Applied Skills

Taxation – Irish (TX – IRL)

Tuesday 4 December 2018

TX IRL ACCA

Time allowed: 3 hours 15 minutes

This question paper is divided into two sections:

Section A – ALL 15 questions are compulsory and MUST be attempted

Section B – ALL SIX questions are compulsory and MUST be attempted

Tax rates and allowances are on pages 2–7.

Do NOT open this question paper until instructed by the supervisor.

Do NOT record any of your answers on the question paper.
This question paper must not be removed from the examination hall.

TX – IRL

Think Ahead ACCA

The Association of Chartered Certified Accountants

SUPPLEMENTARY INSTRUCTIONS

1. Calculations and workings need only be made to the nearest Euro.
2. All time apportionments should be made to the nearest month.
3. All workings should be shown in Section B.

TAX REFERENCE MATERIAL

The following rates, credits, formulae and allowances are based on the Finance Act 2016 and are to be used for all questions in this paper.

Income tax rates

	Tax €
Single/widow(er)/surviving civil partner without qualifying children	
€33,800 at 20%	6,760
Balance at 40%	
Married or in a civil partnership (one income)	
€42,800 at 20%	8,560
Balance at 40%	
Married or in a civil partnership (dual income)	
€42,800 at 20%	8,560
€24,800 at 20%	4,960
Balance at 40%	
Single/widow(er)/surviving civil partner qualifying for single person child carer credit	
€37,800 at 20%	7,560
Balance at 40%	

Tax credits

		€
Single person's credit		1,650
Married person's/civil partner's credit		3,300
Widowed person/surviving civil partner		
– in year of bereavement		3,300
– without dependent children		2,190
– with dependent children		1,650
Widowed person/surviving civil partner with dependent children		
– first year after bereavement		3,600
– second year after bereavement		3,150
– third year after bereavement		2,700
– fourth year after bereavement		2,250
– fifth year after bereavement		1,800
Home carer credit (maximum)		1,100
Single person child carer credit		1,650
Incapacitated child credit		3,300
Dependent relative credit		70
Age credit – single/widowed/surviving civil partner		245
– married or in a civil partnership		490
Employee/PAYE credit		1,650
Earned income tax credit		950
Rent allowance credit	**Rent limit**	
	€	€
– single aged under 55	200	40
– married/widowed/in a civil partnership/survivor of a civil partnership aged under 55	400	80
– single aged 55 and over	400	80
– married/widowed/in a civil partnership/survivor of a civil partnership aged 55 and over	800	160

Note: The rent allowance credit is only available to individuals who were tenants and eligible for the relief on 7 December 2010.

Third level tuition fees	Upper limit €7,000
Full-time qualifying courses	First €3,000 is ignored
Part-time qualifying courses	First €1,500 is ignored

Rates of PRSI
Self-employed – Class S

Rate 4%

Where income is above €5,000, the rate is 4% of reckonable earnings or €500 whichever is greater.

No PRSI where income is below €5,000 per annum.

Rates of PRSI
Employee – Class A1

Rate 4%

Employee – Class K

Rate 4%

Rates of PRSI

Employer (for employees – Class A1)

Rate	10·75%

Universal social charge (USC) for all taxpayers

On the first €12,012	0·5%
On the next €6,760	2·5%
On the next €51,272	5%
On the balance	8%

For individuals, a surcharge of 3% applies in respect of relevant (non-PAYE) income that exceeds €100,000 per annum, regardless of age.

For individuals aged 70 and over, and individuals who hold a medical card regardless of age, if aggregate income for the year is €60,000 or less, the maximum rate is 2·5%.

Exemptions:
– Individuals whose income does not exceed €13,000 per annum
– All social welfare payments and income subject to DIRT

Retirement annuities

Age	**Percentage of net relevant earnings**
Up to 30 years	15%
30 years but less than 40 years	20%
40 years but less than 50 years	25%
50 years but less than 55 years	30%
55 years but less than 60 years	35%
60 years and over	40%

Cap on net relevant earnings of €115,000

Tax free amount of *ex gratia* payments

Basic exemption: €10,160 + (€765 x number of years of complete service).

Increased exemption: (€10,160 + (€765 x number of years of complete service)) + (€10,000 less the present value of a current/future entitlement to a pension lump sum).

