

# Intercompany Profit Transaction

Chapter 5

# Eliminasi PENJUALAN-PEMBELIAN<sup>(170..)</sup>

Jurnal **Transaksi** Induk, PT I (P)

## POP'S BOOKS

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Inventory (+A)	40,000	
Accounts payable (+L)		40,000
To record purchases on account from other entities.		
Accounts receivable—Son (+A)	48,000	
Sales (R, +SE)		48,000
To record intercompany sales to Son.		
Cost of sales (E, -SE)	40,000	
Inventory (-A)		40,000
To record cost of sales to Son.		

# Eliminasi PENJUALAN-PEMBELIAN (170..)

Jurnal **Transaksi** PT A (S)

## SON'S BOOKS

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Inventory (+A)	48,000	
Accounts payable—Pop (+L)		48,000
To record intercompany purchases from Pop.		
Accounts receivable (+A)	60,000	
Sales (R, +SE)		60,000
To record sales to customers outside the consolidated entity.		
Cost of sales (E, -SE)	48,000	
Inventory (-A)		48,000
To record cost of sales to customers.		

# Eliminasi PENJUALAN-PEMBELIAN (171..)

2016: Jurnal **Eliminasi PT A (S)**

	Pop	100% Son	Adjustments and Eliminations	Consolidated
Sales	\$48,000	\$60,000	a 48,000	\$60,000
Cost of sales	40,000	48,000		40,000
Gross profit	<u>\$ 8,000</u>	<u>\$12,000</u>		<u>\$20,000</u>

## Eliminasi Laba Kotor Belum Direalisasi-LKBD (172..)

Jurnal **Transaksi** Induk, PT I (P)

### POP'S BOOKS

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Inventory (+A)	60,000	
Accounts payable (+L)		60,000
To record purchase on account from other entities.		
Accounts receivable—Son (+A)	72,000	
Sales (R, +SE)		72,000
To record intercompany sales to Son.		
Cost of sales (E, -SE)	60,000	
Inventory (-A)		60,000
To record cost of sales to Son.		

## Eliminasi Laba Kotor Belum Direalisasi-LKBD (172..)

Jurnal **Transaksi** Anak, PT A (S)

### SON'S BOOKS

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Inventory (+A)	72,000	
Accounts payable—Pop (+L)		72,000
To record intercompany purchases from Pop.		
Accounts receivable (+A)	75,000	
Sales (R, +SE)		75,000
To record sales to customers outside the consolidated entity.		
Cost of sales (E, -SE)	60,000	
Inventory (-A)		60,000
To record cost of sales to outside entities.		

## Eliminasi Laba Kotor Belum Direalisasi-LKBD (172..)

2017: Jurnal Eliminasi PT A (S)

	Pop	Son	Adjustments and Eliminations		Consolidated
<i>Income Statement</i>					
Sales	\$72,000	\$75,000	a 72,000		\$75,000
Cost of sales	<u>60,000</u>	<u>60,000</u>	b 2,000	a 72,000	<u>50,000</u>
Gross profit	<u>\$12,000</u>	<u>\$15,000</u>			<u>\$25,000</u>
<i>Balance Sheet</i>					
Inventory		\$12,000		b 2,000	\$10,000

## Eliminasi Laba Kotor Belum Direalisasi-LKBD (172..)

2017: Jurnal **Eliminasi PT A (S)**

a	Sales ( - R, - SE)	72,000	
	Cost of sales ( - E, + SE)		72,000
	To eliminate intercompany sales and cost of sales.		

b	Cost of sales (E, - SE)	2,000	
	Inventory ( - A)		2,000
	To eliminate intercompany profit from cost of sales and inventory.		



# Pengakuan LKBD dlm PERSEDIAAN AWAL (173..)

Jurnal **Transaksi** Induk, PT I (P)

## POP'S BOOKS

Inventory (+A)	80,000	
Accounts payable (+L)		80,000
To record purchase on account from other entities.		
Accounts receivable—Son (+A)	96,000	
Sales (R, +SE)		96,000
To record intercompany sales to Son.		
Cost of sales (E, -SE)	80,000	
Inventory (-A)		80,000
To record cost of sales to Son.		

# Pengakuan LKBD dlm PERSEDIAAN AWAL (173..)

## Jurnal **Transaksi** PT A (S)

### SON'S BOOKS

Inventory (+A)	96,000	
Accounts payable—Pop (+L)		96,000
To record intercompany purchases from Pop.		
Accounts receivable (+A)	105,000	
Sales (R, +SE)		105,000
To record sales of \$90,000 and \$15,000 to outside entities.		
Cost of sales (E, -SE)	84,000	
Inventory (-A)		84,000
To record cost of sales (\$96,000 transfer price × 75% sold) and \$12,000 from beginning inventory.		

