

## P2 CORPORATE REPORTING PRACTICE & REVISION KIT

01/2017

### Question 44 Traveler

Answer page 221

Amend SOFP as highlighted:

<i>Equity and liabilities</i>	
Equity attributable to owners of the parent	
Share capital	1,120.0
Retained earnings (W3)	992.4
Other components of equity (W4)	47
	<u>.7</u>
	2,160.1

### Question 45 Joey

Answer page 227

Amend SOFP as highlighted:

Property, plant and equipment: 3,295 + 2,000 + 1,200 - 38 (W7) + 266 (W7) - 14 (W8)

Add summary of adjustments to PPE to the end of W8:

	\$m
Step 1	(0.1)
	1.5
Step 3	(0.3)
Step 4	<u>(15.1)</u>
Total adjustment	<u>(14.0)</u>

### Question 48 Ashanti

Answer page 247

Amend SPLOCI as highlighted:

Revenue: 810 + 235 + (142 × $\frac{6}{12}$ ) - 15 (W4) - 5 (W6)	1,096.0
Cost of sales: 686 + 137 + (84 × $\frac{6}{12}$ ) - 15 (W4) + 1 (W4)	<u>(851.0)</u>
Gross profit	245.00
-	
-	
-	
Finance costs: 8 + 6 + (8 × $\frac{6}{12}$ ) + 20.328 (W5) + 3 (W6)	<u>(41.33)</u>
Share of profit of associate: 14 × $\frac{6}{12}$ × 30%	2.10

Profit before tax	113.87
Income tax expense: $21 + 23 + (10 \times \frac{6}{12})$	(49.00)
Profit for the year	<u>64.87</u>
-	
-	
Total comprehensive income for the year	<u>103.37</u>
Profit attributable to:	
Owners of the parent (bal. fig.)	50.48
Non-controlling interests (W2)	14.39
	<u>64.87</u>
Total comprehensive income attributable to:	
Owners of the parent (bal. fig.)	82.89
Non-controlling interests (W2)	20.48
	<u>103.37</u>

Answer page 249

Replace Working 6 with the following:

#### 6 Allowance for receivables

The revenue of \$5m should not have been recorded, as it is not probable that future economic benefits from the sale will flow to Ashanti. The revenue should only be recorded when the customer pays for the goods.

It is not appropriate to include the \$5m in the allowance for doubtful debts of \$8m, and so the allowance must be limited to \$3m.

DEBIT	Revenue	\$5m	
CREDI	Receivables		\$5m
T			
DEBIT	Finance costs (impairment of receivable)	\$3m	
CREDI	Allowance for doubtful debts		\$3m
T			

#### Question 51 Bubble

Answer page 260

Working 2, non-current liabilities: delete/ignore "40 + 8 (W8)"

Answer page 263

Delete/ignore W12, translation reserve