

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

**ΠΑΓΚΥΠΡΙΕΣ ΕΞΕΤΑΣΕΙΣ 2010**

**ΜΑΘΗΜΑ: ΛΟΓΙΣΤΙΚΗ**

**ΗΜΕΡΟΜΗΝΙΑ ΚΑΙ ΩΡΑ ΕΞΕΤΑΣΗΣ: Παρασκευή 4 Ιουνίου 2010**

**07:30 – 10:30**

**ΠΡΟΤΕΙΝΟΜΕΝΕΣ ΑΠΑΝΤΗΣΕΙΣ**

**QUESTION 1 – A**

Revaluation A/c

	€	€		€
Plant & Machinery		15.000	Goodwill	42.000
Furniture		1.000	Premises	34.000
Profit on revaluation:				
Andrew 18/36	30.000			
Basil 12/36	20.000			
Chris 6/36	10.000	60.000		
		76.000		76.000

**(3,5 marks)**

Partners' Capital A/cs

	Andrew	Basil	Chris		Andrew	Basil	Chris
Current a/c			1.000	B/ce b/d	180.000	120.000	60.000
Motor Vehicle			15.000	Profit on Rev.	30.000	20.000	10.000
Bank			10.000				
Loan			44.000				
Goodwill	25.200	16.800					
B/ce c/d	184.800	123.200					
	210.000	140.000	70.000		210.000	140.000	70.000
				B/ce b/d	184.800	123.200	

**(6 marks)**

**Balance Sheet of Andrew and Basil as at 1 June 2010**

	€	€		€	€
<b><u>FIXED ASSETS</u></b>			<b><u>CAPITAL A/cs</u></b>		
Premises	184.000		Andrew	184.800	
Plant & Machinery	65.000		Basil	123.200	308.000
Furniture & Fittings	19.000		<b><u>CURRENT A/cs</u></b>		
Motor Vehicles	75.000	343.000	Andrew	1.500	
<b><u>CURRENT ASSETS</u></b>			Basil	2.000	3.500
Debtors	15.000		<b><u>CURRENT LIABILITIES</u></b>		
Bank	13.000		Loan from Christ	44.000	
Cash	2.500	30.500	Creditors	18.000	62.000
		373.500			373.500

**(6,5 marks)**

**Question 1 - B**

Lorries Account

2008			2008		
Jan 1	Balance b/d	240.000	Dec 31	Balance c/d	270.000
April 30	Bank	30.000			
		<u>270.000</u>			<u>270.000</u>
2009			2009		
Jan 1	Balance b/d	270.000	Oct 1	Disposal	18.000
		<u>270.000</u>	Dec 31	Balance c/d	252.000
2010					<u>270.000</u>
Jan 1	Balance b/d	252.000			

**(2,5 marks)**

Provision for Depreciation on Lorries a/c

2008			2008		
Dec 31	Balance c/d	118.000	Jan 1	Balance b/d	66.000
		<u>118.000</u>	Dec31	P&L / Deprec.(W1)	52.000
2009					<u>118.000</u>
Oct 1	Disposal (W2)	15.000	2009		
Dec 31	Balance c/d	156.100	Jan 1	Balance b/d	118.000
		<u>171.100</u>	Dec31	P&L / Deprec.(W3)	53.100
					<u>171.100</u>
			2010		
			Jan 1	Balance b/d	156.100

**(5,5 marks)**

Disposal of Lorries a/c

2009			2009		
Oct 1	Lorries	18.000	Oct 1	Bank	6.000
Oct 1	Profit on Disposal	3.000	Oct 1	Provision for Depreciation	15.000
		<u>21.000</u>			<u>21.000</u>

**(2 marks)**

WORKINGS:

W1. Depreciation for the year ended 2008:

$$240.000 \times 20\% = 48.000$$

$$30.000 \times 20\% \times 8/12 = 4.000$$

$$\underline{\underline{€52.000}}$$

W2. Disposal of Lorry: 1 August 2005 - 1 October 2009

2005 = 5 months

2006 = 12 months

2007 = 12 months

2008 = 12 months

2009 = 9 months

Total: 50 months →  $18.000 \times 20\% \times 50/12 = \underline{\underline{\text{€}15.000}}$

W3. Depreciation for the year ended 2009:

$(270.000 - 18.000) \times 20\% = 50.400$

$18.000 \times 20\% \times 9/12 = \underline{2.700}$

**€53.100**

### QUESTION 2 - a

Profit and Loss and Appropriation Account of OMEGA LTD  
for the year ended 31 December 2009

