

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

**ΠΑΓΚΥΠΡΙΕΣ ΕΞΕΤΑΣΕΙΣ 2016**

**ΜΑΘΗΜΑ: ΛΟΓΙΣΤΙΚΗ**

**ΗΜΕΡΟΜΗΝΙΑ ΚΑΙ ΩΡΑ ΕΞΕΤΑΣΗΣ: Πέμπτη 2 Ιουνίου 2016  
08:00 - 11:00**

**ΤΟ ΕΞΕΤΑΣΤΙΚΟ ΔΟΚΙΜΙΟ ΑΠΟΤΕΛΕΙΤΑΙ ΑΠΟ ΕΠΤΑ (7) ΣΕΛΙΔΕΣ**

**ΟΔΗΓΙΕΣ:**

- Να απαντήσετε σε όλες τις ερωτήσεις (Answer all questions)
- Όλοι οι υπολογισμοί πρέπει να φαίνονται καθαρά στο τετράδιό σας
- Επιτρέπεται η χρήση μη προγραμματισμένης υπολογιστικής μηχανής
- Επισυνάπτεται Τυπολόγιο Λογιστικών Αριθμοδεικτών τεσσάρων (4) σελίδων.

## QUESTION 1

### Exercise 1

Andy and Bobby are in partnership sharing profits and losses in the ratio 2:1. Their latest Balance Sheet is shown below:

Andy and Bobby  
Balance Sheet as at 31 December 2014

	€	€		€	€
Fixed Assets			Capital Accounts		
Premises	170.000		Andy	200.000	
Fixtures	30.000		Bobby	100.000	300.000
Motor Vehicles	60.000	260.000	Current Accounts		
Current Assets			Andy	44.000	
Stock	29.000		Bobby	(14.000)	30.000
Debtors	16.000		Current Liabilities		
Bank	37.000	82.000	Creditors		12.000
		<u>342.000</u>			<u>342.000</u>

On 1<sup>st</sup> January 2015 the partners agreed to admit Chris into the partnership who paid €60.000 for his capital. The assets of the partnership to be revalued as below:

	€
Premises	240.000
Fixtures	20.000
Motor Vehicles	48.000
Stock	14.000

Andy, Bobby and Chris agreed that the Goodwill of the business to be valued at €24.000. No Goodwill account will be opened, but adjustments should be made in the partners' Capital Accounts.

The terms of admission of partner were that profits and losses would be shared in the ratio: Andy 2, Bobby 1 and Chris 1.

### **REQUIRED:**

Prepare the following:

- The Revaluation Account **(Marks 5)**
- The Partners' Capital Accounts, in columnar form **(Marks 5)**
- The Balance Sheet of the new partnership after the admission of the new partner at 1<sup>st</sup> January 2015. **(Marks 5)**

**(Total Marks 15)**

## **Exercise 2**

The following information relates to Lelia Plc for the year ended 31 December 2015:

	€
Net Profit (before debenture interest accrued)	210.000
Retained Profits 1 January 2015	62.000
Interim Ordinary Shares Dividend	10.000
Interim 5% Preference Shares Dividend	5.000
6% Debentures ( <b>issued on 1 September 2015</b> )	70.000
General Reserve	40.000
Issued and fully paid up share capital:	
5% Preference Shares of €1 each	400.000
Ordinary Shares of €2 each	1.000.000

The directors proposed the following:

- a) To provide for Corporation Tax 10%
- b) The payment of a final dividend of €0.04 per Ordinary Share
- c) The payment of a final dividend on the 5% Preference Shares
- d) To transfer €20.000 to the General Reserve.

### **REQUIRED:**

Prepare the Profit and Loss Appropriation A/c for the year ended 31 December 2015.

**(Total Marks 10)**

**(Question 1 Total Marks 25)**

## **QUESTION 2**

The Balance Sheet of Nelia Plc at 31<sup>st</sup> December 2013 included the following:

### **FIXED ASSETS**

	€	€
Motor Vans	32.000	
Less Provision for Depreciation	<u>19.200</u>	12.800

The following transactions took place:

#### **2014**

March 1 Purchased three Motor Vans on credit from Vision Ltd for €6.000 each.

September 30 Sold a Motor Van by cheque €1.700 which had been bought on 1 January 2012 for €5.000.

#### **2015**

July 1 Purchased a new Motor Van on credit from Vision Ltd for €12.600, for the replacement of one bought in 2014. The trade - in value was €4.600.

Depreciation on Motor Vans was calculated at the rate of 20% per annum, by the straight line method proportionately (one month's ownership, one month depreciation).

Note: Your calculations should be made to the nearest €.

### **REQUIRED:**

Prepare the following for the years 2014 and 2015:

- The Motor Vans Account
- The Provision for Depreciation on Motor Vans Account
- The Disposal of Motor Vans Account.

