Equity Investments:

1. Passive = < 20%
2. Significant Influence = 20% to 50% (Associate)
3. Control = < 50% (Sole or Subsidiary)
4. Joint Control = Joint Arrangement

Characteristics of Joint Arrangement:

1. Contractual – written/oral.
2. Contractual Joint Control – required of unanimous consent on decisions for relevant activities.

Accounting for Joint Arrangement:

1. Joint Operations - without separate vehicle.
    - with separate vehicle, parties have the right to assets and obligations to the liabilities of the separate vehicle.

2. Joint Venture - with separate vehicle, parties have the rights to the net assets of the separate vehicle.
    - cannot recognize share in net loss if it will result in a negative balance in investment; recognize only up to the extent of the investment balance.

Full PFRS:

1. Joint Operations
2. Joint Venture

PFRS for SME's:

1. Joint Controlled Assets
2. Jointly Controlled Operations
3. Jointly Controlled Entities (JCE)

JCE

	Cost	**FV**	**Equity**
With Published Price Quotation	No	Yes	Yes
Without Published Price Quotation	Yes	Yes	Yes
Initial Measurement	Purchase Price + Transaction Cost	Purchase Price	Purchase Price + Transaction Cost
Subsequent Measurement	Cost - Impairment Loss	FV	Initial +/- NI/(NL) - Impairment Loss
Dividends	Income	Income	Return on Investment
Impairment	Yes	No	Yes
Unrealized Gain/Loss	None	Yes	None