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| EX1- |
| On january 1,2022 CompanyA purchased goods with a fair value of $2600000 in exchange issuing 60,000 shares at a value of$ 4 per share. The fair market value of the share on that date was $ 5 per share.  **Required**  **1-**At what value shall the goods be recorded in the books of A at purchase  2-Recognition of purchase.  **Solution**  1-The goods are recorded at $260000 , which is the fair value of the asset received**.**  **2-Journal entry**   |  |  |  | | --- | --- | --- | |  | **Debit(000)** | **Credit(000)** | | Inventory  Capital  Additional capital | 260 | 240  20 |   Inventory is recognized at fair value of $260000, of which$ 240000 as capital and$ 20000 additional capital. |

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| **EX2**- |
| A company granted each of its 50 employees Bonus rights shares in return for an increase in the share price in appreciation of their achievement, their number is (300) rights on january1,2022 , so that their right to it is exercised on december 31,2024. Assuming that their right to 70% of the number of shares was exercised and that the share prices in the market were as follows:  january1,2022 12$  december31,2022 15$  december31,2023 16$  december31,2024 18$  **Required-** Calculate the amount of liability to be recorded against these shares on the date of exercise of the rights.  **Solution**  **Obligation due on** **december31,2024** **= 50×70%×300 ×(18-12)**  **=$63000** |

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| EX3- |
| A company purchased a building for $800,000. The supplier can choose how to settle the purchase price. The options are:  - Option 1: Receives 100,000 shares of the company's stock within one year. Or  - Option 2: Receives a cash payment within six months equal to the market value of 80,000 shares of the company's stock.  The fair value of the first option is estimated at $900,000 and the fair value of the second option is $760,000  **Required-** How to account for this transaction under IFRS2  **Solution**  When The company receives the building shall record a liabilty with $760000   |  |  |  | | --- | --- | --- | |  | **Debit(000)** | **Credit(000)** | | Building  Payable accounts  Potential Stock Option Rights – Equity | 800 | 760  40 | |