# Pengakuan LKBD dlm PERSEDIAAN AWAL (174..)

2018: Jurnal Eliminasi PT A (S)

	Pop	Son	Adjustments and Eliminations		Consolidated
<i>Income Statement</i>					
Sales	\$96,000	\$105,000	a 96,000		\$105,000
Cost of sales	<u>80,000</u>	<u>84,000</u>	c - 4,000	a 96,000 b 2,000	<u>70,000</u>
Gross profit	<u>\$16,000</u>	<u>\$ 21,000</u>			<u>\$ 35,000</u>
<i>Balance Sheet</i>					
Inventory		\$ 24,000		c 4,000	\$ 20,000
Investment in Son	XXX		b 2,000		

# Pengakuan LKBD dlm PERSEDIAAN AWAL (174..)

2018: Jurnal **Eliminasi PT A (S)**

a	Sales ( - R, - SE)	96,000	
	Cost of sales ( - E, + SE)		96,000
	To eliminate intercompany cost of sales and sales.		
b	Investment in Son ( + A)	2,000	
	Cost of sales ( - E, + SE)		2,000
	To recognize previously deferred profit from beginning inventory.		
c	Cost of sales (E, -SE)	4,000	
	Inventory ( - A)		4,000
	To defer unrealized profit in ending inventory.		

## Efek Transaksi HULU-HILIR (175..)

2016: PTI memiliki 80% PT A

	Parent	Subsidiary
Sales	\$600	\$300
Cost of sales	300	180
Gross profit	<u>300</u>	<u>120</u>
Expenses	100	70
Parent's separate income	<u>\$200</u>	
Subsidiary's net income		<u>\$ 50</u>

## Efek Transaksi HULU-HILIR (175..)

2016: PTI memiliki 80% PT A

	Downstream	Upstream
Parent's separate income	\$200	\$200
Add: Income from subsidiary		
<i>Downstream</i>		
Equity in subsidiary's reported income less unrealized profit $[(\$50,000 \times 80\%) - \$20,000]$	20	
<i>Upstream</i>		
Equity in subsidiary realized income $[(\$50,000 - \$20,000) \times 80\%]$	—	24
Parent net income	<u>\$220</u>	<u>\$224</u>

## Efek Transaksi HULU-HILIR (176..)

2016: PTI memiliki 80% PT A

### Jurnal Eliminasi

#### **PARENT CORPORATION AND SUBSIDIARY CONSOLIDATED INCOME STATEMENT (IN THOUSANDS) FOR THE YEAR ENDED DECEMBER 31, 2016**

	<b>Downstream Sales</b>	<b>Upstream Sales</b>
Sales (\$900 – \$100)	\$800	\$800
Cost of sales (480 + \$20 – \$100)	<u>400</u>	<u>400</u>
Gross profit	400	400
Expenses (\$100 + \$70)	<u>170</u>	<u>170</u>
Consolidated net income	230	230
Less: Noncontrolling interest share	<u>10</u>	<u>6</u>
Controlling interest share of consolidated net income	<u><u>\$220</u></u>	<u><u>\$224</u></u>

## LKBD – Penangguhan dalam Periode IC (177..)

2016: PTI memiliki 90% PT A

### Penjualan HILIR

	<b>Pam</b>	<b>Sun</b>
<b>Sales</b>	<b>\$100</b>	<b>\$50</b>
<b>Cost of goods sold</b>	<b>60</b>	<b>35</b>
<b>Gross profit</b>	<b>40</b>	<b>15</b>
<b>Expenses</b>	<b>15</b>	<b>5</b>
<b>Operating income</b>	<b>25</b>	<b>10</b>
<b>Income from Sun</b>	<b>9</b>	<b>—</b>
<b>Net income</b>	<b>\$ 34</b>	<b>\$10</b>



## LKBD – Penangguhan dalam Periode IC (177..)

2016: PTI memiliki 90% PT A (Jurnal Penyesuaian)

	<u>Penjualan HILIR</u>	
Investment in Sun (+A)	9,000	
Income from Sun (R, +SE)		9,000
To record share of Sun's income.		
Income from Sun (-R, -SE)	2,500	
Investment in Sun (-A)		2,500
To eliminate unrealized profit on sales to Sun.		

# LKBD – Penangguhan dalam Periode IC (178..)

2016: PTI memiliki 90% PT A (Jurnal Penyesuaian)

Penjualan HILIR

## PAM AND SUBSIDIARY, SUN, PARTIAL WORKPAPER FOR THE YEAR ENDED DECEMBER 31, 2016 (IN THOUSANDS)

	Pam	90% Sun	Adjustments and Eliminations		Consolidated Statements
			Debits	Credits	
<i>Income Statement</i>					
Sales	\$100	\$50	a 15		\$135
Income from Sun	6.5		c 6.5		
Cost of goods sold	(60)	(35)	b 2.5	a 15	(82.5)
Expenses	(15)	(5)			(20)
Consolidated net income					\$ 32.5
Noncontrolling interest share (\$10,000 × 10%)					(1)
Controlling interest share	<u>\$ 31.5</u>	<u>\$10</u>			<u>\$ 31.5</u>
<i>Balance Sheet</i>					
Inventory		\$ 6		b 2.5	\$ 3.5
Investment in Sun	XXX			c 6.5	

a. Eliminates reciprocal sales and cost of goods sold.

b. Adjusts cost of goods sold and ending inventory to a cost basis to the consolidated entity.

c. Eliminates investment income and adjusts the Investment in Sun account to the January 1, 2016, balance.

