

| | | | |
|---|--------------------------|---|-------------|
| Ex. 1 | | | Ex. 4 |
| Scenario a: trade discount | | | |
| Db. AR/Bank | 40,000 | | |
| Cr. Revenue | 40,000 | | |
| Scenario b: settlement discount | | | As per date |
| Db. AR | 50,000 | | |
| Cr. Revenue (PL) | 50,000 | | |
| When payment in full is received (case 1): | | | As per 31/1 |
| Db. Bank | 50,000 | | |
| Cr. AR | 50,000 | | |
| Db. Discount allowed (PL) | 5,000 | | |
| Cr. Bank | 5,000 | | <hr/> |
| | | | PL_1 |
| When payment reduced by discount is received (case 2): | | | |
| - | | | |
| Db. Bank | 45,000 | | |
| Cr. AR | 45,000 | | BS_1 |
| Db. Discount allowed (PL) | 5,000 | | Bank |
| Cr. AR | 5,000 | | <hr/> |
| 5% pm => | 0.004166667 | | |
| Scenario c: IFC (interest-free credit) | | | Ex. 5 |
| Db. AR | 497.93 | | |
| Cr. Revenue | 497.93 | | |
| Ex.2 | | per month | As per 31/1 |
| Scenario a: Nothing is recognized as revenue due to contingency | | | As per 30/€ |
| Scenario b: | | | |
| Db. AR/Bank | 12,000 | | |
| Cr. Revenue | 12,000 | | As per 30/€ |
| Ex. 3 | Contract price (premium) | 10,000 | |
| | Total costs | 4,000 | |
| | | <i>because service is delivered every 6 months during</i> | As per 30/€ |
| As per 31/1/20X1 | | | |

| | |
|--------------------------|--------|
| Db. Bank | 10,000 |
| Cr. Deferred income (DI) | 10,000 |

Ex. 6

As per 30/6/20X1

| | |
|-------------|-------|
| Db. DI | 2,500 |
| Cr. Revenue | 2,500 |

| | |
|-----------------------|-------|
| Db. Costs | 1,000 |
| Cr. Other liabilities | 1,000 |

As per 31/1

As per 31/12/20X1

| | |
|-------------|-------|
| Db. DI | 2,500 |
| Cr. Revenue | 2,500 |

As per 31/1

| | |
|-----------------------|-------|
| Db. Costs | 1,000 |
| Cr. Other liabilities | 1,000 |

As per 31/1

PL_1

| | |
|---------|--------------|
| Revenue | 5,000 |
| Costs | (2,000) |
| | <u>3,000</u> |

As per 31/1

BS_1

| | | | |
|------|---------------|------------------------------|---------------|
| Bank | 10,000 | Other liabilities | 2,000 |
| | | DI | 5,000 |
| | | Business result for the year | 3,000 |
| | <u>10,000</u> | | <u>10,000</u> |

Ex. 7

Contract price (premium) 100,000
 Total costs 60,000 *initial estimate*

Contract price (pre
 Total costs

At the date of signing the contract

Db. AR/Bank 100,000
 Cr. Deferred income (DI) 100,000

Scenario a: YE is 31/12

As per date of signing the con
 Db. AR
 Cr. Deferred incon

31/12/20X1

Db. DI 76,923
 Cr. Revenue 76,923

As per 31/7/20X1

Db. DI
 Cr. Revenue

Db. Costs 50,000
 Cr. Other liabilities 50,000

Db. Costs
 Cr. Other liabilities

Revenue 76,923
 Costs (50,000)
 26,923

Scenario b: YE is 30/6

As per date of signing the con
 Db. AR/Bank
 Cr. Deferred incon

| | | |
|---------|---------------|---------|
| 100,000 | Other liabail | 50,000 |
| | DI | 23,077 |
| | Business res | 26,923 |
| 100,000 | | 100,000 |

As per 30/6/20X1

Db. DI
 Cr. Revenue

Contract price (premium) 10,000
 Duration of contract 24 months =>

6 months in year 1 and year 3 + 12 months in year 2

Db. Costs
 Cr. Other liabilities

31/7/20X1

Db. AR/Bank 10,000
 Cr. Deferred income (DI) 10,000

As per 31/7/20X1

Db. DI
 Cr. Revenue

31/7/20X1

Db. DI 2,500
 Cr. Revenue 2,500

Db. Costs
 Cr. Other liabilities

31/7/20X2

Db. DI 5,000
 Cr. Revenue 5,000

31/7/20X3

Db. DI 2,500
 Cr. Revenue 2,500

Contract price (premium) 10,000
Cost profile: 1000 in year 1 and year 2 + 3000 in year 3 => total costs of 5000

I/20X1

Db. AR/Bank 10,000
Cr. Deferred income (DI) 10,000

I2/20X1

Db. DI 2,000
Cr. Revenue 2,000

I2/20X2

Db. DI 2,000
Cr. Revenue 2,000

I2/20X3

Db. DI 6,000
Cr. Revenue 6,000

Ex. 8

| | | | | | |
|-------|-------------------------|----------------|-----------------|-------------------------|------------------|
| 2,000 | | Contract price | TC direct * 1.4 | | |
| 1,200 | <i>initial estimate</i> | if Total cost | 2,000 | <i>initial estimate</i> | => Total revenue |
| 1,250 | <i>actual costs</i> | | | | |

As per 31/12/20X1

| | | | |
|----------|--|--------------|-------|
| Contract | | Db. AR | 1,463 |
| 2,000 | | Cr. Revenue | 1,463 |
| 2,000 | | | |
| | | Db. Costs | 1,045 |
| | | Cr. Other li | 1,045 |

2,000
2,000

As per 31/7/20X1

| | | | |
|-------|--|--------------|-------|
| 1,250 | | Db. AR | 1,057 |
| 1,250 | | Cr. Revenue | 1,057 |
| | | Db. Costs | 955 |
| | | Cr. Other li | 955 |

Contract
2,000
2,000

1,333
1,333

800
800

667
667

450
450

2,800.0