactured	5.940.000	
Carriage inwards finished goods	4.000	
	7.638.000	
Less closing inventory finished goods	(181.000)	(7.457.000)
Gross Profit		2.433.000
<u>Less Expenses:</u>		
Administration salaries	810.000	
Electricity (180.000 x 25%)	45.000	
Rent & Rates (400.000-5.000) x 1/5	79.000	
Carriage outwards	82.000	
Depn fice equipment (385.000 x 20%)	77.000	1.093.000
Net Profit for the year		1.340.000

7 MARKS

ANSWER 2

Part A

(a)

Working:

*Units closing inventory:	units
Opening	100
Purchases (400+300+100)	<u>800</u>
	900
Sales (200+400+100)	<u>700</u>
Closing	200

2 MARKS

i. **FIFO** (Periodic): (100 units x €2,40) + (100 unit x €2,12) = **€452** **1 MARK**

ii. **LIFO** (Periodic): (100 units x €2,00) + (100 units x €2,10) = **€410** **1 MARK**

iii. **AVCO** (Periodic): 200 units x ****€2,13** = **€426**

****Calculation AVCO per unit**

	€
100 units x €2,00	200
400 units x €2,10	840
300 units x €2,12	636
<u>100 units x €2,40</u>	<u>240</u>
<u>900 units</u>	<u>1.916</u>

$$AVCO = \frac{\text{Total Inventory Cost}}{\text{Total Units}}$$

Average cost per unit = €1.916/ 900 units= **€2,13**

4 MARKS

(b) Inventory A/c

Date	Details	Units	Price / unit	Balance
June 1	Opening inventory	100	2,00	200
June 3	Purchases	400	2,10	840
		500	2,08*	1.040
June 4	Cost Sales	(200)	2,08	(416)
		300	2,08	624
June 9	Purchases	300	2,12	636
		600	2,10**	1.260
June 11	Cost Sales	(400)	2,10	(840)
		200	2,10	420
June 18	Purchases	100	2,4	240
		300	2,20***	660
June 20	Cost Sales	(100)	2,20	(220)
	Closing inventory	200	2,20	440

*(1.040:500)

** (1.260:600)

***(660:300)

16x= 8 MARKS

Part B

(a) Closing inventory valuation:

***Lower :**

COST = €50 and NRV = €53 - €5 = €48

(800 units x €50)+ (200 x €48 *) = €49.600

2 MARKS

(b)

Εφαρμόζεται ο Κανόνας της χαμηλότερης τιμής μεταξύ κόστους και αγοραίας αξίας (Lower Cost and NRV) ο οποίος απαιτεί τα αποθέματα να απομειωθούν στη χαμηλότερη αξία και να αναγνωρισθεί ζημιά.

4 x = 2 MARKS

ANSWER 3

1. (a)

Statement Profit or Loss Vergina Stores plc for the year ended 31 December 2019

		€
Revenue		1.790.000
Cost sales (W1)		(1.110.000)
Gross profit		680.000
Administrative expenses (W3)		(223.600)
Distribution expenses (W2)		(305.400)
Profit from operations		151.000
Finance cost (W4)		(12.000)
Profit before taxation		139.000
Taxation		(47.000)
Profit for the year		92.000

5 MARKS**WORKINGS:****(W1) Cost sales**

	€
Opening inventory	300.000
Purchases	1.080.000
Closing inventory	(270.000)
	1.110.000

1,5 MARKS

(W2) Distribution costs:

€

Warehouse expenses	48.000
Salaries & wages (300.000 x 75%)	225.000
Heat & light (30.000 x 30%)	9.000
Delivery vehicle expenses	10.000
Prit on sale delivery vehicles 5.000 - (10.000 – 7.600)	(2.600)
Depn Delivery vehicles (60.000-10.000) x 25%	12.500
Depn Buildings [(750.000 – 400.000) x 5%] x 20%	3.500
	305.400

6,5 MARKS**(W3) Administrative expenses**

€

Salaries & wages (300.000 x 25%)	75.000
Heat & light (30.000 x 70%)	21.000
Auditors remuneration (15.000 + 8.000)	23.000
Irrecoverable debts	8.000
Allowance for DD [(360.000 x 6%) – 20.000]	1.600
Depn fice equipment (600.000 – 60.000) x15%	81.000
Depreciation Buildings [(750.000 – 400.000) x 5%] x 80%	14.000
	223.600

