E3-6 Potter Company acquired 90% of Common stock of Stately Company
by issueing Bond payable = 121,500

Potter Comp → Total assets = 510,000
liability = 320,000
Stock holder Equity = 190,000

Stately Comp → Total assets = 350,000
liability = 215.000
Stockholder Equity = 135.000

a) Potter recoured total assets
↳ 510,000 + 121,500 = 631,500

b) Total assets reported Consolidation Balance sheet
↳ 510,000 + 350,000 - 15,000
= 845,000

c) Total liability reported in Consolidation B.S
↳ (320,000 + 121,500) + 215.000
= 656,500

D) 121,500/0.9 = 135,000 × 0.1 = 13,500

↳ 190,000
+13,500 → NCI of NA for Sub
= 203,500

E3-7 Fine line Company Acquired 80% of Smudge Company

For 72,000 Cash

72,000 / 0.80 = 90,000

entry → investment in Smudge 72,000
Cash 72,000

90,000

CI 80% = 72,000

NCI 20% = 18000

C.S = 50,000
R.E = 40,000
90,000

elimination entry
Dr Common stock - S 50,000
Dr Retained Earning - S 40,000
Cr investment in sub - P 72,000
Cr NCI in NA of sub 18,000

Fineline Pencil Comp and Subsidiary
Consolidated Balance sheet
Jan 2, 2013

Cash	128,000 + 50,000	178,000
Other Assets	400,000 + 120,000	520,000
Total Assets		698,000
Current liability	100,000 + 80,000	180,000
Common stock		300,000
R. E		200,000
NCI in NA of sub		18,000
Total Equity and liability		698,000

E3-8

Computer Corp Acquired 75% of Softwar Company by issuing Bond at Par valu 50,000 and F.V = 67,500

entry → Dr investment in sub 67,500
Cr Bond payable 50,000
Cr premium of B/P 17,500

مع العلم انه ما في شركة
S → RE 40,000
C.S 50,000
TSHE = 90,000

90,000
75% = 67,500 → CI in net Assets of Sub
25% = 22,500 → NCI in NA of sub

elimination entry

Dr Common stock - S 50,000
Dr R. Earning - S 40,000
Cr investment in sub - P 67,500
Cr NCI in NA of Sub 22,500

Consolidation Balance sheet

Cash	250,000
other Assets	520,000
Total Assets	770,000
Current liability	180,000
Bond Payable	50,000
Premuiom on B/P	17,500
Common stock	300,000
Retained Earning	200,000
Total liability and Equity	= 747,500
NCI in NA of S.Sub	22,500
Total	770,000

E3-9

على نفس معطيات السؤال الأول

B Comp Acquired 90% W Comp by issuing 10,000 preffered shares with parvalue of 6 and FV of 8.10

investment = 8.1 × 10,000 = 81,000

APIC = 8.1 - 6 = 2.10 × 10,000 = 21,000

Sub 90,000

CI ← 81,000 9000 → NCI

entry → Dr investment in sub 81,000
- Cr Preffered stock 60,000
- Cr APIC 21,000

elimination entry →	Dr Common stock - S	40,000	
	Dr Retained Earning - S	50,000	
	Cr investment in sub - P		81,000
	Cr NCI in NA of sub		9,000

Consolidated Balance sheet

Cash		250,000
Other Assets		520,000
Total Asset		= 770,000
current liability		180,000
Prefered stock	(6 × 10,000)	60,000
APIC	2.10 × 10,000	21,000
Common stock		300,000
Retained Earning		200,000
NCI in NA of sub		9,000
Total liability and Equity		= 770,000

E3-10

a- [illegible]

a- [illegible]

Consolidation Balance sheet

Cash ((140,000,000 - 130,000,000) + 5,600,000 + 3000,000) =	18,600,000
Building & Equipment - Acc Dep	360,500,000
Total Asset	379,100,000
Account payable	5,000,000
Bond payable	20,300,000
Bank Note payable	140,000,000
Common stock	103,000,000
Retained Earning	105,200,000
+ Non Controlling intrest	5,600,000
Total Equity and liability	379,100,000

