

**Task IM-13.7: Eigenkapitalveränderungsrechnung**

(Statement of Changes in Equity along IFRSs)

GOEDEKING Ltd. is a company based on shares but doesn't apply the Company's act in Germany (AktG). GOEDEKING Ltd. sells iPhones via the internet. The business was established on 1.01.20X1 by a share issue of 100,000 ordinary shares at 5.00 EUR/s. The share issue is par value.

GOEDEKING Ltd. recorded the purchases of iPhones as below:

20X5: 1,000 @ 550 EUR/u (no opening value for iPhones)

20X6: 1,200 @ 500 EUR/u

20X7: 1,500 @ 480 EUR/u

During the accounting periods GOEDEKING Ltd. sells the iPhones as below:

20X5: 845 @ 700.00 EUR/u

20X6: 1,112 @ 670.00 EUR/u

20X7: 1,456 @ 625.00 EUR/u.

Apply first-in-first-out formula.

Operating costs for the online shop are 80,000 EUR/a during all accounting periods.

On 1.10.20X6, GOEDEKING Ltd. issues 40,000 preference shares at 1.00 EUR without premium. The shares come with a preference dividend of 5% on the face value.

GOEDEKING Ltd. appropriates profit along a 50:50 ratio, which means 50 % ordinary dividend and 50% profit carried forward in every year based on the distributable amount after deducting preference dividends.

**Required: Prepare 3 income statements along COS format and prepare a statement of changes in equity for 20X5, 20X6 and 20X7. (each year separately) - No comparative figures for 20X4 required.**

**Solution:**

The calculation of the income statement is here along the COS format in an income statement table:

**Gödeking AG's**  
**STATEMENT of COMPREHENSIVE INCOME**  
**for the year ended 31.12.20X5, X6, X7**

	20X5	20X6	20X7
Revenue	591.500,00	745.040,00	910.000,00
Other income			
	591.500,00	745.040,00	910.000,00
Cost of sales	464.750,00	563.750,00	703.740,00
Operating expenses	80.000,00	80.000,00	80.000,00
Depreciation	0,00	0,00	0,00
Other expenses			
Earnings before int and taxes (EBIT)	46.750,00	101.290,00	126.260,00
Interest	0,00	0,00	0,00
<b>Earnings before taxes (EBT)</b>	<b>46.750,00</b>	<b>101.290,00</b>	<b>126.260,00</b>
Income tax expenses	14.025,00	30.387,00	37.878,00
Deferred taxes			
<b>Earnings after taxes (EAT)</b>	<b>32.725,00</b>	<b>70.903,00</b>	<b>88.382,00</b>
Profit carried forward	0,00	16.362,50	43.382,75
less preference dividend		(500,00)	(2.000,00)
<b>Distributable amount</b>	<b>32.725,00</b>	<b>86.765,50</b>	<b>129.764,75</b>
to reserves (§ 150 AktG)	0,00	0,00	0,00
to other earnings reserves	0,00	0,00	0,00
to shareholders	16.362,50	43.382,75	64.882,38
carried forward to next period	16.362,50	43.382,75	64.882,38
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**Exhibit 1:** Income statements with profit appropriation

Observe the statement of changes in equity below:

**Gödeking AG's**  
**STATEMENT of CHANGES in EQUITY**  
**as at 31.12.20X5, X6, X7**

	Share capital	Reserves	R/E	total
as at 1.01.20X5	500.000,00			500.000,00
Profit 20X5			32.725,00	32.725,00
Dividend 20X5			(16.362,50)	(16.362,50)
as at 31.12.20X5	<b>500.000,00</b>	<b>0,00</b>	<b>16.362,50</b>	<b>516.362,50</b>
Share issue	40.000,00			40.000,00
Profit 20X6			70.903,00	70.903,00
Preference div 1/4			(500,00)	(500,00)
Dividend 20X6			(43.382,75)	(43.382,75)
as at 31.12.20X6	<b>540.000,00</b>	<b>0,00</b>	<b>43.382,75</b>	<b>583.382,75</b>
Profit 20X7			88.382,00	88.382,00
Preference div 1/4			(2.000,00)	(2.000,00)
Dividend 20X6			(64.882,38)	(64.882,38)
as at 31.12.20X7	<b>540.000,00</b>	<b>0,00</b>	<b>64.882,38</b>	<b>604.882,38</b>

**Exhibit 2:** Statement of changes in equity