

Published Accounts | Question Layout

- These accounts are very popular. They consist of a series of workings to be used for a published Profit & Loss a/c, then a balance sheet and finally, a series of notes.

Workings:

1. Cost of sales:

Opening stock	000
+ purchases	000
-Closing stock	000
+ Patent w/o	<u>000</u>
=	000

2. Distribution costs:

Distribution expenses (P&L)	000
Depreciation on vehicle	000
Depreciation on buildings	000
Advertising	000
(Item to be included in distribution...)	<u>000</u>
	000

3. Administration expenses:

Administration expenses (P&L)	000
Depreciation on buildings	000
Auditors fees	000
Directors fees	000
Salaries + General expenses	000
Rent	000
(Item to be included in administration.)	000
Being sued (Liable)	<u>000</u>
	000

4. Other operating income:

Rental income	000
Discount	000
Patent royalty	000
(Item to be included in administration.)	<u>000</u>
	000

- Next is the published P&L a/c which must be learned off and written in its exact form + order otherwise marks will be deducted.

Published P&L a/c of (Name) for the year ended 31/12/(Year)

Turnover		000
-Cost of Sales		<u>(000)</u>
=Gross profit		000
-Distribution costs	000	
-administration expenses	<u>000</u>	<u>(000)</u>
		000
+ Other operating income		<u>000</u>
= Operating profit		000
+ Profit on sale of land		000
+ Income from financial assets		<u>000</u>
		000
-Interest payable		<u>(000)</u>
= Profit on ordinary activities before tax		000
-Tax on profit on ordinary activities		<u>(000)</u>
= Profit on ordinary activities after tax		000
-Dividends paid	000	
-Dividends proposed*	<u>000</u>	<u>(000)</u>
= Retained profit for the year		000
+/- P&L b/f 1/1		<u>000</u>
= P&L c/f 31/12		<u>000</u>

Balance Sheet of (Name) as at 31/12/(Year):

Fixed Assets:

<u>Intangible:</u>	000
<u>Tangible:</u> (Ans from working table)	000
<u>Financial:</u>	<u>000</u>
	000

Current Assets:

Stock	000		
Debtors	000		
- Bad debt provision <u>000</u>	000		
Other debtors (Vat refund etc.)	000		
Cash	000		
Bank	<u>000</u>	000	

Less creditors: Amounts falling due within 1 year:

Bank overdraft	000		
Trade creditors	000		
Other creditors	000		
Compensation	000		
Taxation	<u>(000)</u>	<u>000</u>	

Net Current Assets 000

Current Net Assets xxx

Financed by:

Creditors: Amounts falling due after more than 1 year:

X% Debentures 000

Capital & Reserves:

	Authorised	Issued	
Called up share capital	<u>000</u>	000	
Profit carried forward		000	
Revaluation reserve		<u>000</u>	<u>000</u>
= Capital Employed			<u>xxx</u>

- Finally, there are a series of notes which follow the accounts. This is part of the published account itself and the exact wording must be learned off for full marks.
- There are many notes but normally you're only asked about 4-5 of them, a full list will be included below.
- One of the notes is a "Tangible Fixed Assets", table which is always required for a balance sheet.

1. Tangible Fixed Assets:

	<i>Land</i>	<i>Buildings</i>	<i>Van</i>	<i>Total</i>
^Cost 1/1				
Disposal				
Revaluation	-			
*Value 31/12	-			
^Accumulated Depreciation 1/1	-			
Charge for year	-			
Revaluation	-			
*Closing bal 31/12	-			
^NBV 1/1				
*NBV 31/12				

2. Accounting policy note for tangible fixed assets (incl depreciation) and stock:

Buildings were revalued at the end of this year and have been included in the accounts at their revalued amount. Depreciation is calculated in order to write off the value or cost of tangible fixed assets over their estimated useful economic life, as follows:

Buildings (2% per annum straight line basis)

Delivery vans (20% per annum reducing balance basis)

Stocks are valued on a first in first out basis at the lower of cost or net realisable value.

3. Operating profit:

The operating profit is arrived at after charging:

Depreciation on tangible fixed assets	000
Patent amortised	000
Directors' fees	000
Auditors' fees	000
Legal fees (when they must be provided for)	000

4. Dividends:

Ordinary Dividend Paid

- x cent per share 000

Preference Dividends Paid

- y cent per share 000

5. Capital expenditure and commitments note:

(Basically just copy down the paragraph)

- The company has entered into a preliminary contract with (Name) Ltd for the building of an extension to its premises for the sum of €x. They also intend to carry out further capital improvements to existing premises at a cost of €y.

6. Contingent liability:

(Again, basically just copy the paragraph)

- The company has provided €x for a claim made by an employee for unfair dismissal. The company's legal advisers have advised that the company will probably be liable for the full €x of the claim.

This example was from the 2016 exam. The paragraphs will differ slightly, all you have to do is copy it down with a few wording examples.

7. Financial fixed assets:

	1/1/(Year)	31/12/(Year)
Quoted investments	x	x
Unquoted investments	y	y
	<hr/>	<hr/>
	z	z

- The market value of the quoted investments on 31/12/20(..) was €a.
- The director's valuation of the unquoted investments on 31/12/201 was €b.

8. Interest paid:

- Interest payable on debentures during 20xx/20xx was €x.

9. Profit on sale of property:

- The company sold land for €x greater than it cost. Cost was €y.