Standard capital superannuation benefit (SCSB): (A x B/15) – C

Where: A = Annual average salary over the last three years of employment
B = Number of complete years of service in the employment
C = Any tax free lump sum received or receivable under an approved superannuation scheme.

Corporation tax

Standard rate	12·5%
Higher rate	25%

Value added tax (VAT)

Registration limits	
Turnover from the supply of goods	€75,000
Turnover from the supply of services	€37,500
Rates	
Standard rate	23%
Reduced rate	13·5%
Second reduced rate	9%

Capital gains tax (CGT)

Rate	33%
Annual exemption	€1,270
Entrepreneur relief:	
Rate for disposals on or after 1 January 2017	10%
Lifetime limit on gains	€1,000,000

Writing down and wear and tear allowances

Type of expenditure	Date incurred	Writing down and wear and tear allowance	Tax life (where relevant)
Plant and machinery	From 4 December 2002	12·5%	
Motor vehicles	From 4 December 2002	12·5%	
Industrial buildings	From 1 April 1992	4%	25 years
Farm buildings	From 27 January 1994	15% for six years and 10% in year seven	10 years
Hotels	From 27 January 1994 to 3 December 2002	15% for six years and 10% in year seven	7 years
	From 4 December 2002	4%	25 years
Nursing homes and private hospitals	From 3 December 1997 to 31 July 2006	15% for six years and 10% in year seven	10 years, if first in use by 1 February 2007
	From 1 August 2006	15% for six years and 10% in year seven	15 years, if first in use after 1 February 2007
Childcare facilities	From 2 December 1998 to 31 July 2006	15% for six years and 10% in year seven	10 years, if first in use by 1 February 2007
	From 1 August 2006	15% for six years and 10% in year seven	15 years, if first in use after 1 February 2007

Motor cars – limits on capital costs

Carbon emissions table:

Category A	Category B/C	Category D/E	Category F/G
0–120g/km	121–155g/km	156–190g/km	191g/km +

Category A/B/C vehicles – capital allowances/leasing charges are based on the specified amount of €24,000 regardless of the cost of the car.

Category D/E vehicles – capital allowances/leasing charges are based on 50% of either €24,000 or the cost of the car, whichever is lower.

Category F/G vehicles – do not qualify for capital allowances/leasing charges.

Benefits in kind
Motor cars

Business travel lower limit Kilometres	Business travel upper limit Kilometres	Percentage of original market value of car
0	24,000	30%
24,001	32,000	24%
32,001	40,000	18%
40,001	48,000	12%
48,001	Upwards	6%

Preferential loan rates

Loans used to fund the cost/repair of the employee's principal private residence	4%
All other loans	13·5%

Local property tax
Tax bands for valuation purposes

€	€
0–100,000	550,001–600,000
100,001–150,000	600,001–650,000
150,001–200,000	650,001–700,000
200,001–250,000	700,001–750,000
250,001–300,000	750,001–800,000
300,001–350,000	800,001–850,000
350,001–400,000	850,001–900,000
400,001–450,000	900,001–950,000
450,001–500,000	950,001–1,000,000
500,001–550,000	

Properties worth up to and including a value of €1 million will be assessed at a rate of 0·18%.

Properties worth more than €1 million will be assessed on their actual value at 0·18% on the first €1 million and at 0·25% of their actual value on the portion above €1 million.

Indexation factors for capital gains tax

Year expenditure incurred	Multipliers for disposals in the year ending 31 December 2004 *et seq*	Year expenditure incurred	Multipliers for disposals in the year ending 31 December 2004 *et seq*
1974-75	7.528	*1989-90*	1.503
1975-76	6.080	*1990-91*	1.442
1976-77	5.238	*1991-92*	1.406
1977-78	4.490	*1992-93*	1.356
1978-79	4.148	*1993-94*	1.331
1979-80	3.742	*1994-95*	1.309
1980-81	3.240	*1995-96*	1.277
1981-82	2.678	*1996-97*	1.251
1982-83	2.253	*1997-98*	1.232
1983-84	2.003	*1998-99*	1.212
1984-85	1.819	*1999-2000*	1.193
1985-86	1.713	*2000-2001*	1.144
1986-87	1.637	*2001*	1.087
1987-88	1.583	*2002*	1.049
1988-89	1.553	*2003 et seq*	1.000

Section A – ALL 15 questions are compulsory and MUST be attempted

Please use the grid provided on page two of the Candidate Answer Booklet to record your answers to each multiple choice question. Do not write out the answers to the MCQs on the lined pages of the answer booklet.
Each question is worth 2 marks.

