

Section A: Compulsory Questions (60%)*Attempt **all** the two questions.*

1. The following was the financial statements of P Bhd and S Bhd: 41.42

Statement of Comprehensive Income
For The Year Ended 31 December 2018

	P Bhd	S Bhd
	RM	RM
Revenue	66,000	36,000
Cost of Sales	(38,400)	(20,400)
Gross Profit	27,600	15,600
Distribution Costs	(2,490)	(1,150)
Administrative Expenses	(3,750)	(1,730)
Operating Profit	21,360	12,720
Finance Income – Dividends received from S Bhd	1,920	–
Profit before taxation	23,280	12,720
Taxation	(4,320)	(2,400)
Profit for the year	18,960	10,320
NOTES:		
Dividends paid	5,400	2,400
Retained profits, 1 January 2018	15,360	10,080
Retained profits, 31 December 2018	28,920	18,000

Statement Of Financial Position
As At 31 December 2018

	P Bhd	S Bhd
	RM	RM
Non-current Assets		
Property, Plant And Equipment	76,800	43,200
Investments In S Bhd	28,800	–
Current Assets		
Inventory	24,000	9,600
Trade Receivables	32,400	18,000
S Bhd Current	4,800	–
Bank	4,920	2,400
Non-current Liabilities		
Loan	–	(1,600)
Current Liabilities		
Trade Payables	(43,680)	(4,800)
Tax Payable	(4,320)	(2,400)
P Bhd Current	–	(2,400)
Net Assets	123,720	62,000
Equity		
Ordinary Share Capital of RM1 each	80,000	40,000
Share Premium	8,000	4,000
General Reserve	6,800	–
Retained Profits	28,920	18,000
Total Equity	123,720	62,000

Additional information:

- (i) As at 31 December 2017, S Bhd had a credit balance of retained profits of RM10,080 and share premium RM4,000.
- (ii) On 1 July 2018, P Bhd acquired 80% of the ordinary shares of S Bhd.
- (iii) On 1 October 2018, S Bhd sold goods costing RM3,600 for RM6,000 to P Bhd.
On 31 December 2018, only half of these goods had been sold to outsiders.
- (iv) The difference between the Current accounts balances refers to cash in transit.
- (v) Assume profit accrued evenly throughout the year.

You are required to prepare:

- (a) the following accounts: (8%)
 - (i) Cost of Control;
 - (ii) Non-controlling Interests;
 - (iii) Consolidated Retained Profits.
- (b) Consolidated Statement Of Financial Position as at 31 December 2018; (14%)
- (c) Consolidated Statement Of Comprehensive Income for the year ended 31 December 2018, using whole-year method. (13%)

(Total: 35%)