



INSTITUTE OF ACTUARIAL
& QUANTITATIVE STUDIES

Subject: Business Finance

Chapter: Unit 3

Category: Practice question

1. CT2 October 2010 Question 5

Which of the following accounting concepts can be used to justify carrying a non-current asset at its historical cost less depreciation even though this is not a particularly relevant figure for most decisions?

- A. accruals
- B. going concern
- C. prudence
- D. realization

Answer – B

2. CT2 April 2011 Question 6

Which of the following statements best describes the role of accounting standards in the preparation of financial statements for publication?

- A. Accounting standards have little impact on the process of preparing financial statements.
- B. Accounting standards provide companies with a broad indication of what the financial statements should contain.
- C. Accounting standards reduce variations between companies in the way they prepare accounts.
- D. Accounting standards eliminate all scope for disagreement over accounting.

Answer – C

3. CT2 April 2011 Question 7

Which of the following accounting concepts provides justification for the fact that book values of certain assets may not always reflect their true value?

- A. business entity
- B. going concern
- C. money measurement
- D. realization

Answer – B

4. CT2 April 2012 Question 7

Which of the following is most likely to arise as a consequence of the money measurement concept?

- A. Assets will be recorded at cost.
- B. Some valuable assets will be excluded from the financial statements altogether.
- C. Expenses will be accrued regardless of when the associated payment is made.

5. CT2 October 2012 Question 5

Which of the following accounting concepts is breached when a company recognises a gain in the market value of its property?

- A. money measurement
- B. going concern
- C. cost concept
- D. business entity

Answer – C

6. CT2 April 2013 Question 7

Which of the following best summarises the dual aspect concept?

- A. There are frequently two or more ways to approach any accounting judgement.
- B. Every transaction affects two balances and both must be adjusted in the bookkeeping records.
- C. There ought to be independent verification of matters of judgement.
- D. The bookkeeping records ought to be backed up regularly and the backup copy kept securely.

Answer – B

7. CT2 September 2013 Question 10

Who makes the final decision as to whether International Financial Reporting Standards are used as the basis for accounting in any given country?

- A. the International Accounting Standards Board (IASB)
- B. the national government
- C. professional accountancy bodies
- D. the national stock exchange

Answer – B

8. CT2 April 2015 Question 6

Which of the following best describes the need for the consistency concept in financial reporting?

- A. All similar transactions should input into the bookkeeping records in the same way throughout the accounting period.
- B. Financial statements prepared by an entity should be comparable from year to year.
- C. Financial statements prepared by different entities should be comparable.
- D. The users of financial statements should use consistent criteria for

9. CT2 September 2015 Question 9

Which of the following best describes the role of International Financial Reporting Standards (IFRS) in the situations in which they are applicable?

- A. IFRS eliminates inconsistency in accounting choices.
- B. IFRS ensures consistent disclosure across all companies.
- C. IFRS prevent misleading financial reporting.
- D. IFRS provide guidance on the appropriate treatment of specific matters

Answer - D

10. CT2 September 2017 Question 5

A new International Financial Reporting Standard (IFRS) has come into effect, requiring companies to change an important accounting policy.

Which of the following best explains the implications of the concept of consistency in this case?

- A. Consistency requires that the new IFRS be ignored in order to give a true and fair view.
- B. The audit report should carry an emphasis of matter paragraph to highlight the change in the accounting policy.
- C. The financial statements should show two versions of the figures, both with and without the changes arising from the new IFRS.
- D. The International Accounting Standards Board is responsible for addressing the issues relating to consistency

Answer – D

11. CT2 September 2017 Question 7

Which of the following best explains the implications of the going concern concept in financial accounting?

- A. It is a fact that businesses tend to continue indefinitely.
- B. Incorrect valuations of property, plant and equipment can be tolerated.
- C. The figures will remain the same if the business faces closure.
- D. The financial statements will be comparable from period to period.

Answer – B

12. CT2 April 2018 Question 4

Which of the following is NOT a correct interpretation of the prudence concept?

- A. An asset that cost \$400,000 was professionally revalued at \$500,000 and that valuation has been recognised in the financial statements.

- D. An intangible asset could be worth up to \$800,000, but the asset's value has not been recognised in the financial statements

Answer – B

13. CB1 April 2021 Question 6

A holiday company takes bookings for holidays up to a year before customers travel. The company recognises revenue from those bookings in the same accounting period as the costs associated with providing the holidays is incurred. Which accounting concept is the holiday company applying?

