

Task IM-8.3: Group Accounting

Nohrup (Pty) Ltd. is a food production firm. The company bakes tortilla wraps and packs them in plastic foil. The company was established in 20X0. The business shows the statement of financial position as below:

Nohrup (Pty) Ltd.'s STATEMENT of FINANCIAL POSITION as at 31.12.20X5			
A			C, L
<i>Non-current assets</i>	[EUR]	<i>Equity</i>	[EUR]
P, P, E	80,000.00	Share capital	100,000.00
Intangibles		Reserves	
Financial assets		Retained earnings	50,000.00
<i>Current assets</i>		<i>Liabilities</i>	
Inventory	20,000.00	Interest bear liab	
Accounts receivables		Accounts payables	
Prepaid expenses		Provisions	
Cash/Bank	50,000.00	Tax liabilities	
Total assets	150,000.00	Total equity and liab.	150,000.00

Exhibit 1: Statement of financial position

On 2.01.20X6, NOHRUP (Pty) Ltd. acquires the German packing bag manufacturer WESTERFELD GmbH based in Bochum. WESTERFELD GmbH produces plastic bags NOHRUP (Pty) Ltd. packs its tortilla wraps in.

WESTERFELD GmbH's balance sheet is provided below:

Westerfeld GmbH's
STATEMENT of FINANCIAL POSITION
as at 31.12.20X5

A			C, L
<i>Non-current assets</i>	[EUR]	<i>Equity</i>	[EUR]
P, P, E	55,000.00	Share capital	25,000.00
Intangibles		Reserves	40,000.00
Financial assets		Retained earnings	21,000.00
<i>Current assets</i>		<i>Liabilities</i>	
Inventory	15,000.00	Interest bear liab	
Accounts receivables		Accounts payables	
Prepaid expenses		Provisions	
Cash/Bank	25,000.00	Tax liabilities	9,000.00
Total assets	95,000.00	Total equity and liab.	95,000.00

Exhibit 2: WESTERFELD GmbH's balance sheet.

On 1.01.20X6, WESTERFELD GmbH pays it income tax liabilities to the Bochum revenue service. NOHRUP (Pty) Ltd. takes a bank loan in order to finance the acquisition on 1.01.20X6 from its bank. The bank loan is 50,000.00 EUR and comes with a rate of interest of 3.00 %/a. The annual pay-off at the yearend equals to 5,000.00 EUR.

On 2.01.20X6, NOHRUP (Pty) Ltd. buys from a proprietor of WESTERFELD GmbH 58% of its shares at 57,000.00 EUR.

Required: Prepare group statements as at the time of acquisition for the NOHRUP Group.

For the activities in 20X6, you can ignore VAT!

In 20X6, NOHRUP (Pty) Ltd. buys and pays dough for 60,000.00 EUR which is finished together with the opening inventories (in total: 80,000.00 EUR). It bakes tortilla wraps and spends 20,000 EUR for direct labour and records depreciation to an extent of 10,000.00 EUR. It buys from WESTERFELD GmbH foil at 14,000.00 EUR which is taken to pack the tortilla wraps. The foil is paid half only, the remaining amount will be paid in 20X7. At the end of 20X6, there is still foil left to an extent of 4,000.00 EUR. The revenue of NOHRUP (Pty) Ltd. equals to 240,000.00 EUR as paid on cash by the customers.

In 20X6, WESTERFELD GmbH produces foil for different customers. In total, material are bought at 75,000.00 EUR and finished that way that materials for 7,500.00 EUR is left on stock. Labour equals to 19,000.00 EUR and depreciation is recorded at 15,000.00 EUR. WESTERFELD GmbH's revenue is 200,000.00 EUR. Customers pay on cash, NOHRUP (Pty) Ltd. exempted.

All profits are carried forward to the next Accounting period 20X7.

Required: Prepare financial statements (B/S and I/S only) for NOHRUP (Pty) Ltd. and WESTERFELD GmbH and the group statements all as at 31.12.20X6.

Nohrup (Pty) Ltd. ist ein Lebensmittelhersteller. Das Unternehmen backt Tortilla Wraps und verpackt sie in Plastikfolie. Das Unternehmen wurde in 20X0 gegründet. Die Bilanz ist unten gezeigt.