B. & Equipment

240,600,000 + 130,000,000

= 370,600,000

(10,100,000)

360,500,000

E2-14

S Acquired 70 of K on Jan 1, 2017 for 294,000 in Cash

[A] NCI → 420,000 x 0.3 = 126,000

[B] Controlling intrest

C.S	400,000
APIC	222,000
R.E	358,000
Total CI	980,000
+ NCI in NA	126,000
Total stockholder equity	1,106,000

E2-15

[A] 20,000 x 0.75 = 15,000 → income for Controlling I

[B] 20,000 x 0.25 = 5,000 → income for NCI

[C] Consolidated net income

net income	59,000
- Dividend income from the op	(9000)
= Operating income	50,000
+ Net income from the op	20,000
Consolidated net income	70,000
- NCI in NI of sub	(5000)
Controlling intrest of income	65,000

P3-30

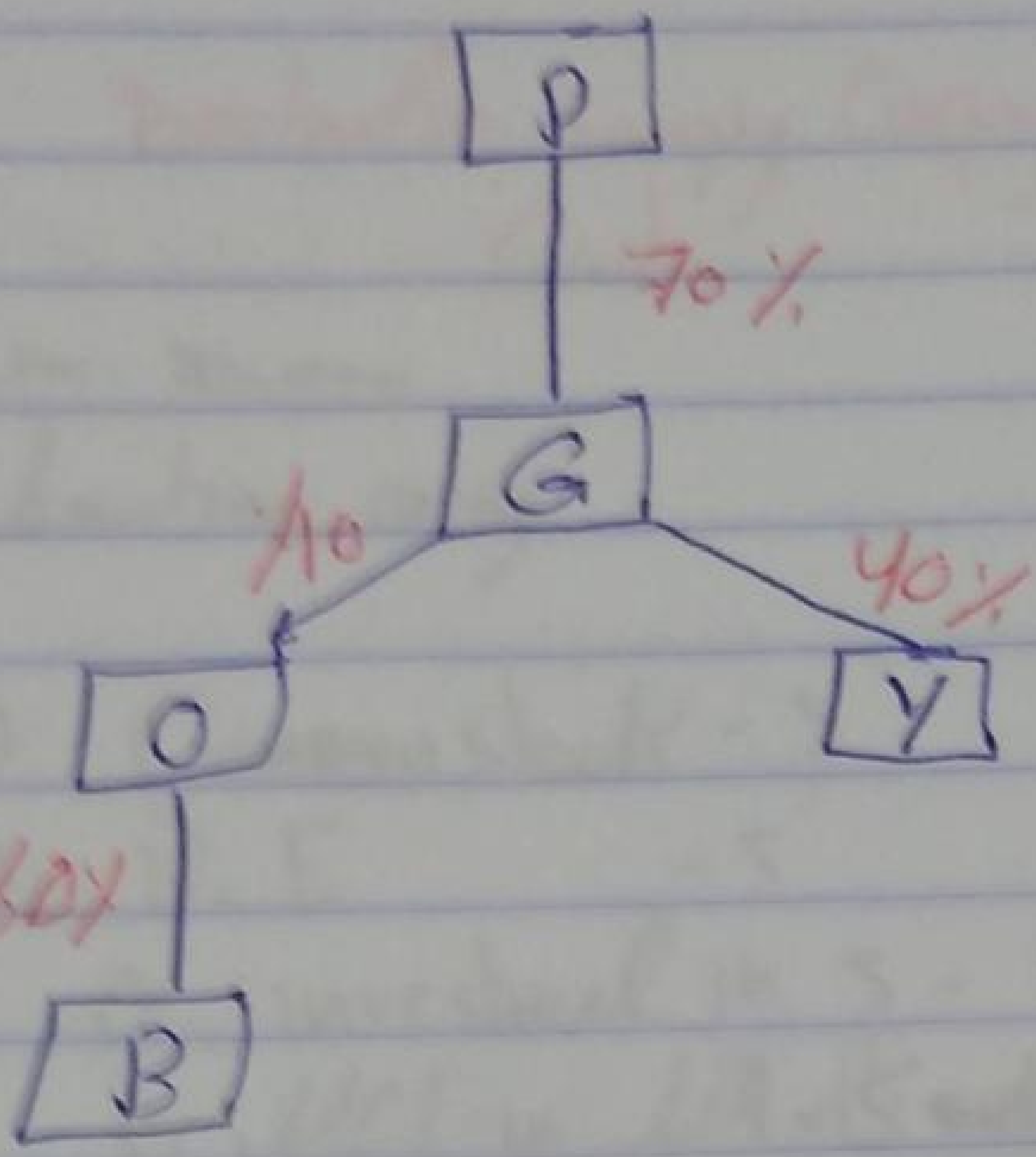
[A]

