

04.09.2022 LKAS 12 Past Papers

June - 2016 Q1 (I)

	CA	TB	(TAXABLE) / DEDUCTIBLE TD	TAX RATE	DTA (DTL)
PPE	-	-	(196,700)	28%	(55,076)
PPE - REVALUATION	↑	=	(1,500,000)	28%	(420,000)
TAX LOSSES			2,500,000	28%	700,000
			<hr/>		<hr/>
DEF - DTD			803,300	28%	224,924
TAX RATE			<u>28%</u>		
NET - DTA			224,924		<u><u>224,924</u></u>

To recognize this Rs.224,924 as a DTA the company should provide evidence that they will have sufficient taxable profits in the future. Based on the information that is provided it appears that the entity will not have taxable profits in the future as well. Hence no deferred tax asset should be recognized and the above amount should be disclosed as an unrecognized deferred tax asset.



Amounts to be recognized

ITEM	T/D
PPE	(196,700)
PPE REV. →	(1,500,000)
TAX LOSS	1,696,700
NET T/D	-

DT Amounts TAX RATE OF 20%	To be RECOGNIZED IN
(55,076)	P&L
(620,000)	OCE
475,076	P&L
<u> </u>	420,000

P&L AND OCE

PBT	xxx
TAX EXP	
- CURRENT TAX EXP	(xx)
- DT (EXP) REVERSAL	620,000
PFT	xxx
<u>OCE</u>	
REVALUATION - PPE	1,500,000
TAX EFFECT	(620,000)

S/F/P

ASSETS	
NCA	
DTA	-

NOTES TO F/S

UNRECOGNIZED DTA

RS. 224,924

LIAB

DTL

| - |

JUNE 2018 Q1 (c) (Rs'000)

CORRECTED DT CALCULATION

<u>Item</u>	<u>CA</u>	<u>TB</u>	<u>TD</u>	<u>DT @ 28% (DTL) / (DTA)</u>
PPF	650,120	453,001	(197,119)	(55,193)
PPF-REV	175,000	—	(175,000)	(49,000)
GW	—	NOT CONSIDERED		
Tax loss	—	851,230	<u>851,230</u>	<u>238,344</u>
NET				<u><u>134,151</u></u>

To recognize this Rs.134,151,000 as a DTA the company should provide evidence that they will have sufficient taxable profits in the future. The company has a history of tax losses hence they should prepare forecast with reasonable and supportable assumption to showcase that they will be able to recover this tax loss.

If the entity can provide evidence of sufficient taxable profits over the next 5 years and that they will be able to realize this tax loss, then this deferred tax asset can be recognized.

If they don't have sufficient taxable profits then the DTA should be disclosed as an unrecognized DTA.

DT ACCOUNTING IF THE ENTITY HAS SUFFICIENT TAX PROFIT.

Item	(DTL) / DTA	TO BE RECORDED IN
PPE	(55,193)	P&L
PPE-REV	(49,000)	OCF
TAX LOSS	238,344	P&L
NET	134,151	

DT ACCOUNTING IF THE ENTITY DOESN'T HAVE SUFFICIENT TAX PROFIT.