6,5 MARKS**(W4) Loan interest**

$$€200.000 \times 6\% = €12.000$$

0,5 MARK**ANSWER 4 (a)****Asklipios Plc
Journal**

2019		Dr	Cr
		€	€
Jul 31	Bank (150 000* x 1,20)	180.000	
	Ordinary share capital (150 000 x 1,00)		150.000
	Share Premium (150 000 x 0,20)		30.000
	*250 000 x 3/5		
Dec 20	Dividend/Retained earnings	40.000	
	Bank (400 000 x 0,10)		40.000
Dec 31	Property, Plant and Equipment (Land)	150.000	
	Revaluation Reserve (450.000 – 300.000)		150.000

*250 000x3/5 = 150 000 shares

6 MARKS

Calculation no shares

	€ /number shares
At start	250 000
Rights	<u>150 000</u> (250 000x3/5)*
TOTAL	<u>€400 000</u> /shares

(b i)

Statement Changes in Equity for the year ended 31 December 2019

	Ordinary Share capital €	Share premium €	Revaluation Reserve	Retained earnings €	Total €
Balance at 1 Jan 2019	250.000	20.000		85.000	355.000
Ordinary Shares issued - Rights	150.000	30.000			180.000
Net profit for the year				60.500	60.500
Dividends (11.500 (+ 40.000)				(51.500)	(51.500)
Land- revaluation			150.000		150.000
Balance at 30 June 2016	400.000	50.000	150.000	94.000	694.000

6 MARKS

(b ii)

Asklipios Plc

Statement Financial Position at 31 December 2019

Non-current assets	€
Property, Plant and Equipment (430.000 +150.000)	580.000
Accumulated depreciation	(48.000)
	532.000
Current assets	
Inventories	55.200
Trade receivables	24.800
Other receivables	1.000
Bank (-2.000 +180.000 - 40.000)	138.000
	219.000
Total assets	751.000
Equity and Liabilities	
Equity	
Ordinary share capital	400.000
Share premium	50.000
Revaluation reserve	150.000
Retained earnings	94.000
	694.000
Non-current liabilities	
8% Loan Notes	40.000
Current liabilities	
Trade payables	14.500
Other payables	2.500
	751.000

8 MARKS

ANSWER 5

a)

PPE - Cost A/c

	€000		€000
Balance b/d	4.300	Disposal	600
Bank-new equipment	2.800	Balance c/d	6.500
	7.100		7.100

2 MARKS

Accumulated depreciation A/c

	€000		€000
Disposal (600 - 140)	460	Balance b/d	1.600
Balance c/d	1.700	SOPL- charge for the year	560
	2.160		2.160

2 MARKS

Disposal A/c

	€000		€000
PPE at cost	600	Accumulated Depn	460
Prit on disposal	40	Bank-proceeds	180
	640		640

MARKS

Julian Plc
Statement Cash Flow for the year ended 31 December 2019

CASH FLOWS FROM OPERATING ACTIVITIES	€000	€000
Prit before tax	1.232	
Add: Finance cost (W2)	10	
Add: Depreciation charge	560	
Less: prit on disposal non-current assets	(40)	
<i>Operating cash flow before working capital changes</i>	1.762	
Less: Increase in inventories	(80)	
Less: Increase in trade receivables	(130)	
Add: Increase in trade payables	85	
Cash generated from operations	1.637	
Less interest paid	(10)	
Less tax paid (W1)	(145)	
<i>Net Cash flow from operating Activities</i>		1.482
CASH FLOW FROM INVESTING ACTIVITIES		
Payments to acquire non-current assets	(2.800)	
Proceeds from sale non-current assets	180	
<i>Net Cash Used in Investing Activities</i>		(2.620)
CASH FLOW FROM FINANCING ACTIVITIES		
Issue shares (3500+300)-(2.370+150)	1.280	
Repayment 10% Bank Notes	(100)	
Dividends Paid	(270)	
<i>Net Cash Flow from Financing Activities</i>		910
Net decrease in cash and cash equivalents		228
Cash and cash equivalents at the beginning the year		170
Cash and cash equivalents at the end the year		-58
Net decrease in cash and cash equivalents		228

14 MARKS

WORKINGS

(1)		Corporation Tax A/c	
	€000		€000
Cash - paid	145	Balance b/d	145
Balance c/d	180	SOPL- charge for the year	180
	325		325

(2) FINANCE COST:

Bank overdraft interest	5.000
10% Bank loan Notes interest (100.000x10%x6/12)	<u>5.000</u>
	10.000