Nohrup (Pty) Ltd.'s STATEMENT of FINANCIAL POSITION as at 31.12.20X5			
A			C, L
<i>Non-current assets</i>	[EUR]	<i>Equity</i>	[EUR]
P, P, E	80,000.00	Share capital	100,000.00
Intangibles		Reserves	
Financial assets		Retained earnings	50,000.00
<i>Current assets</i>		<i>Liabilities</i>	
Inventory	20,000.00	Interest bear liab	
Accounts receivables		Accounts payables	
Prepaid expenses		Provisions	
Cash/Bank	50,000.00	Tax liabilities	
Total assets	150,000.00	Total equity and liab.	150,000.00

Exhibit 1: Statement of financial position

Am 2.01.20X6 erwirbt NOHRUP (Pty) Ltd. den deutschen Folienproduzenten WESTERFELD GmbH in Bochum. WESTERFELD GmbH stellt die Plastiktaschen her, die NOHRUP (Pty) Ltd. verwendet um seine Tortilla Wraps zu verpacken.

Die Bilanz der WESTERFELD GmbH ist unten gezeigt:

Westerfeld GmbH's STATEMENT of FINANCIAL POSITION as at 31.12.20X5			
A			C, L
<i>Non-current assets</i>	[EUR]	<i>Equity</i>	[EUR]
P, P, E	55,000.00	Share capital	25,000.00
Intangibles		Reserves	40,000.00
Financial assets		Retained earnings	21,000.00
<i>Current assets</i>		<i>Liabilities</i>	
Inventory	15,000.00	Interest bear liab	
Accounts receivables		Accounts payables	
Prepaid expenses		Provisions	
Cash/Bank	25,000.00	Tax liabilities	9,000.00
Total assets	95,000.00	Total equity and liab.	95,000.00

Exhibit 2: WESTERFELD GmbH's balance sheet.

Am 1.01.20X6 zahlt WESTERFELD GmbH die Einkommensteuer an das Finanzamt in Bochum.

NOHRUP (Pty) Ltd. nimmt ein Bankdarlehen auf, um die Übernahme zu finanzieren. Das Bankdarlehen beträgt 50.000,00 EUR und hat einen Zinssatz von 3,00 %/a. Die jährliche Tilgungsrate fällig zum Jahresende beträgt 5.000,00 EUR.

Am 2.01.20X6 kauft NOHRUP (Pty) Ltd. von dem Vorbesitzer der WESTERFELD GmbH 58% seiner Anteile für 57.000,00 EUR.

Gefragt: Erstellen Sie einen Konzernabschluß zum Zeitpunkt der Übernahme für die NOHRUP-WESTERFELD Group.

Für alle Geschäftsvorfälle in 20X6 können Sie die Umsatzsteuer vernachlässigen.

In 20X6 kauft und bezahlt die NOHRUP (Pty) Ltd. Teig für 60.000,00 EUR, der zusammen mit den Lagerbeständen der Eröffnungsbilanz aufgebraucht wird. (gesamt: 80.000,00 EUR). Sie backt Tortilla Wraps und gibt 20.000,00 EUR für Lohneinzelkosten aus und zeichnet Abschreibungen im Umfang von 10.000,00 EUR auf. Sie kauft von der WESTERFELD GmbH Folien für 14.000,00 EUR um die Tortillas darin zu verpacken. Die Folien werden zur Hälfte bezahlt, der ausstehende Betrag wird in 20X7 gezahlt. Am Ende von 20X6 sind noch Folien im Wert (Anschaffungskosten) von 4.000,00 EUR auf dem Lager. Der Umsatz der NOHRUP (Pty) Ltd. beträgt 240.000,00 EUR und wird von den Kunden vollständig bezahlt.

In 20X6 produziert die WESTERFELD GmbH Folien für verschiedene Kunden. Insgesamt kauft sie Material für 75.000,00 EUR und braucht es bis auf einen Bestand von 7.500,00 EUR auf. Löhne betragen 19.000,00 EUR und die Abschreibung wird im Umfang von 15.000,00 EUR gebucht. WESTERFELD GmbHs Umsatz beträgt 200.000,00 EUR. Die Kunden zahlen mit Ausnahme von NOHRUP (Pty) Ltd. alle bar.