- A. Accruals
- B. Dual aspect
- C. Matching
- D. Prudence.

Answer – C

14. CB1 April 2023 Question 8

Insurance company financial statements require premiums received in respect of future liabilities to be identified and held until the liabilities have expired. Which accounting concept does this reflect?

- A. dual aspect
- B. going concern
- C. matching
- D. money measurement**

Answer – C

15. CT2 April 2010 Question 7

Which of the following is responsible for ensuring that the financial statements published by a company give a true and fair view?

- A. the board of directors
- B. the chief accountant
- C. the external auditor
- D. the finance director

Answer – A

16. CT2 October 2011 Question 9 (updated)

cashflow statement

- B. an expense in the statement of profit or loss and no effect on the cashflow statement
- C. no effect on the statement of profit or loss and a cash outflow in the cashflow statement
- D. no effect on either the statement of profit or loss or the cashflow statement

Answer – C

17. CT2 April 2012 Question 6

A company's external auditor included an emphasis of matter in the audit report. Which of the following statements best describes the meaning of an emphasis of matter?

- A. The auditor wishes to draw attention to an important matter that has been disclosed in the notes to the financial statements.
- B. The auditor wishes to draw attention to the limitations of the work undertaken during the audit.
- C. The audit report is being qualified.
- D. The auditor disagrees with the information in the financial statements.

Answer – A

18. CT2 October 2012 Question 6

An actuary started a consultancy in 2005 by investing his life savings of £40,000 in the business and borrowing £20,000 from a bank. Since then, the consultancy has grown to the point where it owns an office worth £100,000 and equipment worth £7,000. Trade receivables in the form of work that has been invoiced but not yet paid for total £8,000. The business now has bank loans totalling £82,000 and owes £500 for unpaid bills. What is the value of the actuary's equity?

- A. £25,000
- B. £32,500
- C. £40,000
- D. £52,500

Answer – B

19. CT2 October 2012 Question 7

Which of the following best describes the statement of changes in equity?

- A. a summary of revenues and expenses for the period
- B. a summary of the assets, liabilities and equity as at the end of the period
- C. a summary of changes in capital and reserves attributable to the equity holders

A company is preparing its financial statements and must decide on an accounting policy for an unusual situation that is not covered by accounting standards. Which of the following best explains how the company should proceed?

- A. The company can use any policy that it wishes.
- B. The company should use the policy that ensures the smallest profit.
- C. The company should use the policy that yields the strongest statement of financial position.
- D. The company should apply the logic in any accounting standard that deals with broadly

Answer - D

21. CT2 September 2013 Question 8

An external auditor cannot conduct an adequate audit because the directors have withheld a significant amount of vital audit evidence. What form of external audit report would be appropriate in these circumstances?

- A. adverse opinion
- B. disclaimer of opinion
- C. emphasis of matter
- D. except for opinion

Answer – B

22. CT2 September 2013 Question 7

What is the difference between profit and comprehensive income?

- A. Profit is calculated in accordance with International Financial Reporting Standards (IFRS) and comprehensive income is not.
- B. Comprehensive income covers a longer period than profit.
- C. Profit must be disclosed but comprehensive income need not.
- D. Comprehensive income includes unrealised gains that are excluded from profit.

Answer - D

23. CT2 April 2014 Question 10

To whom is the external auditor's report normally addressed?

- A. the directors
- B. the lenders
- C. the shareholders
- D. the Stock Exchange

a disclaimer of opinion?

- A. The auditor disagrees with the figures prepared by the directors.
- B. The auditor is satisfied that the financial statements give a true and fair view.
- C. The auditor is unable to express an opinion on the truth and fairness of the financial statements.
- D. The auditor wishes to withdraw an opinion that has previously been reported.

Answer – C

25. CT2 September 2017 Question 10

Which of the following best describes the circumstances in which an emphasis of matter paragraph will be included in the external auditor's report?

- A. The auditor wishes to draw attention to a specific statement elsewhere in the audit report.
- B. The financial statements contain a material uncertainty.
- C. The financial statements do not give a true and fair view.
- D. There is an immaterial irregularity in the financial statements

Answer – A

26. CT2 April 2018 Question 7

Which of the following best reflects the significance of a company receiving an unmodified audit opinion?

