

Test 4.23: Jahresabschluss nach IFRSs**(Financial Statements along IFRSs)**

HAGEN Ltd is a limited company based on shares. The incorporation was on 1.01.20X5 when the business issued 50,000 shares at an issue price 3.40 EUR/share. The face value is 1.00 EUR/share:

HAGEN takes a bank loan 300,000.00 EUR which comes with a rate of interest 3.2 %. The pay-off is every year 3,000.00 EUR. Interest and pay-off are to be paid at the year end.

The business bought machines 250,000.00 EUR (net amount) on 2.01.20X5 and paid half of the amount per bank transfer, the other half is to be paid in 20X6. Depreciation is along straight line method. Consider a residual value 100,000.00 EUR for the machines (all together). Their useful life is 5 years.

At the beginning of 20X5 HAGEN bought and paid materials 100,000.00 EUR (free of VAT) and received a discount later. Make bookkeeping entries using the discount received account for a 7.00 % discount. The supplier gives HAGEN a voucher. At the end of 20X5 30.00 % of the materials are still on stock. HAGEN sold goods for 170,000.00 EUR (net amount) and gave half of its customers a discount 8.00 %. All customers paid on cash.

Labour amounts to 75,000.00 EUR; expenses for marketing and management accounting were 63,000.00 EUR (together). All amounts were paid per bank transfer at the end of 20X5.

Required: Set up a trial balance and an adjusted trial balance for the year ended on 31.12.20X5.

Prepare a statement of financial position and of comprehensive income for the same Accounting period.

Solution (Lösung)

Observe the bookkeeping entries in the T-accounts in exhibit 1 below:

Cash/Bank		SCAP		Cap res	
D	C	D	C	D	C
(1) 170.000,00	(3) 9.600,00	c/d 50.000,00	(1) 50.000,00	c/d 120.000,00	(1) 120.000,00
(2) 300.000,00	(4) 3.000,00		b/d 50.000,00		b/d 120.000,00
(11) 195.840,00	(5) 150.000,00				
	(7) 120.000,00				
	(12) 75.000,00				
	(13) 63.000,00				
	c/d 245.240,00				
	<u>665.840,00</u>				
b/d 245.240,00	<u>665.840,00</u>				
IBL		Interest		PPE	
D	C	D	C	D	C
(4) 3.000,00	(2) 300.000,00	(3) 9.600,00	c/d 9.600,00	(5) 250.000,00	c/d 250.000,00
c/d 297.000,00		b/d 9.600,00		b/d 250.000,00	
<u>300.000,00</u>	<u>300.000,00</u>				
b/d 297.000,00	297.000,00				
VAT		A/P		Depr	
D	C	D	C	D	C
(5) 50.000,00	(10) 1.400,00	c/d 150.000,00	(5) 150.000,00	(6) 30.000,00	c/d 30.000,00
(7) 20.000,00	(11) 32.640,00		b/d 150.000,00	b/d 30.000,00	
	c/d 35.960,00				
	<u>70.000,00</u>				
b/d 35.960,00	<u>70.000,00</u>				
Acc Depr		Purchase		Discount rec	
D	C	D	C	D	C
c/d 30.000,00	(6) 30.000,00	(7) 100.000,00	(9) 7.000,00	(9) 7.000,00	(8) 8.400,00
	b/d 30.000,00		c/d 93.000,00	(10) 1.400,00	
			<u>100.000,00</u>	<u>8.400,00</u>	<u>8.400,00</u>
		b/d 93.000,00	<u>100.000,00</u>		
A/R		Sales		Labour	
D	C	D	C	D	C
(8) 8.400,00	c/d 8.400,00	c/d 163.200,00	(11) 163.200,00	(12) 75.000,00	c/d 75.000,00
b/d 8.400,00			b/d 163.200,00	b/d 75.000,00	
Admin					
D	C				
(13) 63.000,00	c/d 63.000,00				
b/d 63.000,00	<u>63.000,00</u>				

Exhibit 1: Accounts

See the trial balance that summarizes the balancing figures in exhibit 2:

**Hagen Ltd's
TRIAL BALANCE as at 31.12.20X5**

Account	Total of DRs	Total of CRs
Cash/Bank	245.240,00	
SCap		50.000,00
Cap Reserves		120.000,00
IBL		297.000,00
Interest	9.600,00	
PPE	250.000,00	
VAT	35.960,00	
A/P		150.000,00
Depr	30.000,00	
Acc Depr		30.000,00
Purchase	93.000,00	
A/R	8.400,00	
Sales		163.200,00
Labour	75.000,00	
Admin	63.000,00	
<i>Total</i>	<u><u>810.200,00</u></u>	<u><u>810.200,00</u></u>

Exhibit 1: Trial balance as at 31.12.20X5

At the end of fiscal year 20X1 there is a closing stock which amounts to $30\% \cdot 93,000 = 27,900.00$ EUR.