Alle Gewinne werden in das nächste Jahr 20X7 vorgetragen.

Gefragt: Erstellen Sie Jahresabschlüsse (Bilanz und GuV) für NOHRUP (Pty) Ltd. und WESTERFELD GmbH und bilden Sie einen Konzernabschluss zum 31.12.20X6.

Lösung (Solution)

WESTERFELD GmbH's bookkeeping entries for the business activities in 20X6:

(A) Payment of income tax: 9,000.00 EUR.

DR Income Tax Liabilities	9,000.00 EUR
CR Cash/Bank	9,000.00 EUR

The statement of financial position looks as below:

Westerfeld GmbH's
STATEMENT of FINANCIAL POSITION
as at 2.01.20X6

A			C, L
<i>Non-current assets</i>	[EUR]	<i>Equity</i>	[EUR]
P, P, E	55,000.00	Share capital	25,000.00
Intangibles		Reserves	40,000.00
Financial assets		Retained earnings	21,000.00
<i>Current assets</i>		<i>Liabilities</i>	
Inventory	15,000.00	Interest bear liab	
Accounts receivables		Accounts payables	
Prepaid expenses		Provisions	
Cash/Bank	16,000.00	Tax liabilities	0.00
Total assets	86,000.00	Total equity and liab.	86,000.00

(1) Taking bank loan on 2.01.20X6;

DR Cash/Bank	50,000.00 EUR
CR Interest Bearing Liabilities	50,000.00 EUR

(2) Disclosure of short-term liabilities; 5,000.00 EUR

DR Interest Bearing Liabilities	5,000.00 EUR
CR Accounts Payables A/P	5,000.00 EUR

(3) Acquisition of the 58 % of the shares of WESTERFELD GmbH at 57,000.00 EUR:

DR Investment	57,000.00 EUR
CR Cash/Bank	57,000.00 EUR

The NOHRUP (Pty) Ltd.'s balance sheet is displayed below:

**Nohrup (Pty) Ltd.'s
STATEMENT of FINANCIAL POSITION**

A		as at 2.01.20X1		C, L	
<i>Non-current assets</i>		[EUR]		<i>Equity</i>	[EUR]
P, P, E	80,000.00			Share capital	100,000.00
Investment	57,000.00			Reserves	
Financial assets				Retained earnings	50,000.00
<i>Current assets</i>				<i>Liabilities</i>	
Inventory	20,000.00			Interest bear liab	45,000.00
Accounts receivables				Accounts payables	5,000.00
Prepaid expenses				Provisions	
Cash/Bank	43,000.00			Tax liabilities	
Total assets	200,000.00			Total equity and liab.	200,000.00

Exhibit 4: NOHRUP (Pty) Ltd.'s balance sheet after the WESTERFELD GmbH's acquisition

NOHRUP Group is required to prepare group statements as NOHRUP (Pty) Ltd. gained control over WESTERFELD GmbH by the purchase of 58% of shares.

	PARENT	SUBSIDIARY	AGGR.	CAP. CONS	M.I.	CONS. F/S
<i>N-cur Assets</i>						
P,P,E	80,000	55,000	135,000			135,000
Int. assets	0	0	0			0
Investments	57,000	0	57,000	(57,000)		0
Goodwill	0	0	0	7,120		7,120
<i>cur Assets</i>						
Inventory	20,000	15,000	35,000			35,000
Receivables	0	0	0			0
Prepaid exp.	0	0	0			0
Cash	43,000	16,000	59,000			59,000
	<u>200,000</u>	<u>86,000</u>	<u>286,000</u>	<u>(49,880)</u>	<u>0</u>	<u>236,120</u>
<i>SH's capital</i>						
Issued capital	(100,000)	(25,000)	(125,000)	14,500	10,500	(100,000)
Reserves	0	(40,000)	(40,000)	23,200	16,800	0
Reval. Reserve	0	0	0	0	0	0
Retained ear.	(50,000)	(21,000)	(71,000)	12,180	8,820	(50,000)
M.I.	0	0	0		(36,120)	(36,120)
<i>Liabilities</i>						
Int. bear. liab.	(45,000)	0	(45,000)			(45,000)
Payables	(5,000)	0	(5,000)			(5,000)
Provisions	0	0	0			0
Def. income	0	0	0			0
Tax liabilities	0	0	0			0
	<u>(200,000)</u>	<u>(86,000)</u>	<u>(286,000)</u>	<u>49,880</u>	<u>0</u>	<u>(236,120)</u>