Sales		195,000
- Dep exp	24,000	
- COGS	105,000	
- Op exp	31,000	
- Dividend Rec	15,000	~~[illegible]~~ (175,000)
+ ~~[illegible]~~		
+ Common stock		90,000
+ R.E		130,000
BV Book value		240,000
		× 0.80
Purchase price		192,000

[B] 240,000 × 0.20 = 48,000 For non Controlling interest

[C] 143,000 + (195,000 - 160,000)
= 178,000

13-3-2



[illegible]

Green net income	20,000
+ net incom from Y (60,000 x 0.4)	24,000
+ income from O (30,000 x 0.1)	3,000
Green Company net incom	47,000

Purple net incom from own op	90,000
+ income from Green	47,000
Consolidated net incom	137,000

طريقة 1 →
[illegible]

Purple op income	90,000
+ P share of G net incom (47,000 x 70)	32,900
Purpol net income	122,900

طريقة $\boxed{2}$

Consolidated net incom	137,000
NCI in G Net inc (47,000 x 0.3)	(14,100)
Purpoh net incom	122,900

P3-33

a) → Investment in Snoopy Company 270,000
Cash 270,000

$\frac{270,000}{0.9} = 300,000 \times 0.1 = 30,000$

b) elimination entry

D Common stock - S	200,000	
D, R.E - S	100,000	
Cr investment in S - P		270,000
Cr NCI in NA of S		30,000

c)

Peanut Co
Consolidated Balance sheet
1/1/2018

Cash	75,000
Acc. Rec	80,000
Inventory	160,000
Land	325,000
Building & Equipment	890,000
Acc Dep	(400,000)
Total Assets	1,130,000
Account payable	100,000
Bond payable	275,000
Common stock	500,000
Retained Earning	225,000
NCI	30,000
Total liab & equity	1,130,000

[P3-34]

العطاء ملكية ١٠٠٪

90%

entry Dr investment in Snoopy 270,000
C Cash 270,000

entry Dr investment in snoopy 67,500
C income from snoopy 67500

20,000 × 0.9 = 18,000
entry Dr Cash 18,000
C ~~Dividend~~ invest 18,000

investment Acc

270,000	
67,500	18,000
319,500	

income from invest

	67,000

NCI

67,000 / 0.9
= 75,000
× 10%
= 7,500

elimination entry → Accumulated Dep - S 10,000
B el equipment - S 10,000

Dr Common stock - S 200,000
Dr Retained Earning - S 100,000
Dr income from snoopy - P 67,500
Dr NCI in NI of S 7,500
C Dividend Declared - S 20,000
C investment in sub - P 319,500
C NCI in NA of sub 35,500

NCI in net Asset

300,000 × 0.1 ← 30,000
+ 7,500
− 2,000
= 35,500

P3-35

المطلوبه على الكتاب

entry investment in snopy 72,000
income from snopy 72,000

entry Cash 27,000
investment in snopy 27000

investment

319,500	
72,000	27,000
364,500	

↓

NCI in NA

35,500
\+ 8000
\- (3000)

40,500

income from snopy

	72,000

↓

NCI in income
= 8000

elimination entry

Dr Acc Dep - S 10,000
Cr B & Eq - S 10,000

Dr Common stock - S 200,000
Dr R.E - S 155,000
Dr income from snoopy - P 72,000
Dr NCI in NI of S 8000
Cr Dividend Dec - S 30,000
Cr investment in S - P 364,500
Cr NCI in NA of S 40,500