Salaries	70.000		Gross profit	190.000
Less prepaid	<u>6.000</u>	64.000	Provision for Bad Debts	250
Debentures Interest	3.600		[(135.000x5%) - 7.000]	
Add due	<u>2.400</u>	6.000	Income receivable from Inv.	12.000
(200.000x6%x6/12)				
Bad Debts		2.300		
Directors remuneration		20.000		
Auditors fees		15.000		
Provision for Depr.				
-Furniture (50.000x10%)	5.000			
-Vans (60.000-25.000x20%)	<u>7.000</u>	12.000		
<b>NET PROFIT c/d</b>		<b>82.950</b>		
		<u>202.250</u>		<u>202.250</u>
Corporation Tax (82.950x10%)		8.295	Balance b/d	10.000
Interim dividend-Pref. sh.		5.000	Net Profit b/d	82.950
Proposed dividend:				
- Preference shares	5.000			
(200.000x5%-5.000)				
- Ordinary shares	<u>24.000</u>	29.000		
(400.000 x 6%)				
General Reserve		10.000		
Goodwill w/off		12.000		
<b>Balance c/d</b>		<b>28.655</b>		
		<u>92.950</u>	Balance b/d	<u>92.950</u>
				28.655

(13 marks)

**QUESTION 2 – b**

(I) **Earnings per share ratio** =  $\frac{\text{Net Profit after tax} - \text{Pref. Share Dividend}}{\text{no. of Ord. Shares}}$

$$= \frac{[82\,950 - 8\,295] - [200\,000 \times 5\%]}{400\,000/4} = \underline{\underline{\text{€0.645 per share}}}$$

**(2 marks)**

(II) **Dividend per share** = Dividend / no. of shares  
 = 24.000 / 100.000 = €0,24 per share

**Dividend Yield** = Dividend per share x 100 / Market value per share  
 = [€0,24 x 100] / €6 = 4%

**(2 marks)**

**ANSWER 3 (a)**

Balance Sheet of ARISTON Manufacturing plc  
 as at 31 December 2009

	Cost	Aggr.Dep/n	Net B.V.
	€	€	€
<b>FIXED ASSETS</b>			
Factory Buildings	420.000	42.000	378.000
Furniture and Fittings	40.000	6.000	34.000
Motor Vans	<u>80.000</u>	<u>12.000</u>	<u>68.000</u>
	<u>540.000</u>	<u>60.000</u>	480.000
<b>CURRENT ASSETS</b>			
Stocks:			
- Raw Materials	50.000		
- Work in Progress	30.000		
- Finished goods	<u>120.000</u>	200.000	
Debtors		80.000	
Insurance prepaid		13.000	
Bank		<u>42.000</u>	
		335.000	
<b>LESS CURRENT LIABILITIES</b>			
Creditors	112.700		
Debenture Interest due	4.200		
Proposed 8% pref. shares dividend	4.000		
Proposed ordinary share dividend	20.000		
Provision for corporation tax	<u>26.600</u>	<u>167.500</u>	
<b>WORKING CAPITAL</b>			167.500
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><b>647.500</b></u>

AUTHORISED SHARE CAPITAL:			
250 000 Ord. Shares of €2 each		500.000	
300 000 8% Prefer Shares of €1each		<u>300.000</u>	<u>800.000</u>
ISSUED SHARE CAPITAL			
170.000 Ord Shares of €2 each		340.000	
180.000 8% Pref Shares of €1 each		<u>180.000</u>	520.000
RESERVES and SURPLUSES			
Share premium		22.500	
General Reserve		30.000	
Profit & Loss		<u>15.000</u>	67.500
LONG TERM LIABILITIES			
7 % Debentures			60.000
TOTAL CAPITAL EMPLOYED			<u>647.500</u>

(15 marks)

### ANSWER 3 (b)

(I) **Debtors ratio** = Debtors x days / Net credit sales

$$= 80.000 \times 365 / 500.000 = \underline{\underline{58.4 \text{ days}}} \quad (2 \text{ marks})$$

- Κατά μέσο όρο η διάρκεια των πιστώσεων που χορήγησε η επιχείρηση στους πελάτες της ήταν περίπου 58 μέρες.
- Με βάση τον πιο πάνω αριθμοδείκτη η επιχείρηση καθορίζει τη διάρκεια των πιστώσεων που χορηγεί στους πελάτες της.
- Όταν αντιμετωπίζει προβλήματα ρευστότητας μειώνει τη διάρκεια των χορηγούμενων πιστώσεων και αυξάνει τη ρευστότητά της.