Exhibit 5: Calculation of group statements

Accordingly to exhibit 5 the group statement looks as below:

**Nohrup-Westerfeld group's
STATEMENT of FINANCIAL POSITION**

A		as at 2.01.20X6		C, L	
<i>Non-current assets</i>		[EUR]		<i>Equity</i>	
P, P, E	135,000.00			Share capital	100,000.00
Intangibles	0.00			Reserves	0.00
Financial assets				Retained earnings	50,000.00
Goodwill	7,120.00			Non-Ctrl-interest	36,120.00
<i>Current assets</i>				<i>Liabilities</i>	
Inventory	35,000.00			Interest bear liab	45,000.00
Accounts receivables				Accounts payables	5,000.00
Prepaid expenses				Provisions	
Cash/Bank	59,000.00			Tax liabilities	0.00
Total assets	236,120.00			Total equity and liab.	236,120.00

Exhibit 6: Group statements

(4) Purchase of materials (dough):

DR Purchase	60,000.00 EUR
CR Cash/Bank	60,000.00 EUR

(5) Recording labour:

DR Labour	20,000.00 EUR
CR Cash/Bank	20,000.00 EUR

(6) Recording depreciation:

DR Depreciation	10,000.00 EUR
CR Acc. Depr.	10,000.00 EUR

(7) Purchase of foil from WESTERFELD GmbH:

DR Purchase	14,000.00 EUR
CR Cash/Bank	7,000.00 EUR
CR Accounts Payables	7,000.00 EUR

(8) Payment of interest: $3\% \times 50,000 = 1,500.00$ EUR.

DR Interest	1,500.00 EUR
CR Cash/Bank	1,500.00 EUR

(9, 10) Pay-off of bank loan: 5,000.00 EUR. Adding short-term liabilities to Accounts Payables account.

DR Accounts Payables	5,000.00 EUR
CR Cash/Bank	5,000.00 EUR

(11) Recording revenue:

DR Cash/Bank	240,000.00 EUR
CR Revenue	240,000.00 EUR

Observe NOHRUP (Pty) Ltd.'s accounts:

D NOHRUP: P, P, E C	
OV	<u>80,000.00</u>
b/d	<u>80,000.00</u>
c/d	<u>80,000.00</u>

D NOHRUP: Inventory C	
OV	<u>20,000.00</u>
T/A	<u>4,000.00</u>
T/A	<u>20,000.00</u>

D NOHRUP: Cash/Bank C	
OV	50,000.00
(1)	50,000.00
(11)	240,000.00
	<u>340,000.00</u>
b/d	<u>189,500.00</u>
(3)	57,000.00
(4)	60,000.00
(5)	20,000.00
(7)	7,000.00
(8)	1,500.00
(9)	5,000.00
c/d	<u>189,500.00</u>
	<u>340,000.00</u>

D NOHRUP: Issued capital C	
c/d	<u>100,000.00</u>
OV	<u>100,000.00</u>
b/d	<u>100,000.00</u>

D NOHRUP: R/E C	
c/d	<u>132,950.00</u>
	<u>132,950.00</u>
OV	50,000.00
R/E	<u>82,950.00</u>
b/d	<u>132,950.00</u>

D NOHRUP: Interest bearing liabilities C	
(2)	5,000.00
(10)	5,000.00
c/d	<u>40,000.00</u>
	<u>50,000.00</u>
(1)	50,000.00
b/d	<u>40,000.00</u>

D NOHRUP: A/P C	
(9)	5,000.00
c/d	<u>12,000.00</u>
	<u>17,000.00</u>
(2)	5,000.00
(7)	7,000.00
(10)	<u>5,000.00</u>
b/d	<u>12,000.00</u>
	<u>17,000.00</u>

