



**UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL**

**FINAL EXAMINATION
MARCH 2025 SEMESTER**

COURSE CODE : EAB20803
COURSE NAME : FINANCIAL ACCOUNTING AND REPORTING 3
PROGRAMME NAME : BACHELOR IN ACCOUNTING (HONS)
DATE : 3 JULY 2025
TIME : 2.00 PM – 5.00 PM
DURATION : 3 HOURS

INSTRUCTIONS TO CANDIDATES

1. Please **CAREFULLY** read the instructions given in the question paper.
 2. This question paper has information printed on both sides of the paper.
 3. This question paper consists of **FIVE (5)** questions.
 4. Answer **ALL** questions.
 5. Please write your answers on the answer booklet provided.
 6. All questions must be answered in **English** (any other language is not allowed).
 7. This question paper must not be removed from the examination hall.
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THERE ARE TEN (10) PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

(Total: 100 marks)

INSTRUCTION: Answer ALL questions.**Please use the answer booklet provided.****Question 1**

The statements of financial position of Golden, Silk and Ash as at 31 March 2025 are as follows:

	Golden (RM'000)	Silk (RM'000)	Ash (RM'000)
Investments	106,000	-	-
Non-current assets	622,400	124,200	22,300
Current assets:			
Inventory	98,620	15,300	3,900
Trade receivables	93,660	18,900	4,300
Loan receivable from investee	5,000	-	-
Bank	31,330	9,990	7,100
Total	957,010	168,390	37,600
Ordinary shares	693,000	100,000	20,500
Preference shares	6,000	2,000	1,500
Revaluation reserve			
RR b/f	3,000	1,200	400
Revaluation gain for the year	700	500	200
Retained earnings			
RE b/f	120,810	31,550	6,830
Profit for the year	44,600	13,040	2,440
Trade payables	88,900	16,600	4,230
Loan payable to Holding company	-	3,500	1,500
Total	957,010	168,390	37,600

Additional information:

1. Golden Berhad acquired 80%% of the ordinary shares of Silk Sdn Bhd on 1 April 2024 with consideration transferred of RM100 million. Golden also acquired 25% of the ordinary shares of Ash Sdn Bhd on 1 April 2024 with cash payment of RM6 million. All investments have been recorded.
2. During the year, Golden sold inventories to Silk at cost plus 25%. Invoice value is RM500,000. 40% of these inventories remained unsold as at year end. Golden also sold inventories to Ash at cost plus 10% with invoice price of RM220,000. 50% of these inventories was sold off to third parties.
3. Land belonging to Ash has a fair value of RM100,000 more than the carrying value on 31 March 2025.
4. The investment in Ash was impaired by RM5,000 as at year end.

Required:

Prepare the Group Statement of Financial Position as at 31 March 2025.

Note: Show ALL relevant workings.

[20 marks]

Question 2

The following are the Statements of Profit and Loss for Pantai Bhd and Salam Sdn Bhd for year ended 31.12.2024:

	Pantai (RM'000)	Salam (RM'000)
Sales	88,500	11,100
(-) Cost of sales	(39,600)	(5,700)
Gross profit	48,900	5,400
(-) Administration expenses	(12,300)	(1,800)
(-) Other expenses	(2,200)	(470)
(+) Other income	1,850	-
Profit before taxation	36,250	3,130
(-) Taxation	(4,900)	(850)
Profit after taxation	31,350	2,280
Retained earnings as at 1 January 2024	31,360	4,800
Dividends declared in December 2024		
- Ordinary shares	3,500	400
- Preference shares	-	50

Additional information:

- Pantai Bhd acquired 75% of the ordinary shares issued by Salam on 1 January 2024. Pantai also acquired 40% of the preference shares issued by Salam. Ordinary shares and preference shares issued by Salam are valued at RM10 million and RM500,000 respectively on the acquisition date.
- On the date of acquisition, building belonging to Salam has a fair value of RM200,000 more than the carrying value. The useful life of this plant on this date was estimated to be 20 years. The group depreciates on a straight-line basis. The fair value adjustment has not been recorded.
- During the year Salam sold an equipment to Pantai with a profit of RM40,000 which is recorded as part of other income. This equipment has a useful life of 5 years on the transaction date. Full depreciation is charged in the year of acquisition and none in the year of disposal.

