

**Task IM-4.41: Preparing Financial Statements with Trial Balance**

(The exam on 2.02.2022 at UAS Osnabrück is a light version of this task without discount and bank loan. Only trial balances were required.)

RIVERGATE (Pty) Ltd. is an internet-trader for laptops. RIVERGATE (Pty) Ltd. discloses the below balance sheet and register of non-current assets. All non-current assets are depreciated following straight-line method based on their useful lives and depreciable values.

Rivergate (Pty) Ltd. STATEMENT of FINANCIAL POSITION as at 31.12.20X7			
A			C, L
<i>Non-current assets</i>	[AUD]	<i>Equity</i>	[AUD]
P, P, E	260,000.00	Share capital	100,000.00
Intangibles		Reserves	250,000.00
Financial assets		Retained earnings	70,000.00
<i>Current assets</i>		<i>Liabilities (liab.)</i>	
Inventory	134,520.00	Long-term liab. IBL	114,848.02
Acc. receivables A/R		Short-term liab. A/P	115,439.92
Prepaid expenses	1,200.00	Provisions	
Cash/Bank	284,567.94	Income tax liab.	30,000.00
<b>Total assets</b>	<b>680,287.94</b>	<b>Total equity and liab.</b>	<b>680,287.94</b>

Figure 1: Balance sheet

For 20X7, no appropriation of profits applies. Retained earnings are carried forward to 20X8.

Rivergate (Pty) Ltd. REGISTER of NON-CURRENT ASSETS as at 31.12.20X7						
Asset	Date of acquisition	Useful life [a]	P, P, E @ cost / @ valuation	Acc. depr.	Acc. impairment loss	Carrying amount
Packing station	2.01.20X3	10	300,000.00	(140,000.00)	0.00	160,000.00
Office equipment	2.01.20X4	8	200,000.00	(100,000.00)	0.00	100,000.00
<b>Total</b>						<b>260,000.00</b>

Figure 2: Register of non-current assets

RIVERGATE (Pty) Ltd. is financed by equity and a bank loan issued on 1.01.20X3 with a principal of 200,000.00 AUD which must be retained on 31.12.20X9 (completely). The loan is an annuity. The annual payment is 20,000.00 AUD/a. Therein an interest portion of 3.5%/a is included. IAS 1.60 applies (separation of long-term and long-term liabilities). The short-term liabilities on the balance sheet contain 100,000.00 AUD output-VAT to pay in 20X8.

The inventories include (cost of purchase):

24 laptops "School" at 450.00 AUD/u.

57 laptops "University" at 600.00 AUD/u.

9 laptops “Game” at 800.00 AUD/u.

84 laptops “Business” at 980.00 AUD/u.

RIVERGATE (Pty) Ltd. orders 200 laptops of each kind on 1.02.20X8 and on 1.08.20X8. The purchase prices increase by 10 % by every order for all laptops. I.e., the laptops “School” cost on 1.02.20X8  $(1 + 10\%) * 450 = 495.00 \text{ AUD/u}$  (net amount) and on 1.08.20X8:  $(1 + 10\%) * 495 = 544.50 \text{ AUD/u}$  (net amount). RIVERGATE (Pty) Ltd. applies an inventory valuation following the weighted average method. RIVERGATE (Pty) Ltd. applies a periodic system for inventory movements.

RIVERGATE (Pty) Ltd. sells the laptops at net selling prices of 800.00 AUD/u for “School”, at net selling price 1,000.00 AUD/u for “University”, at net selling price 1,400.00 AUD/u for “Game” and at 1,900.00 AUD/u for “Business”. The sales numbers are for the selling dates 1.06.20X8: 180/190/150/160 and on 1.10.20X8: 90/0/220/240 for the laptops (“School”/”University”/”Game”/”Business”).

As the supplier of the laptop announced on 1.09.20X8 (after the 2<sup>nd</sup> purchase) to discontinue the production of “School”, RIVERGATE (Pty) Ltd. sells them at half of the original price (then 400.00 AUD/u) from September onwards. IAS 2.9 applies for the measurement of inventories (at lower of costs or net realisable value). Disclose the loss on revaluation as other expenses on the income statement.

The supplier of the laptops “Business” allows RIVERGATE (Pty) Ltd. a discount of 15% on its last purchase (in August).

In November, 10 customers who bought 1 laptop “Game” each return them and receive a voucher in return. Those laptops are returned to the supplier as they are faulty. The supplier refunds RIVERGATE (Pty) Ltd. on cash. Apply a Returns Inwards and Returns Outwards account. Consider returns outwards when calculating material expenses for the income statement.