## Pengakuan LKBD – Penjualan ke Luar (179..)

2016: PTI memiliki 90% PT A

### Penjualan HILIR

	<b>Pam</b>	<b>Sun</b>
Sales	\$120	\$60
Cost of goods sold	80	40
Gross profit	<u>40</u>	<u>20</u>
Expenses	20	5
Operating income	<u>20</u>	<u>15</u>
Income from Sun	13.5	—
Net income	<u><u>\$ 33.5</u></u>	<u><u>\$15</u></u>

# Pengakuan LKBD – Penjualan ke Luar (179..)

2017: PTI memiliki 90% PT A (Jurnal Penyesuaian)

## Penjualan HILIR

Investment in Sun (+A)	13,500	
Income from Sun (R, +SE)		13,500
To record investment income from Sun.		
Investment in Sun (+A)	2,500	
Income from Sun (R, +SE)		2,500
To record realization of profit from 2016 intercompany sales to Sun.		

# Pengakuan LKBD – Penjualan ke Luar (179..)

2017: PTI memiliki 90% PT A (Eliminasi setelah Tahun Penjualan) Penjualan HILIR

<b>PAM AND SUBSIDIARY, SUN, PARTIAL WORKPAPER FOR THE YEAR ENDED DECEMBER 31, 2017 (IN THOUSANDS)</b>					
	Pam	90% Sun	Adjustments and Eliminations		Consolidated Statements
			Debits	Credits	
<i>Income Statement</i>					
Sales	\$120	\$60			\$180
Income from Sun	16		b 16		
Cost of goods sold	(80)	(40)		a 2.5	(117.5)
Expenses	<u>(20)</u>	<u>(5)</u>			<u>(25)</u>
Consolidated net income					\$ 37.5
Noncontrolling interest share (\$15,000 × 10%)					<u>(1.5)</u>
Controlling interest share	<u>\$ 36</u>	<u>\$15</u>			<u>\$ 36</u>
<i>Balance Sheet</i>					
Investment in Sun	XXX		a 2.5	b 16	

a. Adjusts cost of goods sold to a cost basis and adjusts the Investment in Sun account balance to reestablish reciprocity with the beginning subsidiary equity accounts.  
b. Eliminates investment income and adjusts the Investment in Sun account to the January 1, 2017, balance.

## Efek Transaksi HULU-HILIR (180..)

2016: PTI memiliki 100% PT A

Pnjualan HULU

Investment in Son (+A)	50,000	
Income from Son (R, +SE)		50,000
To record 100% of Son's reported income as income from subsidiary.		
Income from Son (-R, -SE)	5,000	
Investment in Son (-A)		5,000
To defer 100% of the unrealized inventory profits reported by Son until realized.		
A single entry for \$45,000 $[(\$50,000 - \$5,000) \times 100\%]$ is equally acceptable.		

## Efek Transaksi HULU-HILIR (180..)

2016: PTI memiliki 75% PT A

Penjualan HULU

Investment in Son (+A)	37,500	
Income from Son (R, +SE)		37,500
To record 75% of Son's reported income as income from subsidiary.		
Income from Son (-R, -SE)	3,750	
Investment in Son (-A)		3,750
To defer 75% of the unrealized inventory profits reported by Son until realized.		
A single entry for \$33,750 $[(\$50,000 - \$5,000) \times 75\%]$ is equally acceptable.		

# Efek Transaksi HULU-HILIR (180..)

2016: PTI memiliki 75% PT A

Penjualan HULU

## POP AND SUBSIDIARY, SON, PARTIAL WORKPAPER FOR THE YEAR ENDED DECEMBER 31, 2016 (IN THOUSANDS)

	Pop	75% Son	Adjustments and Eliminations		Consolidated Statements
			Debits	Credits	
<i>Income Statement</i>					
Sales	\$250	\$150	a 20		\$380
Income from Son	33.75		c 33.75		
Cost of goods sold	(100)	(80)	b 5	a 20	(165)
Expenses	<u>(50)</u>	<u>(20)</u>			<u>(70)</u>
Consolidated net income					\$145
Noncontrolling interest share [( $\$50,000 - \$5,000$ ) $\times$ 25%]					<u>(11.25)</u>
Controlling interest share	<u>\$133.75</u>	<u>\$ 50</u>			<u>\$133.75</u>
<i>Balance Sheet</i>					
Inventory	\$ 8			b 5	
Investment in Son	XXX			c 33.75	

a. Eliminates reciprocal sales and cost of goods sold.

b. Adjusts cost of goods sold and ending inventory to a cost basis to the consolidated entity.

c. Eliminates investment income and adjusts the Investment in Son account to the January 1, 2016, balance.