1 Lagan Ltd commenced to trade on 1 April 2015 and prepared its first set of accounts for the 30 months to 30 September 2017.

What are the end dates of Lagan Ltd's first three accounting periods for tax purposes?

A 31 December 2015, 31 December 2016 and 30 September 2017
B 31 March 2016, 31 March 2017, 30 September 2017
C 30 September 2015, 30 September 2016, 30 September 2017
D 31 December 2015, 30 September 2016, 30 September 2017

2 Joe is a self-employed photographer. In 2015 he leased a category C motor car, which would have cost €30,000 if purchased outright. During the accounting year to 31 December 2017, Joe made lease payments totalling €4,800 for the car. The car is used by Joe 60% for business purposes.

What is the amount of the 2017 lease payments which will be disallowed for tax purposes?

A €1,920
B €960
C €2,496
D €2,640

3 A bank makes supplies which are exempt (lending) and taxable (leasing) for value added tax (VAT) purposes. The bank's turnover for 2017 was as follows:

	€
Exempt income (lending)	4,000,000
Taxable income (leasing)	2,000,000
Total income	6,000,000

The bank incurred VAT of €3,000 on the purchase of a category B motor car, which is provided for the use of a leasing manager. The manager uses the car 65% for business purposes. It is intended that the car will be used by the bank for the next two years.

What is the amount of VAT relating to the car which the bank can receive as an input credit?

A €650
B €600
C €1,950
D €3,000

4 Joe is an employee of a large global company. He receives annual investment income of €100,000. He filed his income tax return for 2016 on 15 December 2017.

Which of the following correctly describes the surcharge which will be charged on Joe?

A Joe will pay a surcharge of 5% of his total income tax liability for 2016 subject to a maximum of €12,695
B Joe will not be liable to pay any surcharge as he has employment income
C Joe will pay a surcharge of 10% of his income tax liability for 2016 subject to a maximum of €63,485
D Joe will pay a surcharge of 5% of the income tax liability arising from his 2016 investment income only

5 Triona acquired shares in Mask plc as follows:

1 June 2009	Purchased 5,000 shares at €2 each	€10,000
1 June 2012	Purchased 1,000 shares at €3 each	€3,000
1 June 2014	Took up a rights issue of 1 for 5, at €4 each	€4,800

Triona sold 6,000 shares in May 2017.

What is the cost of the 6,000 Mask plc shares sold by Triona for capital gains tax purposes?

A €13,000
B €14,000
C €14,833
D €14,800

6 Jackie is employed by KC Ltd. During 2017 she earned a gross salary of €45,000, and in addition, she had Irish rental income of €4,000. In 2017, Jackie made contributions of €6,000 to a qualifying occupational pension scheme, which were deducted at source by her employer.

What is Jackie's PRSI liability for the tax year 2017?

A €1,960
B €1,720
C €1,560
D €1,800

7 **Which of the following are regarded as direct taxes?**

(1) Income tax paid through the self-assessment system
(2) Income tax paid through the payroll system
(3) Value added tax (VAT)
(4) Local property tax (LPT)

A 1 and 2 only
B 1 and 4 only
C 1, 2 and 4
D 2, 3 and 4

8 **Which of the following do the Revenue consider to be liable persons for local property tax (LPT) purposes?**

(1) Owners of residential property in Ireland, regardless of whether they live in the State
(2) Landlords where the property is rented out under a short-term lease (less than 20 years)
(3) Local authorities or social housing organisations which own and provide social housing
(4) Persons who occupy a residential property on a rent-free basis and without challenge to that occupation

A 1, 2, 3 and 4
B 1, 2 and 3 only
C 1 and 2 only
D 3 and 4 only

9 Which of the following statements regarding company start-up relief is correct?

A The corporation tax of all start-up companies may be reduced by the full amount of the employer's PRSI paid in respect of all employees

B Full relief from corporation tax is granted for all start-up companies carrying on a qualifying activity, where the total amount of corporation tax payable by the company for a 12-month period does not exceed €40,000

C Relief from corporation tax is available for the tax arising on the disposal of qualifying assets used in a start-up company's trade

D A company which has an excess of PRSI payments over its corporation tax liability in its first year of trading may carry the unused relief forward to its second year of trading

10 Which of the following most accurately describes the value added tax (VAT) treatment of a 'composite supply' of goods?