- A. The company is a good investment.
- B. The company's financial statements are accurate.
- C. The company's financial statements can be relied upon for stewardship purposes.
- D. The directors have not abused their position of trust.

Answer – C

27. CT2 September 2018 Question 10

A company owns an item of equipment that cost £10,000 on 1 July 2010. The equipment's estimated useful life was 10 years, at which time its estimated scrap value was £3,000. What is the depreciation charge on this equipment for the year ended 30 June 2018, assuming the straight line method of depreciation?

- A. £700
- B. £1,000
- C. £1,300
- D. £4,400

shareholders purchased a total of 10,000 £1 fully-paid shares for £2.50 each. Which of the following figures will appear in the company's statement of financial position?

	<i>Share capital (£)</i>	<i>Share premium (£)</i>
A	10,000	15,000
B	10,000	25,000
C	25,000	0
D	25,000	15,000

Answer – A

29. CB1 April 2021 Question 9

A company's factory cost \$50 million. Depreciation to date on the building is \$12 million. The factory was recently valued at \$55 million. What amount will appear in the company's revaluation reserve in respect of this revaluation?

- A. \$5 million
- B. \$17 million
- C. \$38 million
- D. \$55 million

Answer – B

30. CB1 September 2023 Question 10

A company has revalued its non-current assets during the year. Where will the gain on revaluation appear in the company's financial statements?

- A. Statement of changes in equity, statement of comprehensive income and statement of financial position.
- B. Statement of changes in equity, statement of financial position and statement of profit or loss.
- C. Statement of changes in equity, statement of comprehensive income and statement of profit or loss.
- D. Statement of comprehensive income, statement of financial position and statement of profit or loss.

Answer – A

Short answers:

1. CT2 April 2008 Question 13

Explain the purpose of accounting standards.

2. CT2 April 2012 Question 17

Explain why accounting information that is relevant may not be reliable and why accounting information that is reliable may not be relevant.

4. CT2 September 2013 Question 17

A famous accounting scandal involved a company's decision to recognise the premiums from the sale of holiday insurance contracts when the contracts were sold, rather than waiting until after the customer's safe return from holiday (which was the normal practice followed by other companies). There were no specific accounting standards to deal with this matter.

Discuss the issues associated with recognising the profit from the sale of travel insurance in this way in terms of accounting concepts

5. CT2 April 2014 Question 17

Discuss the importance of the International Accounting Standards Board (IASB).

6. CT2 April 2014 Question 18

Discuss the difficulties associated with deciding whether the going concern concept is appropriate

7. CT2 April 2015 Question 18

Describe the importance of the standards set by the International Accounting Standards Board (IASB).

8. CT2 April 2017 Question 18

Describe the problems faced by the external auditor in reporting on the fair presentation of financial statements.

9. CT2 September 2017 Question 14

Describe why it is necessary for the International Accounting Standards Board (IASB) to identify the users of financial statements

10. CB1 April 2019 Question 18

The development and implementation of International Financial Reporting Standards (IFRS) is sometimes a contentious and prolonged process.

Describe the implications of this.

11. CB1 April 2020 Question 14

International Accounting Standards identify relevance as a desirable characteristic for accounting information.

Describe whether accounting for property, plant and equipment at historical cost less depreciation results in a valuation that lacks relevance.

12. CB1 April 2020 Question 16

Discuss the proposition that the needs of all users of financial statements can be satisfied by a single set of financial statements.

14. CB1 September 2021 Question 16

A major company exploited a loophole in an International Financial Reporting Standard (IFRS) that permitted it to publish financial statements that complied with the IFRS, but which were nonetheless misleading.

Describe the implications for the International Accounting Standards Board (IASB)

15. CB1 September 2022 Question 16

A quoted company reported an earnings per share figure of \$0.80 in last year's annual report. The company's share price has been close to \$4.00 for most of the past year, giving a price/earnings ratio of 5.0.

The directors are drafting the latest year's financial statements. If the previous year's accounting policies are used, then the earnings per share will be \$0.82, but a loophole has been discovered in an International Financial Reporting Standard (IFRS) that would enable the company to increase reported profits, raising the earnings per share to \$0.90.

The directors believe that using the accounting loophole will result in a higher share price of $5 \times \$0.90 = \4.50 , compared to a share price of $5 \times \$0.82 = \4.10 otherwise. Discuss the merits of the directors' assertion.