4. During the year, Salam sold inventories to Pantai with the invoice value of RM500,000 at cost plus 25%. 40% of these inventories remain unsold as at year end.
5. Partial goodwill was impaired by RM10,000 during the year.

Required:

- (a) Prepare the Consolidated Statement of Profit and Loss for Pantai Berhad's group for year ended 31 December 2024.

(11 marks)

- (b) Prepare an extract of the Consolidated Statement of Changes in Equity for Pantai Berhad's group for year ended 31 December 2024.

(3 marks)

Note: Show all relevant workings

[14 marks]

Question 3

The following are the financial statements of Hiyayako, Sake and Bonito:

Statements of Profit and Loss for year ended 31 December 2024:

	Hiyayako (RM'000)	Sake (RM'000)	Bonito (RM'000)
Sales	30,000	18,000	5,400
(-) Cost of sales	(15,600)	(12,200)	(2,900)
Gross profit	14,400	5,800	2,500
(-) Operating expenses	(7,000)	(3,600)	(1,450)
Profit before tax	7,400	2,200	1,050
(-) Tax	(2,000)	(800)	(400)
Profit after tax	5,400	1,400	650

Statement of Financial Position as at 31 December 2024:

	Hiyayako (RM'000)	Sake (RM'000)	Bonito (RM'000)
Investment:			
Ordinary shares of Shizu	28,400	-	-
Ordinary shares of Soju	-	4,800	-
Land	38,200	13,400	5,660
Property, Plant & Equipment	28,000	5,800	2,540
Current assets:			
Inventory	10,100	5,880	990
Trade receivables	11,300	6,200	1,010
Bank	14,100	3,300	760
Total assets	130,100	39,380	10,960
Ordinary shares	110,000	26,000	8,000
Retained earnings b/f	2,300	3,280	1,000
Profit for the year	5,400	1,400	650
Trade payables	12,400	8,700	1,310
Total equities and liabilities	130,100	39,380	10,960

Additional information:

1. Hiyayako Berhad acquired 60% of the ordinary shares issued by Sake Sdn Bhd on 1 January 2023 when retained earnings of Sake was RM2.8 million. On 1 January 2024, Sake acquired 80% of the ordinary shares belonging to Bonito Sdn Bhd. Plant belonging to Bonito had a fair value of RM20,000 more than the carrying value. The estimated useful life on 1 January 2024 is 5 years.
2. Sake sold inventories to Bonito during the year at cost plus 50%. The invoice value is RM150,000 and 60% of these inventories remained unsold.
3. The group uses partial goodwill and straight-line depreciation method to prepare its accounts.

Required:

- (a) Prepare the Group Statement of Financial Position as at 31 December 2024 for Hiyayako group.
(17 marks)
- (b) Prepare the Group Statement of Profit and Loss for Hiyayako group for year ended 31 December 2024.
(6 marks)

Note: Show ALL relevant workings

[23 marks]

Question 4

The following are Consolidated Financial Statements of Big Data Group.

Consolidated statements of financial position as at 31 December

	2023 (RM'000)	2024 (RM'000)
Goodwill	1,010	1,000
Investment in associate	500	750
Short term investments	600	
Property, plant and equipment	29,700	32,865
Current assets:		
Inventory	3,780	4,150
Trade receivables	3,910	4,360
Bank	2,600	3,800
Total	42,100	46,925
Ordinary share capital	27,990	32,500
Group revaluation reserve	1,300	1,800
Group retained profits	4,110	4,900
Non-controlling interest	2,810	3,205
Debenture	1,300	600
Trade payables	3,840	3,660
Deferred tax	450	160
Tax payables	300	100
Total	42,100	46,925

