EX1- Compay X pays to 200000 $ acquire an 80% interest in the ordinary shares of Compay Y. The aggregated fair value of 100% of Y's identifiable assets and liabilities (determined in accordance withthe requirements of IFRS 3) is 160000$, and the fair value of the non-controlling interest (the remaining 20% holding of ordinary shares) is 36000 $.

**Required-**Calculate NCI using the two methods

**Case study**

On january 1,2023, Company (A) purchased 90% of the common shares of Company (B) for an amount of$ 800,000. The acquision resulted in business combinaion.the financial position statement of A and B at combination is presented below :

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Company A** | **Company B**  **Book value Fair value** | | |
| Cash and cash equivalents  Accounts receivable  Inventory  Buildings  Furniture | 1000  800  700  1000  200 | 300  100  200  400  100 | 300  50  300  450  150 | |
| **Total assets** | **3700** | **1100** | | **1250** | |
| Accounts Payable  Capital  Additional Capital  Retained Earnings | 2000  1000  400  300 | 600  300  100  100 | | 600 | | |
| Total liabilities and equity | **3700** | **1100** | |  | | |

**Required-** How To account for business combinations under IFRS 3 ?