

## **ACCA F7**

### **Financial Reporting (International)**

December 2014

**12 The net assets of Fyngle, a cash generating unit (CGU), are:**

	\$
<b>Property, plant and equipment</b>	<b>200,000</b>
<b>Allocated goodwill</b>	<b>50,000</b>
<b>Product patent</b>	<b>20,000</b>
<b>Net current assets (at net realisable value)</b>	<b>30,000</b>
	<b>300,000</b>

**As a result of adverse publicity, Fyngle has a recoverable amount of only \$200,000.**

**What would be the value of Fyngle's property, plant and equipment after the allocation of the impairment loss?**

- A \$154,545
- B \$170,000
- C \$160,000
- D \$133,333

**(2 marks)**