Consolidated statement of profit and loss for the year ended 31 December 2024

	RM'000
Revenue	31,100
(-) Cost of sales	(18,900)
Gross profit	12,200
(-) Operating expenses	(5,300)
(+) Share of profits in associate	500
(-) Loss from disposal of non-current assets	(20)
Profit before tax	7,380
Tax – group	(2,100)
Profit after tax	5,280
Other comprehensive income (Revaluation gain)	500
Total comprehensive income	5,780
Profit after tax attributable to :	
Shareholders of parent	4,280
Non-controlling interest ((NCI)	1,000

Additional information:

1. Dividends have been paid.
2. Group depreciation on plant, property and equipment was estimated as RM2,250,000. Depreciation is included as part of operating expenses.
3. During the year, a machinery with book value of RM130,000 was sold at the price of RM110,000.
4. Big Data Bhd disposed of an existing associate with cash consideration of RM120,000.
5. On 30 June 2024, Big Data acquired a new subsidiary (75%) Small Data Sdn Bhd with cash consideration amounting to RM1.4 million. An extract of the newly acquired subsidiary statement of financial position as at 30 September 2024 is as follows:

	(RM'000)
Non-current assets	1,400
Inventory	450
Trade receivables	350
Bank	400
Trade payables	(900)

Required:

Prepare the Consolidated Statement of Cash Flow for year ended 31 December 2024 using the **indirect method**.

Note: Show ALL relevant workings.

[19 marks]

Question 5

The following are statements of financial position as at 31 March 2025:

	Goo Bhd (RM'000)	Doll Sdn Bhd (RM'000)
Assets		
Non-current assets:		
Land	22,580	6,330
Plant, property and equipment	18,300	4,500
Investments in Doll S/B:		
Ordinary Shares	3,500	
6% Redeemable preference shares	100	
Current assets:		
Inventories	5,250	2,800
Trade receivables	5,120	2,600
Current account	400	-
Cash in bank	3,300	2,780
Total	58,550	19,010
Equities & Liabilities		
Ordinary shares	40,000	12,000
4% Preference shares	5,000	1,000
6% Redeemable preference shares	3,000	200
Revaluation reserve	2,200	650
Retained earnings		
b/f	2,000	1,900
Profit for the year	1,050	800
Trade payables	5,300	2,110
Current account	-	350
Total	58,550	19,010

Additional information:

- Goo Berhad acquired 80% of the ordinary shares of Doll Sdn Bhd on 1 April 2024. Consideration transferred was made in the form of immediate cash and ordinary shares of 2.5 million units with an estimated fair value of RM2/share on the date of acquisition. Goo also issued 10% debentures payable on 1 April 2025 amounting to RM1.1million. Only the cash payment has been recorded.
- On acquisition date, a plant belonging to Doll was estimated to have a fair value of RM150,000 more with useful life of 5 years. There are no other fair value adjustments.

3. By end of March 2025, land belonging to Goo and Doll were estimated to have a higher fair value of RM1.5 million and RM500,000 respectively. These fair value changes have not been recorded.
4. During the year, Goo sold inventories to Doll at cost plus 25% with invoice value of RM120,000. 50% of the inventory remained unsold as at year end. Out of RM120,000 of the invoice value, Doll has paid RM40,000 on 31 December 2024 but the payment was only received on 2 April 2025. This sale was recorded as part of trade receivables and trade payables respectively.
5. Doll sold machine to Goo during the year with a profit of RM30,000. The machine has an estimated useful life of 5 years on that date. Full depreciation is adjusted in the year of acquisition and none in the year of disposal.
6. In March 2025, both Goo and Doll declared full year preference shares dividends and half year dividends for redeemable preference shares but both companies have yet to record these accruals.
7. Difference in current accounts is due to payment in transit.
8. Partial goodwill and straight-line method depreciation method were used to prepare the financial statements.

Required:

Prepare the Consolidated Statement of Financial Position as at 31 March 2025.

Note: Show ALL relevant workings.

[24 marks]

END OF EXAMINATION PAPER