D NOHRUP: Investments C	
(3)	<u>57,000.00</u>
b/d	<u>57,000.00</u>
c/d	<u>57,000.00</u>

Exhibit 7: NOHRUP (Pty) Ltd.'s accounts

D		NOHRUP: Purchase		C
(4)	60,000.00	T/A	74,000.00	
(7)	14,000.00			
	<u>74,000.00</u>		<u>74,000.00</u>	

D		NOHRUP: Labour		C
(5)	<u>20,000.00</u>	P&L	<u>20,000.00</u>	

D		NOHRUP: Depreciation		C
(6)	<u>10,000.00</u>	P&L	<u>10,000.00</u>	

D		NOHRUP: Acc depr		C
c/d	<u>10,000.00</u>	(6)	<u>10,000.00</u>	
		b/d	<u>10,000.00</u>	

D		NOHRUP: Interest		C
(8)	<u>1,500.00</u>	P&L	<u>1,500.00</u>	

D		NOHRUP: Revenue		C
	<u>240,000.00</u>	T/A	<u>240,000.00</u>	

D		NOHRUP: Trading Account T/A		C
Inv	20,000.00	Rev	240,000.00	
Prh	74,000.00	Inv	4,000.00	
GP	<u>150,000.00</u>			
	<u>244,000.00</u>		<u>244,000.00</u>	
P&L	150,000.00	b/d	150,000.00	

D		NOHRUP: Profit and Loss		C
Lab	20,000.00	P&L	150,000.00	
Dpr	10,000.00			
Int	1,500.00			
EBT	<u>118,500.00</u>			
	<u>150,000.00</u>		<u>150,000.00</u>	
ITL	35,550.00	b/d	118,500.00	
R/E	<u>82,950.00</u>			
	<u>118,500.00</u>		<u>118,500.00</u>	

D		NOHRUP: Income tax liabilities		C
c/d	<u>35,550.00</u>	P&L	<u>35,550.00</u>	
		b/d	<u>35,550.00</u>	

Exhibit 7: NOHRUP (Pty) Ltd.'s accounts (continued)

Find next NOHRUP (Pty) Ltd.'s balance sheet:

Nohrup (Pty) Ltd.'s
STATEMENT of FINANCIAL POSITION
as at 31.12.20X6

A	as at 31.12.20X6		C, L
Non-current assets	[EUR]	Equity	[EUR]
P, P, E	70,000.00	Share capital	100,000.00
Investment	57,000.00	Reserves	
Financial assets		Retained earnings	132,950.00
Current assets		Liabilities	
Inventory	4,000.00	Interest bear liab	40,000.00
Accounts receivables		Accounts payables	12,000.00
Prepaid expenses		Provisions	
Cash/Bank	189,500.00	Tax liabilities	35,550.00
Total assets	320,500.00	Total equity and liab.	320,500.00

Exhibit 8: NOHRUP (Pty) Ltd.'s balance sheet

See also the income statement:

Nohrup (Pty) Ltd.'s
STATEMENT of COMPREHENSIVE INCOME
for the year ended 31.12.20X6

	[EUR]
Revenue	240,000.00
Other income	
	240,000.00
Materials	(90,000.00)
Labour	(20,000.00)
Depreciation	(10,000.00)
Other expenses	0.00
Earnings before int. & taxes (EBIT)	120,000.00
Interest	(1,500.00)
Earnings before taxes (EBT)	118,500.00
Income tax expenses	(35,550.00)
Deferred taxes	
Earnings after taxes (EAT)	82,950.00

Exhibit 9: NOHRUP (Pty) Ltd.'s income statement for 20X6

Observe now the business activities at WESTERFELD GmbH:

(B) Purchase of materials: 75,000.00 EUR

DR Purchase	75,000.00 EUR
CR Cash/Bank	75,000.00 EUR

(C) Recording for labour: 19,000.00 EUR

DR Labour	19,000.00 EUR
CR Cash/Bank	19,000.00 EUR

(D) Recording depreciation: 15,000.00 EUR

DR Depreciation	15,000.00 EUR
CR Acc. Depr.	15,000.00 EUR

(E) Recording revenue: 200,000.00 EUR, NOHRUP (Pty) Ltd. didn't pay 7,000.00 EUR!