**(Marks 6)**

**(Marks 6)**

**(Marks 8)**

**(Total Marks 20)**

## **QUESTION 3**

The following Trial Balance was extracted from the books of Fenia Clothing Plc:

Trial Balance as at 30 April 2015

Accounts	€ 000	€ 000
Purchases - Sales	160	200
General Reserve		15
Stock at cost, 1 May 2014	27	
Bank Overdraft		8
General Expenses (including Depreciation)	10	
Debtors - Creditors	50	25
Interim Dividend paid	4	
Ordinary Share Capital		100
Fixed Assets (Book Value on 30 April 2015)	102	
Retained Profits 1 May 2014		5
	<b>353</b>	<b>353</b>

Notes:

- a) The Closing stock on 30 April 2015 was valued at €17.000
- b) Corporation Tax should be provided at 10% on the Net Profit for the year
- c) A final Ordinary Dividend of 4% is to be provided
- d) All Purchases and Sales are on credit.

**REQUIRED:**

Calculate the following Ratios to two decimal places:

- a) Current Ratio **(Marks 2)**
- b) Quick Assets Ratio **(Marks 2)**
- c) Stock Turnover Ratio **(Marks 2)**
- d) Debtors' Ratio (in months) **(Marks 2)**
- e) Gross Profit to Sales Ratio **(Marks 3)**
- f) Return on Capital Employed Ratio **(Marks 4)**

**(Total Marks 15)**

**QUESTION 4**

Andreas and Vasilis are partners sharing profits and losses in the proportion of 3:2 respectively:

**Andreas & Vasilis**  
Balance Sheet as at 31 December 2014

<b>Fixed Assets</b>	€	€	<b>Capital A/cs</b>	€	€
Land & Buildings	600.000		Andreas	500.000	
Furniture	40.000		Vasilis	300.000	800.000
Motor Van	60.000	700.000	<b>Current A/cs</b>		
			Andreas	20.000	
<b>Current Assets</b>			Vasilis	(12.000)	8.000
Stock	100.000		<b>Long Term Liabilities</b>		
Debtors	26.000		Loan		20.000
Cash	24.000	150.000	<b>Current Liabilities</b>		
			Creditors	18.000	
			Bank Overdraft	4.000	22.000
		<u>850.000</u>			<u>850.000</u>

The partners decided to sell their business into a company.

On 1 January 2015, Ava Plc was formed with an authorized share capital of 800 000 ordinary shares of €3 each and took over all the assets and the liabilities, of Andreas and Vasilis partnership, except cash, motor van, bank overdraft and creditors. Vasilis took over the motor van for €55.000, and assumed responsibility for half amount of the creditors. The rest of the creditors were settled by the partnership for €8.000.

Ava Plc revalued the assets taken over as follows:

	€
Land & Buildings	750.000
Furniture	30.000
Stock	110.000
Debtors	23.400 (difference being provision for bad debts)

The purchase consideration for the sale of the partnership was agreed to €950.000 and it was discharged by a cash payment of €26.000 and the balance by allocating to the partners 280.000 ordinary shares in Ava Plc according to their Profit and Loss Ratio.

In order to finance the purchase of the partnership, Ava Plc issued to the public additional ordinary shares and paid preliminary expenses €2.000

**REQUIRED:**

Prepare in the books of the partnership the following:

- (i) The Realization A/c **(Marks 8)**
- (ii) The Ava Plc A/c **(Marks 2)**
- (iii) The Partners' Capital A/cs in columnar form **(Marks 6)**
- (iv) The Bank A/c **(Marks 2)**
- (v) The Creditors A/c **(Marks 2)**

**(Total Marks 20)**

## **QUESTION 5**

Denia Plc was incorporated in 2015 with an Authorized Share Capital of 100 000 Ordinary Shares of €2 each. During the year of the incorporation 60 000 Shares were issued and fully paid at a premium of €0,50 per share.

On 1<sup>st</sup> Jan 2016, the company decided to offer the remaining shares to the public at a premium €0,50 payable as follows:

	€
On Application	0,50
On Allotment	1,50 (Including the premium)
On First Call	0,30
On Second and Final Call	?

Applications were received for 114 000 shares and were dealt with, as follows on 15<sup>th</sup> January:

Applicants for 2 000 shares were satisfied in full

Applicants for 16 000 shares were allotted 1 share for every 2 applied for

Applicants for 44 000 shares were allotted 10 shares for every 44 applied for

Applicants for 50 000 shares were allotted 20 shares for every 50 shares applied for

Any excess application money is to be applied towards amount due on allotment, while those applicants who have got no allotment had their application money refunded.

All allotment monies received in full but when the first call was asked on 15<sup>th</sup> on February one shareholder of 500 shares failed to pay while another shareholder of 100 shares paid them in full.

When the second call was asked, one month later, all shareholders paid their obligations except the above mentioned one who held 500 shares.

### **REQUIRED:**

Make the necessary Journal entries in the books of Denia Plc to record the above transactions.

**(Total Marks 20)**

**(GRAND TOTAL MARKS 100)**

**THE END**