A The rate of VAT applicable to the principal supply is chargeable on the total consideration

B The consideration received should be apportioned between the various goods supplied and each portion taxed at the appropriate rate of VAT

C The highest rate of VAT applicable to any of the goods and/or services supplied is chargeable on the total consideration

D Where the principal supply is standard rated and it equals or exceeds two-thirds of the consideration, then the standard VAT rate is applied to the total consideration, but in all other cases the VAT rate applicable to each item is applied

11 Jim purchased an office building for investment purposes on 1 May 2017. He let the property from 1 July 2017 under a lease agreement for 15 years. The tenant paid an initial lease premium of €20,000 and pays an annual rent of €18,000.

What is Jim's gross rental income for tax purposes for 2017?

A €32,400
B €38,000
C €29,000
D €23,400

12 Mark bought 20 acres of land in Cavan in June 2010 for €40,000. In April 2017, he sold five acres of this land for €22,000 when the market value of the remaining 15 acres was €45,000.

What is the cost of the five acres of land disposed of by Mark for capital gains tax purposes?

A €19,556
B €13,134
C €10,000
D €16,750

13 On 1 September 2017, an Irish resident company paid a dividend to its Irish shareholders, all of whom are individuals.

What is the applicable rate of dividend withholding tax (DWT) and the date by which it should be paid to the Revenue?

A 39% and 14 September 2017
B 20% and 14 September 2017
C 39% and 14 October 2017
D 20% and 14 October 2017

14 Niamh who has been trading for many years ceased to trade on 30 September 2017. Her accounting profits prior to ceasing to trade were as follows:

Year ended 30 September 2016	€36,000
Year ended 30 September 2017	€38,400

What is the amount of income on which Niamh will finally be assessed for the 2016 tax year?

A €36,600
B €27,000
C €38,400
D €36,000

15 Theo disposed of assets during 2017 as follows:

Asset type	Person to whom asset disposed of	Gain/(loss) on disposal
Race horse	Unrelated third party	€10,000
Principal private residence (PPR)	Unrelated third party	(€80,000)
Investment property	Unrelated third party	€40,000
Shares in a public limited company (PLC)	Brother	(€6,000)

What is the assessable gain or allowable loss incurred by Theo in 2017 before deduction of the annual exemption?

A Loss of €30,000
B Loss of €36,000
C Gain of €40,000
D Gain of €44,000

(30 marks)

Section B – ALL SIX questions are compulsory and MUST be attempted

Please write your answers to all parts of these questions on the lined pages within the Candidate Answer booklet.

1 **(a)** Sean Boyle is a sole trader, who has carried on a qualifying manufacturing business for many years. During the early months of 2012 Sean built a factory, which was put into use in Sean's business in October 2012. The costs incurred in building the factory were:

	€
Site cost	40,000
Site development costs	20,000
Construction of factory	180,000
Construction of adjoining offices	20,000
	260,000

In May 2017, Sean decided that the factory was no longer suitable and sold it to Teresa. Teresa is also a sole trader, who has been trading for many years but has in the past rented her manufacturing facilities. Teresa purchased the factory for €300,000, including €60,000 for the value of the site.

Both Sean and Teresa prepare their accounts annually to 31 December.

Required:

(i) **Compute the qualifying industrial building cost of the factory when it was constructed by Sean Boyle in 2012.** (2 marks)

(ii) **Compute the balancing allowance/balancing charge incurred by Sean Boyle on disposal of the factory in 2017.** (3 marks)

(iii) **Compute the industrial building allowance which can be claimed by Teresa in 2017.** (2 marks)

(b) During the year to 31 December 2017, relevant contracts tax (RCT) of €4,000 was deducted by a principal contractor on payment of an invoice to an Irish subcontractor.