DR Cash/Bank	193,000.00 EUR
DR Accounts Receivables A/R	7,000.00 EUR
CR Revenue	200,000.00 EUR

Observe the accounts at WESTERFELD GmbH:

D		W'FELD: P, P, E		C	D		W'FELD: Inventory		C
OV	55,000.00	c/d	55,000.00		OV	15,000.00	T/A	15,000.00	
b/d	55,000.00				Inv	7,500.00	c/d	7,500.00	
						22,500.00		22,500.00	
					b/d	7,500.00			

D		W'FELD: Cash/Bank		C	D		W'FELD: Issued capital		C
OV	25,000.00	(A)	9,000.00		c/d	25,000.00	OV	25,000.00	
(E)	193,000.00	(B)	75,000.00				b/d	25,000.00	
		(C)	19,000.00						
		c/d	115,000.00						
	218,000.00		218,000.00						
b/d	115,000.00								

Exhibit 10: WESTERFELD GmbH's accounts

D		W'FELD: Reserves		C	
c/d	40,000.00	OV	40,000.00		
		b/d	40,000.00		

D		W'FELD: R/E		C	
		OV	21,000.00		
c/d	79,450.00	P&L	58,450.00		
	79,450.00		79,450.00		
		b/d	79,450.00		

D		W'FELD: ITL		C	
(A)	9,000.00	OV	9,000.00		
c/d	25,050.00	P&L	25,050.00		
	34,050.00		34,050.00		
		b/d	25,050.00		

D		W'FELD: Purchases		C	
(B)	75,000.00	T/A	75,000.00		

D		W'FELD: Labour		C	
(C)	19,000.00	P&L	19,000.00		

D		W'FELD: Depreciation		C	
(D)	15,000.00	P&L	15,000.00		

D		W'FELD: Acc depr		C	
c/d	15,000.00	(D)	15,000.00		
		b/d	15,000.00		

D		W'FELD: Revenue		C	
T/A	200,000.00	(E)	200,000.00		

D		W'FELD: Trading Account T/A		C	
Inv	15,000.00	Rev	200,000.00		
Prh	75,000.00	Inv	7,500.00		
GP	117,500.00				
	207,500.00		207,500.00		
P&L	117,500.00	b/d	117,500.00		

D		W'FELD: Accounts receivables		C	
(E)	7,000.00	c/d	7,000.00		
b/d	7,000.00				

D		W'FELD GmbH: Profit and Loss P&L		C	
Lab	19,000.00	T/A	117,500.00		
Dpr	15,000.00				
EBT	83,500.00				
	117,500.00		117,500.00		
ITL	25,050.00	b/d	83,500.00		
R/E	58,450.00				
	83,500.00		83,500.00		

Exhibit 10: WESTERFELD GmbH's accounts

See below the income statement for 20X6:

Westerfeld GmbH's
STATEMENT of COMPREHENSIVE INCOME
for the year ended 31.12.20X6

	[EUR]
Revenue	200,000.00
Other income	
	200,000.00
Materials	(82,500.00)
Labour	(19,000.00)
Depreciation	(15,000.00)
Other expenses	0.00
Earnings before int. & taxes (EBIT)	83,500.00
Interest	0.00
Earnings before taxes (EBT)	83,500.00
Income tax expenses	(25,050.00)
Deferred taxes	
Earnings after taxes (EAT)	58,450.00

Exhibit 11: WESTERFELD GmbH's income statement

Check the balance sheet as at 31.12.20X6 for WESTERFELD GmbH, too:

Westerfeld GmbH's
STATEMENT of FINANCIAL POSITION
as at 31.12.20X6

A			C, L
<i>Non-current assets</i>	[EUR]	<i>Equity</i>	[EUR]
P, P, E	40,000.00	Share capital	25,000.00
Intangibles		Reserves	40,000.00
Financial assets		Retained earnings	79,450.00
<i>Current assets</i>		<i>Liabilities</i>	
Inventory	7,500.00	Interest bear liab	
Accounts receivables	7,000.00	Accounts payables	
Prepaid expenses		Provisions	
Cash/Bank	115,000.00	Tax liabilities	25,050.00
Total assets	169,500.00	Total equity and liab.	169,500.00

