

Aufgabe QR-10.11 Kapitalflussrechnung (Statement of Cash Flows)

MOWBRAY Ltd is established on 1.01.20X2 by a share issue. The company's issuance is 500,000 shares 1.00 EUR face value per share. The issue price was 2.00 EUR/share. MOWBRAY Ltd. takes a bank loan 300,000.00 EUR which comes with an interest rate 6 % to be paid at year end. There is a pay-off 3,000.00 EUR/annum at the end of every fiscal year also. MOWBRAY bought machines on 1.01.20X2 630,000.00 EUR gross amount. The dealer offers a discount 7%. They write them off along straight line method over 5 years. Consider an residual value 100,000.00 EUR for depreciation. MOWBRAY buys materials 200,000.00 EUR net amount and pays half of the amount. Consider VAT. Using up all inventories they produce goods which they sell for 600,000.00 EUR gross amount. 20 % of revenue is paid one year later. Labour amounts to 130,000.00 EUR. MOWBRAY pays rent half a year in advance. They paid on 1.01.20X2 5,000.00 EUR (no VAT to be considered), on 30.06.20X2 5,000.00 EUR and on 31.12.20X2 5,000.00 EUR.

Required: Make all bookkeeping entries and determine the pretax profit. Set up a statement of cash flows with reconciliation of profit and operating cash flow. Determine the cash flow from investing and financing activities directly. Compare your results to the cash book/account.

Lösung (solution):

SCap			
D	C		
c/d	500.000,00	(1)	500.000,00
		b/d	500.000,00

Bank			
D	C		
(1)	1.000.000,00	(3)	18.000,00
(2)	300.000,00	(4)	3.000,00
(8)	480.000,00	(5)	585.900,00
		(7)	120.000,00
		(9)	130.000,00
		(10)	5.000,00
		(11)	5.000,00
		(12)	5.000,00
		c/d	908.100,00
	1.780.000,00		1.780.000,00
b/d	908.100,00		

Cap Res			
D	C		
c/d	500.000,00	(1)	500.000,00
		b/d	500.000,00

IBL			
D	C		
(4)	3.000,00	(2)	300.000,00
c/d	297.000,00		
	300.000,00		300.000,00
		b/d	297.000,00

Interest			
D	C		
(3)	18.000,00	P&L	18.000,00

PPE			
D	C		
(5)	488.250,00	c/d	488.250,00
b/d	488.250,00		

VAT			
D	C		
(5)	97.650,00	(8)	100.000,00
(7)	40.000,00	c/d	37.650,00
	137.650,00		137.650,00
b/d	37.650,00		

Depr			
D	C		
(6)	77.650,00	P&L	77.650,00

Acc Depr			
D	C		
c/d	77.650,00	(6)	77.650,00
		b/d	77.650,00

Purchase			
D	C		
(7)	200.000,00	P&L	200.000,00

A/P			
D	C		
c/d	120.000,00	(7)	120.000,00
		b/d	120.000,00

Revenue			
D	C		
P&L	500.000,00	(8)	500.000,00

A/R			
D	C		
(8)	120.000,00	c/d	120.000,00
b/d	120.000,00		

Labour			
D	C		
(9)	130.000,00	P&L	130.000,00

Rent			
D	C		
(10)	5.000,00	Prepd	5.000,00
(11)	5.000,00		
(12)	5.000,00	c/d	10.000,00
	15.000,00		15.000,00
b/d	10.000,00	P&L	10.000,00

P&L			
D	C		
Intrst	18.000,00	P&L	500.000,00
Depr	77.650,00		
Purch	200.000,00		
Labour	130.000,00		
Rent	10.000,00		
EBT	64.350,00		
	500.000,00		500.000,00
Tax L	19.305,00	EBT	64.350,00
R/E	45.045,00		

Prepaid			
D	C		
Rent	5.000,00	c/d	5.000,00
b/d	5.000,00		

SBK			
D	C		
PPE	410.600,00	SCAP	500.000,00
		Res	500.000,00
VAT	37.650,00	R/E	45.045,00
A/R	120.000,00	IBL	297.000,00
prep	5.000,00	A/P	120.000,00
Bank	908.100,00		
		Tax L	19.305,00
	1.481.350,00		1.481.350,00

R/E			
D	C		
c/d	45.045,00	P&L	45.045,00
		b/d	45.045,00

Tax Liabl			
D	C		
c/d	19.305,00	P&L	19.305,00
		b/d	19.305,00

Exhibit 1: MOWBRAY Ltd's accounts

**Mowbray Ltd's
STATEMENT of COMPREHENSIVE
INCOME
for 20X2**

Revenue	500.000,00
less Materials	(200.000,00)
less Depreciation	(77.650,00)
less Labour	(130.000,00)
less Other expenses	(10.000,00)
less Interest	(18.000,00)
EBT	64.350,00
less Taxes	(19.305,00)
EAT	45.045,00

Exhibit 2: Income Statement

**Mowbray Ltd's
RECONCILIATION of EARNINGS
before TAXATION with CFoA
for year ended 31.12.20X2**

Profit for the period	64.350,00
add: depreciation	77.650,00
	142.000,00
Finance payments	18.000,00
	160.000,00
Changes in working capital	
(1) Changes in A/R	(120.000,00)
(2) Changes in inventory	(5.000,00)
(3) Changes in A/P*	120.000,00
	155.000,00
Changes in VAT	
(1) VAT receivable	(37.650,00)
(2) VAT payable	0,00
Operating cash flow	117.350,00

Exhibit 3: Reconciliation statement

**Mowbray Ltd's
STATEMENT of CASH FLOWS
for 20X2**

	20X2
	[EUR]
CF from operating activities	
CF see working	117.350,00
	<u>117.350,00</u>
CF from investing activities	
Computers	(488.250,00)
	<u>(488.250,00)</u>
CF from financing activities	
Share capital contribution	1.000.000,00
Bank loan	297.000,00
Interest received	0,00
Interest paid	(18.000,00)
	<u>1.279.000,00</u>
Total cash flow:	<u>908.100,00</u>

Exhibit 4: Statement of Cash Flows