

Time: one hour-----

Answer the following questions (on the exam sheet)

Question 1- 3 marks

1- According to IAS10, which of the following lists is considered as a non-adjusting event after the reporting date?

- a- Discovery of errors that show that the FSs are incorrect.
- b- Commencing a court case arising out of events after the reporting date.
- c- The sale of inventories at a price lower than cost after the reporting date
- d- The bankruptcy of a major customer that confirms that a year-end receivable balance is irrecoverable.

2- One of the following represents the date on which the financial statements were issued:

- A. The date on which the General Assembly approved the financial statements
- B. The date on which the financial statements were approved by the Board of Directors
- C. The date on which the financial statements were submitted to the Securities Commission
- D. The date on which the entity's management submitted its financial statements to the Board of Directors.

3- Company(L) declared dividends to their shareholders on 31/3/20x. The date of the financial statements was approved for issue was on 20/2/20x1. Which of the below is correct under IAS10?

- a- It is a non-adjusting event after the reporting date with disclosing information in the note.
- b- It is an -adjusting event after the reporting date.
- c- It is a non-adjusting event after the reporting date without any disclosure
- d- None of them.

Question 2(7 marks)

If the end date of the financial year of Company(y) is on 31 december 2024.

-The date on which the company's management completes the preparation of the financial statements in their final for **mis 28 february 2025**,

-Date of approval and issuance of the financial statements by the Board of Directors is **12 march 2025**.

- Date of approval of the financial statements by the company's general assembly is **31 march 2025**.

The following events occurred at Company(y) and involved material amounts :

-On 1 january 2025, Water flowed into the company's warehouses, damaging some of the existing merchandise inventory, and the losses resulting from this were estimated at 80000dinars.

-on 2 february 2025, It was found that there was stock belonging to the company that was not included in the inventory at the end of the period 2024, At inventory value with the amounts of **60000** dinars.

- During january 2025 ,The prices of financial investments in stocks owned by the Company decreased by 20000 dinars from their value at the end of 2024.

-on 31march 2025, The General Assembly of Shareholders approved the distribution of stock dividends worth 43000 dinars.

Required : Explain the nature of previous events, their classification, and the accounting treatment required when preparing the financial statements for the year 2024.

Each case is separate from the other according to IAS (10) according to the following table:

Transaction Number	Timing of Event (Subsequent, Non-Subsequent)	Nature of Event (Modified, Non-Modified)	Disclosure of Event (Requires / Does Not Require Disclosure)

Good luck