

**ANSWER 1 – LAHORE GROUP****(a) Consolidated statement of financial position at 31 May 2011**

	\$000	\$000	Marks
<b>Non-current assets</b>			
Tangible assets (117,250 + 55,125 + 40,000 + 3,000 – 150(FVA))		215,225	2
Investments (173 + 15 – 142 – 12.5, – 31 + 3.5(FV re fin assets))		6,000	1
Intangible assets - Goodwill (84,000 + 22,625)(W3)		106,625	4
		<u>327,850</u>	
<b>Current assets</b>			
Inventories (65,342 + 51,136 + 31,000 – 650 (W7))	146,828		2
Receivables (33,297 + 39,288 + 23,000 – 20,000) (W8)	75,585		1
Cash and cash equivalents (10,361 + 5,576 + 2,000 + 1,000(W8))	18,937		1
		<u>241,350</u>	
		<u>569,200</u>	
<b>Equity attributable to equity holders of the parent</b>			
Share capital (W10) (120,000 – 20,000)		100,000	1
Other Components of Equity (W11)		(5,000)	1
Retained earnings (W5)		103,448	5
		<u>198,448</u>	
Non-controlling interest (W4)		102,177	5
		<u>300,625</u>	
<b>Non-current liabilities</b>			
Long-term loans (100,000 + 26,000) + 20,000 (W10) + 3,000 (W11)		149,000	2
Deferred tax (20% × 3,500)		700	1
<b>Current liabilities</b>			
Trade payables (25,100 + 18,100 + 13,000 – 19,000 (W8) – 2,000 (W9))	35,200		2
Taxation (9,150 + 5,025 + 3,000)	17,175		1
Bank overdraft (45,500 + 7,000 + 14,000)	66,500		1
		<u>118,875</u>	
		<u>569,200</u>	30
Net assets marks per workings			5
			<u>35</u>