Se	ection A		
1.	TTFT		
2.	1 only		
3.	Dr.	PPE	15000
		Depreciation	15000
	Cr.	Liability	30000
4.	В		
5.	766000		
6.	(1) only		
7.	\$0.25		
8.	342000 pro	fit	
9.	AC		
10.	Dr.	NCI	
	Cr.	Group RE	
11.	\$9, 160		
12.	D		
13.	\$591,000		
14.	\$0		
15.	В		
Se	ection B		
16.	C		
17.	В		
18.	В		
19.	D		
20.	C		
21.	В		
22.	В		
23.	D		
24.	C		
²⁵ .	C		
26.	D		
27.	A		
28.	С		
29.	D		
30.	В		

31. Duke Co			
(a)			
Group RE at DoC			
	D Co	S Co	
	\$'000	\$'000	
Per question	9400		
Add back excess den. from intra sale of land			
(1)	00 7 0077	00 7 0000	
(b)	_	30 June 20X8	1 40
Current ratio (28750/15600;30400/21300)	1. 84		1. 43
Return on capital employed	0. 48		
Gearing(Debt/Equity)	1. 16		
(c)			
1-7	u haldina na	لماما	
(i) Receivables collection period&Inventor The receivables collection period increased			
it may because it allows customers take long	•		
or the trade orders increase after consolida		seetie	
However, the inventory holding period decreas		re to 41 days	
it may because it generates high sales volum			
(ii) Current ratio	c arter consor	ruation.	
The current ratio was decreased from 1.84 to	1 43		
which means the company has poor working cap	•	nt.	
or has liqudity problem with insufficient co			1
or has riquary problem with insurrection of	abii ai cei cile	consorraation	

(a) The adjusted profit for	Haveford Co for	r the ye	ar ended 31 Dec.2	0X7						
	\$'000						Working			
Draft profit	2250					W1	Convertible loan notes			
Convertible loan notes(W1)	-135						Payment	Discount rate	Present value	
Contract revenue(W2)	5600						\$'000	\$'000	\$'000	
Contract cost of sale(W2)	-1900					20X7	320	0. 943		302
Depreciation(W4)	-720					20X8	320	0.89		285
Property impairment(W4)	-480					20X9	8320	0.84		6989
Closing inventories(W5)	390									7575
Revised profit	5005					Bal.b/f	Interest@6%	Payment	Bal.c/f	
						\$'000	\$'000	\$'000	\$'000	
(b)Statement of changes in e	equity for the	year end	ed 31 Dec.20X7			7575	455	-320		7710
	Share capital	OCE	Retained earnings	Revaluation surplus	Option					
	\$'000	\$'000	\$'000	\$'000	\$'000	Dr.	Finance costs	135		
Balance at 1 Jan. 20X7	20000	3000	6270	800		Cr.	Liability	135		
Profit(a)			5005							
Revaluation loss(W4)				-800		W 2	Contract with customer			
Bonus issue(W3)	4000	-3000	-1000					\$'000		
Convertible loan notes issued(W1)				425		Revenue recognised	5600		
Dividend paid			-3620				(0. 4*14000)			
Balance at 31 Dec. 20X7	24000	0	6655	0	425		Cost to date	-1900		
							Profit recognised to date	3700		
(c)Statement of financial po	sition as at 3	1 Dec. 20	X7							
Assets		\$'000					Revenue recognised	5600		
Non-current assets							Less:amounts invoiced	-1400		
Property(W4)		16000					Contract assets	4200		
Current assets										
Inventory(W5)		4700				W 3	Bonus issue			
Trade recievables		5510				Dr.	Share premium	\$3m		
Contract assets(W2)		4200					Retained earnings	\$1m		
Cash		10320				Cr.	Share capital	\$4m		
Total assets		40730								
						W4	Property	\$'000		
Equity and liabilities							Depreciation	720		
Equity							(18000/25)			
Share capital		24000				Dr.	Draft profit	720		
Retained earnings		6655				Cr.	Property	720		
Convertible option		425								
Total equity		31080					Carry amount (18000-720)	17280		
Non-current liabilities							Revalued to \$16m, giving a reva	luation loss o	f \$1280k(\$17280k-16000K)	
Convertible loan notes(W1)		7710				Dr.	Revaluation surplus	800		
Current liabilities		1940					Draft profit	480		
Total equity and liabilities	3	40730				Cr.	Property	1280		
						W 5	Inventories	\$'000		
						Dr.	Inventories	390		
						Cr.	Draft profit	390		
							_			
						Closing	inventories should be adjusted	from \$4310k to	\$4700k	