16. State the key responsibilities of SEBI.

17. Why is there a need for competition laws?

18. Define accounting standards. State the need for having accounting standards.

19. CT2 April 2010 Question 16

Describe the purpose of a cashflow statement.

20. CT2 April 2010 Question 18

The directors of a limited company receive an annual bonus that is linked to reported profit. Explain how unscrupulous directors could go about overstating the reported profit without risking the legal and other penalties that would be imposed if they falsified the financial statements.

21. CT2 October 2010 Question 20 (part)

incorporated. The inventor has decided to replace the company's audit firm with one that is larger and more experienced in auditing the financial statements of quoted companies.

- (i) Describe the external auditor's role in protecting Koolclean plc's shareholders' interests after it obtains its quotation.

22. CT2 October 2010 Question 17

Explain the likely implications that will arise from a company preparing financial statements which do not comply with relevant accounting standards and the external auditor reporting that failure to comply in the audit report.

23. Subject CT2 April 2011 Question 17

The external auditor's report for company Z Ltd consists of a disclaimer of opinion.

- (a) Explain what is meant by such an audit report.
- (b) Describe the circumstances for which it might be appropriate

24. CT2 April 2012 Question 18

Discuss the usefulness and limitations of a company's annual report to the company's lenders.

25. Subject CT2 September 2013 Question 16

Discuss the assertion that the cashflow statement is unnecessary because it is easy to see whether the closing bank balance is higher or lower than the opening bank balance

26. Subject CT2 September 2014 Question 17

Discuss the ways in which the external auditor adds credibility to a company's published financial statements.

27. Subject CT2 April 2016 Question 17

Describe the importance of the cashflow statement.

28. Subject CT2 April 2016 Question 19 (part)

- Subb was founded seven years ago. It has grown slowly but steadily ever since.
- Parrent purchased its 40% holding of Subb's equity two years ago. The terms of the agreement reached with Subb's existing shareholders are that Parrent will have the right to appoint a number of directors to Subb's board. Subb's chief buyer has submitted the latest financial statements of both Subb and the Parrent Group. Subb's financial position appears to be rather weak, but the Parrent Group is large, profitable and liquid. The chief buyer's covering letter indicates that Gryffe should evaluate the application for trade credit on the basis of Parrent's consolidated financial statements. Subb's chief buyer also asks that attention be paid to the external auditor's report in both sets of financial statements because the auditor has issued an unmodified report in both cases.

Gryffe's directors have asked for an explanation as to why Subb can claim to be part of the Parrent Group when Parrent is a minority shareholder.

- Explain the relevance of the external auditor's report to Gryffe in deciding whether to grant trade credit to Subb.
- Recommend, with reasons, safeguards that Gryffe could put in place to manage the security of the receivable due from Subb in the event that it grants Subb's request

29. Subject CT2 April 2017 Question 17

Explain the relative importance of liquidity and profitability to the shareholders of a quoted company who are analysing the company's financial statements.

30. Subject CT2 April 2017 Question 18

Describe the problems faced by the external auditor in reporting on the fair presentation of financial statements

31. CT2 September 2017 Question 13

An actuarial consultancy has purchased a new computer system. Explain the difficulties associated with determining the useful life of that asset for depreciation purposes.

32. CT2 April 2018 Question 19

The information provided below was obtained from the bookkeeping records of Barlo plc on 30 June 2017.

- Prepare Barlo plc's financial statements in a form suitable for publication:

- (ii) Describe the steps by which the estimated tax charge would have been determined

Barlo plc

Trial Balance as at 30 June 2017

	£000	£000
Administrative expenses	2,600	
Cash at Bank	428	
Directors' salaries	3,780	
Dividends paid	280	
Loan interest	123	
Loans		1,000
Marketing costs	2,457	
Opening inventory	1,700	
Plant and equipment – accumulated depreciation		2,600
Plant and equipment – cost	19,600	
Production expenses	4,800	
Production materials	11,080	
Property – accumulated depreciation		4,270
Property – cost	9,000	
Retained earnings		3,418
Revenue		47,896
Sales salaries	2,463	
Share capital		4,500
Share premium		1,200
Trade payables		509
Trade receivables	3,982	
Wages paid to production staff	3,100	
	<u>65,393</u>	<u>65,393</u>

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Further information:

- (1) Inventory was counted at 30 June 2017 and was valued at £1,950,000.
- (2) Property is to be depreciated at 2% of cost and plant and equipment is to be depreciated at 25% on the reducing balance basis.
- (3) Corporation tax of £2,600,000 is to be provided for the year.