(2 marks)

(II) **Working capital ratio or current ratio** = Current assets / Current Liabilities

$$= 335.000 / 167.500 = \underline{\underline{2 : 1 \text{ or } 2 \text{ times}}} \quad (2 \text{ marks})$$

Δείχνει την ικανότητα που έχει η επιχείρηση να ανταποκρίνεται στις βραχυπρόθεσμες υποχρεώσεις της. Το αποτέλεσμα θεωρείται πολύ ικανοποιητικό γιατί η επιχείρηση έχει τη δυνατότητα αν παραστεί ανάγκη να εξοφλήσει με άνεση τις βραχυπρόθεσμες υποχρεώσεις της και να μπορεί να συνεχίσει τις εργασίες της.

(2 marks)

(III) **Net profit ratio** = Net profit x 100 / Net sales

$$= 266.000 \times 100 / 665.000 = \underline{\underline{40\%}} \quad (2 \text{ marks})$$

(IV) **Net Income as a percentage of Equity capital**

$$= [\text{Net profit after tax} - \text{Preference share dividend} \times 100] / \text{Equity Capital}$$

$$= \{[(266.000 - 26.600) - 180.000 \times 8\%] \times 100\} / 340.000 = \underline{\underline{66.18\%}}$$

(2 marks)

## QUESTION 4

### JOURNAL

	DR (€)	CR(€)
Bank (380 000 x €3) Application & Allotment	1.140.000	1.140.000
Application & Allotment Ordinary Share Capital (300 000 x €6.50) Share Premium (300 000 x €2)	2.550.000	1.950.000 600.000
Application & Allotment Bank (refund: 30 000 x €3)	90.000	90.000
Bank (300 000 x €5,50) – (50 000 x €3) or W1 Application & Allotment	1.500.000	1.500.000
First Call (300 000x €1) Ordinary Share Capital	300.000	300.000
Calls in arrear (4 000x €1) Bank First Call	4.000 296.000	300.000
Bank Calls in advance (7 000 x €2,50)	17.500	17.500
Second & Final Call (300 000x €2,50) Ordinary Share Capital	750.000	750.000
Calls in arrear (4 000 x €2,50) Calls in advance Bank (W2) Second & Final Call	10.000 17.500 722.500	750.000

#### Working 1

#### Application & Allotment A/c

	€		€
Ordinary Share Capital	1.950.000	Bank - Appl. Money	1.140.000
Share Premium	600.000	<b>Bank – Allotment money</b>	1.500.000
Bank - Refund	90.000		
	<u>2.640.000</u>		<u>2.640.000</u>

#### Working 2

#### Second & Final Call A/c

	€		€
Ordinary Share Capital	750.000	Calls in Arrear	10.000
		Calls in Advance	17.500
		Bank	722.500
	<u>750.000</u>		<u>750.000</u>

**(16 marks)**

### QUESTION 5

#### Realisation A/c

	€		€
Premises	180.000	Creditors	26.000
Office Equipment	35.000	MARCON Plc	420.000
Motor Cars	28.000	-Purchase price (W2)	
Stock	95.000		
Debtors	37.000		
Bank	11.000		
Profit on realisation	60.000		
	<u>446.000</u>		<u>446.000</u>

(7 marks)

#### Capital A/c

	€		€
Shares in MARCON Plc (70 000 shares x €6*)	420.000	B/ce b/d	360.000
	<u>420.000</u>	Profit on realisation	60.000
			<u>420.000</u>

\* Appropriate price per share = Purchase price ÷ no. of shares  
= €420.000 ÷ 70000 = €6

(3 marks)

#### MARCON Plc A/c

	€		€
Realisation	420.000	Shares in MARCON Plc	420.000

(2 marks)

#### Shares in MARCON Plc A/c

	€		€
MARCON Plc	420.000	Capital	420.000

(2 marks)

### WORKINGS:

<u>W1: Goodwill</u>	<u>W2: Purchase price</u>
15.600 + 19.700 - 4.100 + 24.800 = 56.000	<u>Assets undertaken (at revalued prices):</u> €
Average profit: 56.000 ÷ 4 = €14.000	Goodwill 42.000
Goodwill = 14.000 x 3 times = <u>€42.000</u>	Premises 230.000
	Office equipment 35.000
	Motor Cars 28.000
	Stock 63.000
	Debtors 37.000
	Bank <u>11.000</u>
	446.000
	<u>Less Current Liabilities:</u>
	Creditors <u>26.000</u>
	Purchase price <u>420.000</u>

(Total marks: 100)

--- THE END---