Item	(DTL) / DTA	TO BE RECORDED IN
PPE	(55,193)	P&L
REV	(49,000)	
TAX LOSS	10,8193	
NET	-	OCF

PBT	
TOTAL EXP	
- CF	
- DT	+49,000
PPE	
OCF	
Net	+134,151

NOTES
 UNRECOVERED DTA
Rs. 134,151.00

KFV

TAX EFFECT

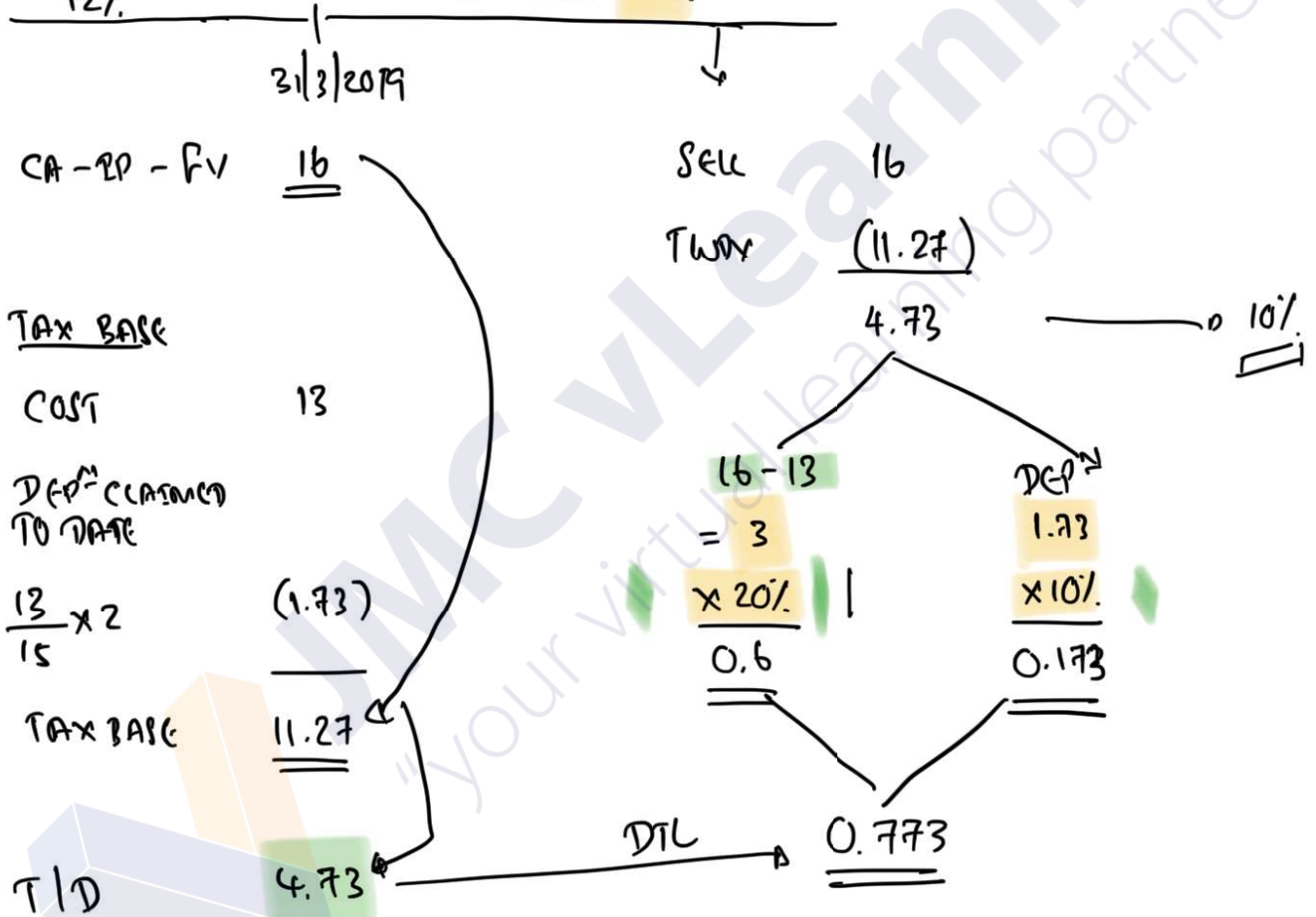
$$\left(\frac{1,000,000}{(49,000)} \right)$$

JUNE - 2019 Q1 (C) RAM PLC (R/1000)

(I) IP

TAX RATE
12%

FUTURE - 10%



IF IP CARRIED AT FV - LKAS 12 STATES THAT THERE'S A "REBUTTABLE PRESUMPTION" THAT THE ASSET WILL BE RECOVERED BY SELLING IT.

THE PRESUMPTION IS NOT REBUTED AS THE ENTITY IS EXPECTING TO SELL IN 5 YRS.

(ii) MV

IT IS NOT A TEMPORARY DIFFERENCE - NOT CONSIDERED FOR DEFERRING TAX

(iii) PRODUCT WARRANTY

CA	=	3	
TB	=	<u>0</u>	CA = 3
DTD		3	(-) AMT (3)
TAX RATE		<u>0%</u>	DEDUCTIBLE WHEN PAID
DIA		<u>0.3</u>	IS SETTLED
			TAX PAID <u>0</u>

Summary

<u>ITEM</u>	<u>CA</u>	<u>TB</u>	<u>DEDUCTIBLE (FAXABLE) TD</u>	<u>DIA/DTL</u>
IP	16	11.27	(4.73)	(0.773)
MV -	NOT CONSIDERED			
WARRANTY	3	-	3	<u>0.3</u>
NET DTL				<u><u>(0.473)</u></u>

	1/1/2021		31/12/2021		1/1/2022
COST	1,000	Gain 200	1,200	←	SELL AT 1,200 - P/L - PROFIT
TB	<u>1,000</u>		<u>1,000</u>		0
TDD	—		200		TAX = SP 1,200
TAX RATE	70%		70%		TWDV <u>1,000</u>
P/L	—	P/L DR	60		<u>200 × 30%</u>
OP.					<u>= 60</u>

	2021	2022
PROFIT ON DRS		0
PRF	xx	xx
TAX EXP		
- CR		(60)
- DR		60
		—
		0

OCI
 REV. GAIN. ✓ 200
 DR ✓ (60)

S/LIP
 1,000

~: m's.

DTL