33. CT2 September 2018 Question 17

A company is profitable and it has increased its bank balance every year for the past three years.

Describe why it is necessary for such a company to prepare a cash flow statement.

34. CT2 September 2018 Question 18

Describe the purpose of the external audit of financial statements.

(i) Prepare Nolton plc's financial statements in a form suitable for publication:

- statement of comprehensive income for the year ended 30 June 2018
- statement of changes in equity for the year ended 30 June 2018
- statement of financial position as at 30 June 2018

(ii) Discuss the proposition that the gain on the revaluation of property should be taxed

Nolton plc

Trial balance as at 30 June 2018

	\$000	\$000
Administrative expenses	7,514	
Cash at bank	1,238	
Dividends paid	809	
Loan interest	355	
Loans		2,890
Management salaries	10,924	
Manufacturing costs	13,872	
Manufacturing materials – opening inventory	4,913	
Manufacturing purchases	32,021	
Manufacturing wages	8,959	
Plant and equipment – accumulated depreciation		7,514
Plant and equipment – cost	56,644	
Property – accumulated depreciation		12,340
Property – cost	26,010	
Retained earnings		9,879
Revaluation reserve		3,000
Revenue		135,418
Sales commissions	7,118	
Selling expenses	7,101	
Share capital		13,005
Share premium		3,468
Trade payables		1,471
Trade receivables	11,507	
	<u>188,985</u>	<u>188,985</u>

Further information

- (1) All depreciation has been charged for the year and recorded in the relevant accounts.
- (2) Property was revalued at \$16 million on 30 June 2018. This revaluation has not yet been recorded in the accounting records.
- (3) The closing inventory of manufacturing materials was counted and valued at \$5,274,000.
- (4) The corporation tax charge has been estimated at \$5,700,000.

36. CB1 April 2019 Question 16

Discuss the proposition that the cash flow statement is a more suitable basis for understanding a business' performance than the statement of profit or loss.

statement of financial position at their fair value rather than cost less depreciation.

38. CB1 September 2019 Question 15

Explain the purpose of integrated reporting as an alternative to traditional financial reporting.

39. CB1 April 2019 Question 18

Explain the relevance of a qualified audit opinion in which the external audit report stated that the financial statements gave a true and fair view, except for a specified disagreement over an accounting choice made by the company's board.

40. CB1 April 2019 Question 19

The information provided below was obtained from Dosco plc's bookkeeping records on 31 March 2020.

(i) Prepare Dosco plc's financial statements in a form suitable for publication:

- statement of profit or loss
- statement of changes in equity
- statement of financial position.

(ii) Discuss the implications of the loss on revaluation of property for Dosco's shareholders.

Borrowings (long term)	361
Directors' remuneration	1,366
Dividends paid	101
Interest on borrowings	44
Manufacturing costs	1,734
Manufacturing materials – inventory at start of year	614
Manufacturing purchases	4,003
Manufacturing wages	1,120
Plant and equipment – accumulated depreciation	939
Plant and equipment – cost	7,081
Property – accumulated depreciation	1,543
Property – cost	3,251
Retained earnings	1,610
Revenue	16,927
Sales salaries	890
Selling expenses	888
Share capital	1,626
Share premium	434
Trade payables	184
Trade receivables	1,438

Further information:

- (1) Inventory was counted at 31 March 2020 and was valued at \$740,000.
- (2) Manufacturing costs exclude \$50,000 of compensation that will be paid in June 2020 to employees who were injured in an industrial accident.
- (3) Property was valued at \$1,500,000 on 31 March 2020. That valuation is to be incorporated into the financial statements.
- (4) Corporation tax of \$1,337,000 is to be provided for the year.

41. CB1 September 2021 Question 19

T is an actuarial consultancy that was established 11 months ago. T is an unquoted limited company. The company's shares are held equally by the six founders, each of whom is a director in the company.

T employs 50 staff in addition to the directors.

The company owns a large office building in the business district of Capital City. This cost \$2 million when it was acquired 11 months ago, but the building has recently been valued at \$2.4 million by a local property expert.