Required:

(i) **State ANY TWO types of industry in which relevant contracts tax (RCT) is applied.** (1 mark)

(ii) **Explain the circumstances in which the Irish subcontractor can obtain relief for the RCT deducted from them.** (2 marks)

(10 marks)

2 Caill Ltd, an Irish incorporated company, recorded the following results:

	Year ended 30 June 2015	Year ended 30 June 2016	Period ended 31 December 2016	Year ended 31 December 2017
	€	€	€	€
Case I profit/(loss)	20,000	30,000	8,000	(75,000)
Case III income/(loss)	2,000	(2,500)	3,000	0
Case V income/(loss)	5,000	4,000	(3,000)	6,000

Required:

On the basis that full relief is claimed for all available losses at the earliest opportunity, compute the corporation tax payable by Caill Ltd for each of the accounting periods and prepare a loss memorandum to show the amount of losses forward, if any, at 31 December 2017.

(10 marks)

3 Joan is single, aged 46, and Irish resident and domiciled. On 31 October 2017, Joan ceased to trade and sold her business as a going concern, including all of her business assets for €430,000.

The statement of financial position for Joan's business at 31 October 2017 showed the following assets:

	€	€
Building (at cost, bought in May 2000)		255,000
Fixtures and fittings (at cost, bought in 2014)	40,000	
Less: Accumulated depreciation	(24,000)	16,000
Inventory (at cost, all bought in 2017)		20,000
		291,000

The market value of Joan's business assets at the date of sale was:

	€
Building	290,000
Goodwill	100,000
Fixtures and fittings	10,000
Inventory	30,000
	430,000

Also, on 31 October Joan gifted an antique necklace to her niece. At the date of the gift, the necklace had a market value of €2,900. Joan had bought the necklace in 2013 for €2,200.

Required:

(a) Compute Joan's capital gains tax (CGT) liability for 2017. Where no gain arises on the disposal of an asset state why this is the case. (9 marks)

(b) State the date on which the CGT calculated in (a) is payable. (1 mark)

(10 marks)

4 Ken manufactures and fits bespoke kitchens. He accounts for value added tax (VAT) on a cash receipts basis.

Details of Ken's transactions for the VAT period July/August 2017 are detailed below. All amounts are stated net of any applicable VAT.

	Notes	€
Turnover	(1)	
Invoiced sales July/August from Irish household customers		100,000
Cash received July/August from Irish household customers		110,000
Invoiced sales/cash received for July/August from an Irish builder	(2)	20,000
Goods purchased for resale	(3)	
Material purchase invoices July/August from Irish suppliers		22,000
Material purchase invoices July/August from EU suppliers		5,000
Purchase invoice July/August from a Canadian supplier		3,000
Other expenses		
Repairs to delivery vans		2,500
Diesel for delivery vans		900
Installation of alarm for Ken's own home	(4)	1,200
Hotel accommodation for staff working away from base	(5)	2,300
Cleaning services	(6)	1,000

Notes:

(1) The VAT rate of 13·5% applies to all of Ken's VATable sales.

(2) Ken has a contract with an Irish builder for whom he manufactures and fits kitchens for commercial buildings. The contract has been registered for relevant contracts tax (RCT).

(3) The VAT rate on all purchases of goods is the standard rate of 23% and on purchases of services 13·5% unless otherwise stated.

(4) Ken considered that due to his increasing profile as a successful business person, the alarm installation was essential for his and his families' security.

(5) The hotel accommodation was essential to the carrying out of the work of the business. VAT was charged at 9%.

(6) The invoice for cleaning services relates to the period July/August 2017 but is dated 2 September 2017.

Required:

(a) Compute the value added tax (VAT) payable by Ken for the VAT period July/August 2017. (9 marks)

(b) State the due date of payment for any VAT due in respect of the July/August 2017 VAT return. (1 mark)

(10 marks)

5 Pat (aged 35) and Julie (aged 29) were married on 22 April 2017.

Pat is employed full time as a sales representative for a large company. He earns an annual salary of €50,000, from which PAYE of €10,000 was deducted by his employer in the tax year 2017.

Pat was provided with a company motor car throughout the tax year 2017. The car is a category B car, and was purchased new by the employer in June 2015 for €27,000. Pat drives a total of 34,000 kilometres per year, of which 90% is work related. Pat's employer deducts €120 per month from his salary as a contribution towards the running costs of the car.

At Pat's place of work there is a gym, which is available free of charge to all staff. The gym equipment is excellent and the annual membership in an equivalent private gym would cost €500. Pat uses the gym at least four days per week.

