

① PPE Revalue to

Cost	Acc. Dep	CA
<u>500</u>	<u>100</u>	<u>400</u>
		600 ← 50%

200 → OCI → RE → R. Res

① PPE (Cash Price) Dr 95L

To Bank 33.33L

To Supplier 61.67L

Gain

② JE

① Acc Dep	Dr 100
To PPE	100
② PPE	Dr 200
To Reval ⁿ Gain Acc	200
③ Reval ⁿ Gain Acc.	Dr 250
To Rev. Res	250

Acc Dep w/o

④ Int^l Interest (PorL) To Supplier

⑤ Supplier To Bank

	No 1	No 2
Dr	61.67 × 5.36%	
Dr	33.33L	33.33L
	"	"

⑥ PPE → $61.67 = 33.33L \times AP^2$

$2\% = 5.36\%$ (Given)

⑦ CA ↑ 50% 50;

Cost, Acc. Dep ↑ PPE (Cost) + 50% Dr 250

To Acc. Dep (CA) + 50% 50

To Revalⁿ Gain new asset 4 if v today/ 200

PPE (750-500) Dr 250

To Acc. Dep 50

To Rev. Gain 200

Q Cost 100

CA 25

Sale 30

⑧ JE?

Ans

To Bank Dr 30

To PPE 25

To P&L of PPE 5 (PorL)

⑨ Bank Dr 30

To Sales 30 (PorL)

⑩ Cost of Sales Dr 25 (PorL)

To PPE 25

Only correct if Co. is into Biz of giving PPE on Op. lease (end of useful life)

Incl AS 36 :

Normal Q to compute IL on individual asset

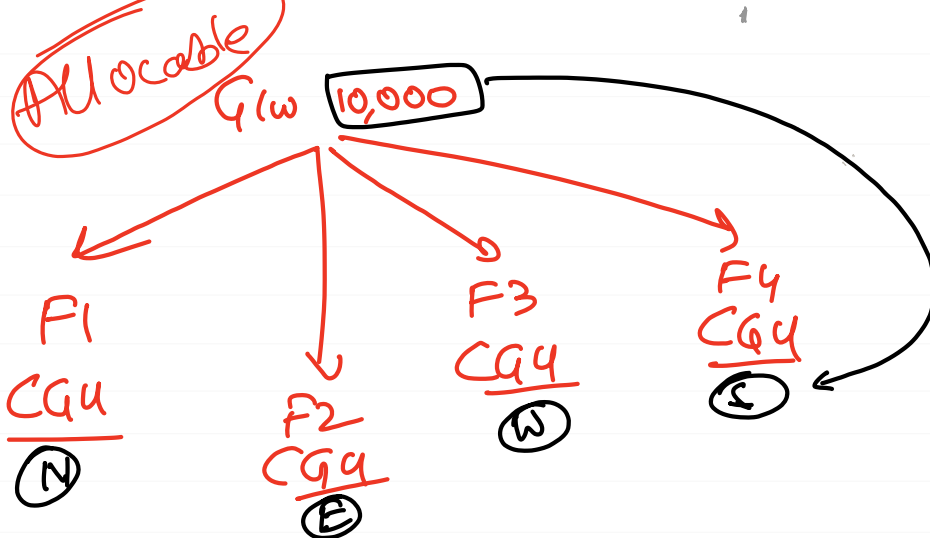
1st Compute its CA : after charging dep, doing Reval?
 if Reval policy used, till date
 of IL check

2nd Compute VU

3rd Net AV

4th IL (Perh unless = CA - RA (higher of VU & Net AV)
 Reval? ~~Reval~~)

5th Dep. next years to revise.



Allocate

1st Mgr decides ratio

2nd mgr decides to allocate reasonable basis

↳ (a) FV of Call on DOA

↳ Else

(b) CA of CGU undt of allocation x Rem. Useful Life

↳ (c) Else CA of CGU

What if G/w unallocable

10,000 G/w

No logical basis to allocate

One Combined Super call + G/w compare RA of all SuperCalls together

Q. A Ltd acquires B Ltd (80% share @ 800, NCI @ PSNA)
 It is one CGU
 INAEFU of B Ltd @ 900.

① Cons. G/W →

PC	800
NCI $900 \times 20\%$	180
INA	900
G/W (Portion as NCI @ PSNA)	80

NCI @ PSNA

↳ IL on G/W / CGU

↳ NCI if FU of G/W was not
 Compute net Total CA & G/W (Full) vs IL check that

After 1 year

INA are 750 (150 loss in B Ltd.) and impairment check done and RA of Business 840 |
IL?

NCI @ FU on DoA $800/80 \times 20\%$ 200
 G/W $(800 + 200 - 900)$ 100
 or $80/80\% \times 100$



INA	750
G/W (Portion)	80
NA	830 (impaired but G/W as 80)
RA	840
IL (CA < RA)	NIL

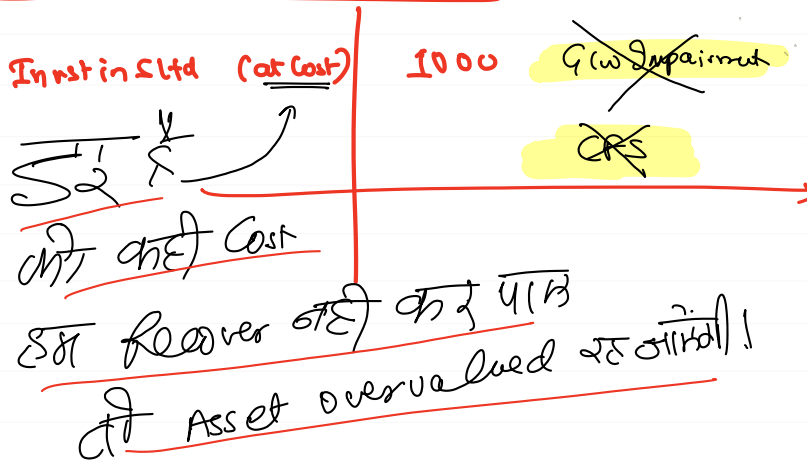
INA	750
G/W	100
Total	850
RA	840
IL (of B Ltd assets)	10

ANS
IL 8
 G/W adjust
 @ Comp. P/L
P Dr

P 80% (8) NCI 20% (7) Ignore actual NCI @ PSNA

110
 (850 - 740)
 @ INAEFU

HLQ: SFS: Bs



whether it means IL is to be tested every year in SFS of Invest in SJVA carried at Cost?

Ans: No only if indications exist
Ind AS 36 specifies
indications

Q. When will we say we will not be able to recover Cost "1000" of Invest in Subs?

Ans: When RA of Invest < CA "1000".

Q. What is RA of Invest?

Higher of VU → P of share in future earnings of S
 or → P of dividend CF in future
NSP → CP or FV - Direct selling cost