T's directors have engaged an accounting firm to conduct the external audit of the company's first set of financial statements. These will cover the company's first full year of operation and so they have not yet been prepared. However, T's Chief Accountant has been gathering information and has been briefing the directors on some of the accounting issues that have to be decided.

T's directors have instructed the Chief Accountant NOT to depreciate the company's buildings because they wish the first year's reported profits to be as high as possible. The Chief Accountant has refused to agree to this, arguing that the building must be

depreciation on an asset that is increasing in value. They have also asked whether recognising the building at its valuation would enhance the company's reported performance.

- (i) Give an appropriate response, with reasons, to the Chief Executive's request for an explanation of the logic behind charging depreciation on T's office building even though it is increasing in value.
- (ii) Describe, with reasons, possible actions that T's external auditor will take in response to any refusal to depreciate the building.
- (iii) Describe the likely impact that revaluation of the property will have on T's reported performance.

42. CB1 April 2022 Question 19

A quoted manufacturing company has recently appointed a new Chief Executive Officer (CEO). It is close to the year end and the newly appointed CEO is working with the Finance Director on plans for the preparation of the company's annual financial statements.

The CEO has noted that the company's land and buildings have always been shown at cost less depreciation. The company owns a large plot of land that holds a factory that was built 15 years ago and an office block that was built 12 years ago. The land is shown in the financial statements at cost and the buildings are shown at cost less depreciation, with depreciation charged at 2% of cost each year.

The CEO believes that the land and buildings are worth far more than their depreciated cost and that the financial statements should use a revalued figure. They have asked the Finance Director to make the necessary arrangements with a professional valuer and also with the company's external auditor.

- (i) Describe the effects of the revaluation on the relevance and reliability of the company's financial statements.
- (ii) Outline the effect of the revaluation on the company's return on capital employed ratio and its likely impact on the share price.
- (iii) Explain why the external auditor should be consulted on the revaluation.

43. CB1 September 2022 Question 15

Discuss the usefulness of a company's cash flow statement to the shareholders.

44. CB1 September 2022 Question 18

A quoted company's external auditors disagree with a material accounting treatment that the company's board insists on. The external auditor has warned that this

the board.

45. CB1 September 2022 Question 19

The information provided below was obtained from Q's bookkeeping records on 30 June 2022.

(i) Prepare the following financial statements for Q, in a form suitable for publication:

- Statement of profit or loss
- Statement of changes in equity
- Statement of financial position.

(ii) Discuss:

- (a) the difficulties associated with determining the estimated useful life of the patent rights.
- (b) the implications of any error in the assumed life of 20 years.

Q		
Trial balance as at 30 June 2022		
	<i>\$000</i>	<i>\$000</i>
Advertising costs	2,300	
Bank	450	
Clerical staff salaries	4,200	
Cost of goods sold	8,200	
Directors' remuneration	2,700	
Dividends paid	300	
Interest on long-term loans	120	
Inventory	1,890	
Long-term loans		1,030
Manufacturing wages	1,120	
Patent rights – accumulated amortisation		356
Patent rights – cost	7,120	
Property, plant and equipment – accumulated depreciation		5,144
Property, plant and equipment – cost	21,230	
Retained earnings		4,950
Revenue		45,628
Sales staff salaries	8,300	
Selling expenses	1,778	
Share capital		5,000
Share premium		2,200
Trade payables		600
Trade receivables	5,200	
	64,908	64,908

The tax bill for the year has been estimated at \$4,100,000.

The patent rights were purchased at the start of the financial year. Q manufactures electronics and the company paid \$7,120,000 for the right to use a patented manufacturing process for 20 years. The cost of that investment is being written off

46. CB1 April 2023 Question 14

Explain why it is necessary for the Global Reporting Initiative to set standards for sustainability reporting.

47. CB1 April 2023 Question 16

Describe the importance to the shareholders of the notes to the financial statements in a quoted company's annual report.

48. CB1 September 2023 Question 12

F is a holiday company that owns hotels in various holiday locations and uses its own aircraft to operate flights to and from those locations. F has won several prestigious awards for the high quality of its sustainability reporting.

Explain how F may benefit from the voluntary disclosure of its environmental impact.

49. CB1 September 2024 Question 17

A company has a large balance on its revaluation reserve.

Explain how such a balance could have arisen.