Exhibit 12: WESTERFELD GmbH's balance sheet

We now continue the consolidation for NOHRUP-WESTERFELD-group:

For the consolidation, the capital consolidation is carried forward. The payables/receivables inside of the group are deleted (7,000.00 EUR). Furthermore, the internal profit is eliminated. The profit for WESTERFELD by selling 14,000.00 EUR foil to NOHRUP (Pty) Ltd. based on a revenue of 4,000.00 EUR which is based on the closing stock of the left foil at NOHRUP (Pty) Ltd. which is calculated proportionally as below:

4,000.00 EUR revenue out of 200,000.00 EUR equals to: $4,000/200,000 = 2.00\%$. Hence, 2 % of the profit equals to: $4,000 - 2\% \times (82,500 + 19,000 + 15,000 + 25,050) = 4,000 - 2,831.00 = 1,169.00 \text{ EUR}$.

Accordingly, the materials on stock are revalued by 1,169.00 EUR.

The total profit of the group equals to: $82,950 + 58,450 - 1,169 = 140,231.00 \text{ EUR}$. The portion of the non-controlling-interest holders of WESTERFELD GmbH equals to: $42\% \times (58,450 - 1,169) = 24,058.02 \text{ EUR}$.

	PARENT	SUBSIDIARY	AGGR.	CAP. CONS	M.I.	A/P-A/R	Profit-Con	Subsequent Consolidation	CONS. F/S
<i>N-cur Assets</i>									
P,P,E	70,000	40,000	110,000						110,000
Int. assets	0	0	0						0
Investments	57,000	0	57,000	(57,000)					0
Goodwill	0	0	0	7,120					7,120
<i>cur Assets</i>									
Inventory	4,000	7,500	11,500				(1,169)		10,331
Receivables	0	7,000	7,000			(7,000)			0
Prepaid exp.	0	0	0						0
Cash	189,500	115,000	304,500						304,500
	320,500	169,500	490,000	(49,880)	0	(7,000)	(1,169)	0	431,951
<i>SH's capital</i>									
Issued capital	(100,000)	(25,000)	(125,000)	14,500	10,500				(100,000)
Reserves	0	(40,000)	(40,000)	23,200	16,800				0
Reval. Reserve	0	0	0	0	0				0
Retained ear.	(132,950)	(79,450)	(212,400)	12,180	8,820		1,169	24,058.02	(166,172.98)
M.I.	0	0	0		(36,120)			(24,058.02)	(60,178.02)
<i>Liabilities</i>									
Int. bear. liab.	(40,000)	0	(40,000)						(40,000)
Payables	(12,000)	0	(12,000)			7,000			(5,000)
Provisions	0	0	0						0
Def. income	0	0	0						0
Tax liabilities	(35,550)	(25,050)	(60,600)						(60,600)
	(320,500)	(169,500)	(490,000)	49,880	0	7,000	1,169	0	(431,951)

Exhibit 13: Calculation of the consolidated amounts

**Nohrup-Westerfeld group's
STATEMENT of FINANCIAL POSITION
as at 31.12.20X6**

A			C, L
<i>Non-current assets</i>	[EUR]	<i>Equity</i>	[EUR]
P, P, E	110,000.00	Share capital	100,000.00
Intangibles	0.00	Reserves	0.00
Financial assets		Retained earnings	166,172.98
Goodwill	7,120.00	Non-Ctrl-interest	60,178.02
<i>Current assets</i>		<i>Liabilities</i>	
Inventory	10,331.00	Interest bear liab	40,000.00
Accounts receivables		Accounts payables	5,000.00
Prepaid expenses		Provisions	
Cash/Bank	304,500.00	Tax liabilities	60,600.00
Total assets	431,951.00	Total equity and liab.	431,951.00

Exhibit 14: Consolidated balance sheet as at 31.12.20X6