After preparing the P&L-account the accounts look as in exhibit 3:

D		Cash/Bank		C	
(1)	170.000,00	(3)	9.600,00		
(2)	300.000,00	(4)	3.000,00		
(11)	195.840,00	(5)	150.000,00		
		(7)	120.000,00		
		(12)	75.000,00		
		(13)	63.000,00		
		c/d	245.240,00		
	<u>665.840,00</u>		<u>665.840,00</u>		
b/d	245.240,00				

D		SCAP		C	
c/d	<u>50.000,00</u>	(1)	<u>50.000,00</u>		
		b/d	50.000,00		

D		Cap res		C	
c/d	<u>120.000,00</u>	(1)	<u>120.000,00</u>		
		b/d	120.000,00		

D		IBL		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		
D		Interest		C	
(3)	9.600,00	c/d	9.600,00		
b/d	9.600,00	P&L	9.600,00		
D		PPE		C	
(5)	250.000,00	c/d	250.000,00		
b/d	250.000,00				
D		VAT		C	
(5)	50.000,00	(10)	1.400,00		
(7)	20.000,00	(11)	32.640,00		
		c/d	35.960,00		
	70.000,00		70.000,00		
b/d	35.960,00				
D		A/P		C	
c/d	150.000,00	(5)	150.000,00		
		b/d	150.000,00		
D		Depr		C	
(6)	30.000,00	c/d	30.000,00		
b/d	30.000,00	P&L	30.000,00		
D		Acc Depr		C	
c/d	30.000,00	(6)	30.000,00		
		b/d	30.000,00		
D		Purchase		C	
(7)	100.000,00	(9)	7.000,00		
		c/d	93.000,00		
	100.000,00		100.000,00		
b/d	93.000,00	T/A	93.000,00		
D		Discount rec		C	
(9)	7.000,00	(8)	8.400,00		
(10)	1.400,00				
	8.400,00		8.400,00		
D		A/R		C	
(8)	8.400,00	c/d	8.400,00		
b/d	8.400,00				
D		Sales		C	
c/d	163.200,00	(11)	163.200,00		
T/A	163.200,00	b/d	163.200,00		
D		Labour		C	
(12)	75.000,00	c/d	75.000,00		
b/d	75.000,00	P&L	75.000,00		
D		Admin		C	
(13)	63.000,00	c/d	63.000,00		
b/d	63.000,00	P&L	63.000,00		
D		T/A		C	
Purch	93.000,00	Sales	163.200,00		
GPc/d	98.100,00	cl.St.	27.900,00		
	191.100,00		191.100,00		
P&L	98.100,00	b/d	98.100,00		
D		P&L		C	
Int	9.600,00	T/A	98.100,00		
Depr	30.000,00				
Lab	75.000,00				
Admin	63.000,00	NLc/d	79.500,00		
	177.600,00		177.600,00		
b/d	79.500,00	R/E	79.500,00		
D		R/E		C	
P&L	79.500,00	c/d	79.500,00		
b/d	79.500,00				
D		Inv		C	
T/A	27.900,00	c/d	27.900,00		
b/d	27.900,00				

Exhibit 3: Accounts

Hagen Ltd's
ADJ. TRIAL BALANCE as at 31.12.20X5

Account	Total of DRs	Total of CRs
Cash/Bank	245.240,00	
SCap		50.000,00
Cap Reserves		120.000,00
IBL		297.000,00
PPE	250.000,00	
VAT	35.960,00	
A/P		150.000,00
Acc Depr		30.000,00
A/R	8.400,00	
R/E	79.500,00	
Inventories	27.900,00	
Total	647.000,00	647.000,00

Exhibit 4: Adjusted trial balance

Hagen Ltd's
STATEMENT of FINANCIAL POSITION
as at eoy 20X5

A		C,L	
<i>Non-c. assets</i>	20X5	<i>SHs' capital</i>	20X5
P,P,E	220.000	Issued capital	50.000
Int. assets		Other reserves	120.000
Financial assets		Retained ear.	-79.500
<i>Current assets</i>		<i>Liabilities</i>	
Inventory	27.900	Int. bear. liab.	297.000
A/R	44.360	A/P	150.000
Prepaid exp.		Provisions	
Cash	245.240	Def. income	
		Tax liabilities	0
	537.500		537.500

Exhibit 4: Statement of Financial Position

Hagen Ltd.'s
STATEMENT of COMPREHENSIVE INCOME
at end of year 20X5

	<i>20X5</i>
Revenue	163.200,00
less Depreciation	(30.000,00)
less Material expenses	(65.100,00)
less Labour	(75.000,00)
less Admin	(63.000,00)
less Interest	(9.600,00)
EBT	(79.500,00)
less Taxes	0,00
EAT	(79.500,00)
less Dividend	0,00
less f Reserves	0,00
to R/E	(79.500,00)

Exhibit 5: Statement of Comprehensive Income