During 2017, Pat made a pension contribution of €12,000 to a Revenue approved pension scheme.

Julie was made redundant from her employment in October 2016. While she had been consistently job hunting, no suitable position was offered to her until November 2017. Her total salary for November and December 2017 was €6,600, from which PAYE of €400 was deducted. While Julie was unemployed she did not qualify for Jobseekers Benefit or Jobseekers Assistance.

In 2014 Julie had inherited some money, as well as the family home in Wexford. In 2017, she earned the following income from these sources:

Deposit interest received (net of DIRT)	€2,501
Irish dividend income received (net of DWT)	€3,400
Rent received (gross)	€5,200

Julie has rented out the inherited family home since 2015. Prior to letting, the property required some renovations and a loan was drawn down for this purpose. The same tenant has occupied the property since it was first let.

The expenses associated with the property in the year 2017 are as follows:

	€
Loan interest	3,000
Local property tax (LPT)	495
Repairs following a flood	1,125
New alarm system	1,000

Required:

Calculate the net income tax due by/refund due to Pat and Julie for the tax year 2017, assuming the couple wish to avail of year of marriage relief.

(15 marks)

6 TTT Ltd is an Irish resident company which offers a broad range of professional development courses. Its results for the year ended 31 December 2017 are as follows:

	Notes	€	€
Tuition revenue			1,100,000
Other income	(1)		26,000
Gross income			1,126,000
Less **expenses**			
Wages and salaries	(2)	349,000	
Rent, rates and insurance	(3)	50,000	
Information technology	(4)	25,000	
Repairs and maintenance	(5)	14,900	
Professional fees	(6)	12,000	
Loan interest	(7)	6,700	
Motor and travel	(8)	23,400	
Depreciation		6,000	(487,000)
Net profit before tax			639,000

Notes:

(1) Other income:

	€
Irish deposit interest received (gross)	4,200
Irish rental income from residential properties	15,000
Irish dividend income from quoted companies (gross)	6,800
	26,000

(2) Wages and salaries:

	€
Payroll costs	289,000
Christmas gifts to staff (each person received a voucher of €600)	6,000
Pension costs	54,000
	349,000

Included in the pension costs is an accrual at 31 December 2017 for €6,000. There was neither an accrual nor a prepayment at 1 January 2017.

(3) Rent, rates and insurance:

	€
Rent and rates	36,000
Public liability insurance	9,000
Insurance on residential investment properties	5,000
	50,000

(4) Information technology:

	€
Software licences (renewed annually)	10,000
New computer equipment for lecture rooms	15,000
	25,000

New computer equipment for three lecture rooms was purchased in November 2017 at a cost of €5,000 per room. The invoice for this equipment had still not been paid at the year end. The equipment was installed in two of the rooms in December 2017, the third room will only have the equipment fitted in mid-January 2018.

(5) Repairs and maintenance:

	€
General repairs to business premises	8,500
Profit on the disposal of projectors	(900)
General provision for maintenance work to be carried out on the computer labs in Summer 2018	7,300
	14,900

The projectors had been purchased in 2012 at a cost of €8,000, and had been sold during the year for €900. They had been depreciated at 20% per annum and so had a zero book value at the date of their disposal.

(6) Professional fees:

	€
Accounts preparation and audit	5,500
Legal fees regarding a dispute with suppliers	2,500
Tax advice in respect of the purchase of a new subsidiary	4,000
	12,000

(7) Loan interest:

	€
Interest on late payment of PAYE/PRSI	2,200
Interest on finance lease	4,500
	6,700

Office equipment costing €50,000 had been acquired under a finance lease. The capital payments made under this lease in 2017 totalled €10,000.

(8) Motor and travel:

	€
Travel expenses incurred by staff when giving courses off-site	16,400
Expenses incurred in running the director's car	7,000
	23,400

The director's motor car is a category D car and he uses it 30% for business purposes.

At 1 January 2017, TTT Ltd owned and used the following assets in its business, all of these assets had been acquired by the company in 2012:

Equipment at cost €32,000

Director's motor car at cost €34,000 (see note (8) above).

Required:

Compute TTT Ltd's Case I income for 2017.

Note: Your computation should commence with the net profit per the accounts and should list all of the items referred to in notes (2) to (8) indicating by the use of zero (0) any items which do not require adjustment.

(15 marks)

End of Question Paper