Rent to the extent of 1,200.00 AUD/m is to be paid one month in advance. Rent increases on 1.04.20X8 by 10 %. Rent is not subjected to VAT.

Operational expenses at RIVERGATE (Pty) Ltd. are amounting to 500,000.00 AUD (not VATable).

**Required: Prepare a trial balance after making the initial and regular Bookkeeping entries. Record interest too. Thereafter, prepare an adjusted trial balance where you consider depreciation, pay-off of the bank loan, re-classification of liabilities, prepaid expenses and profit calculation. Prepare a balance sheet and an income statement and a statement of cash flows following the direct method. Disclose the register of non-current assets as at 31.12.20X8.**

RIVERGATE (Pty) Ltd. ist ein Onlinehändler für Laptops. RIVERGATE (Pty) Ltd. weist die unten dargestellte Bilanz und ihren Anlagespiegel zum 31.12.20X7 aus. Alles langfristige Vermögen wird nach linearer Abschreibungsmethode und entsprechend der Lebensdauer und der jeweiligen abschreibungsfähigen Beträgen abgeschrieben.

Rivergate (Pty) Ltd.			
STATEMENT of FINANCIAL POSITION			
as at 31.12.20X7			
A			C, L
<i>Non-current assets</i>	[AUD]	<i>Equity</i>	[AUD]
P, P, E	260,000.00	Share capital	100,000.00
Intangibles		Reserves	250,000.00
Financial assets		Retained earnings	70,000.00
<i>Current assets</i>		<i>Liabilities (liab.)</i>	
Inventory	134,520.00	Long-term liab. IBL	114,848.02
Acc. receivables A/R		Short-term liab. A/P	115,439.92
Prepaid expenses	1,200.00	Provisions	
Cash/Bank	284,567.94	Income tax liab.	30,000.00
<b>Total assets</b>	<b>680,287.94</b>	<b>Total equity and liab.</b>	<b>680,287.94</b>

Figure 1: Balance sheet

In 20X7 findet keine Gewinnverwendung statt. Der Gewinnvortrag wird in die nächste Abrechnungsperiode 20X8 übertragen.

Rivergate (Pty) Ltd.						
REGISTER of NON-CURRENT ASSETS						
as at 31.12.20X7						
Asset	Date of acquisition	Useful life [a]	P, P, E @ cost / @ valuation	Acc. depr.	Acc. impairment loss	Carrying amount
Packing station	2.01.20X3	10	300,000.00	(140,000.00)	0.00	160,000.00
Office equipment	2.01.20X4	8	200,000.00	(100,000.00)	0.00	100,000.00
<b>Total</b>						<b>260,000.00</b>

Figure 2: Register of non-current assets

RIVERGATE (Pty) Ltd. ist eigenkapital- und über ein Bankdarlehn finanziert, das am 1.01.20X3 mit einem Nennbetrag von 200.000,00 AUD aufgenommen wurde und das am 31.12.20X9 komplett zurückgezahlt werden muss. Das Bankdarlehn ist ein Annuitätendarlehn. Die jährliche Zahlung beträgt 20.000,00 AUD/Jahr. Darin ist ein Zinsanteil von 3,5 %/Jahr enthalten. Der IAS 1.60 ist anzuwenden (Trennung von lang- und kurzfristigen Schulden). Die kurzfristigen Schulden in der Bilanz enthalten 100.000,00 AUD Umsatzsteuerschulden, die in 20X8 zu bezahlen sind.

Die Vorräte enthalten (Anschaffungskosten):

24 Laptops "Schule" zu je 450,00 AUD/Stück.

57 Laptops "Universität" zu je 600,00 AUD/Stück.

9 Laptops "Spiel" zu je 800,00 AUD/Stück.

84 Laptops "Beruf" zu je 980,00 AUD/Stück.

RIVERGATE (Pty) Ltd. bestellt 200 Laptops von jeder Sorte am 1.02.20X8 und am 1.08.20X8. Die Einkaufspreise steigen um 10% für jede Bestellung für alle Laptops. Z.B. kostet der Laptop Schule am

1.02.20X8  $(1 + 10\%) \cdot 450 = 495,00 \text{ AUD/Stück}$  (netto) und am 1.08.20X8  $(1 + 10\%) \cdot 495 = 544,50 \text{ AUD/Stück}$  (netto). Ein Laptop Universität kostet am 1.02.20X8  $(1 + 10\%) \cdot 600 = 660,00 \text{ AUD/Stück}$  usw. RIVERGATE (Pty) Ltd. wendet eine Vorratsbewertung nach der gewichteten Durchschnittsmethode (Verbrauchsfolgefiktionsverfahren) an. RIVERGATE (Pty) Ltd. setzt ein permanentes System zur Lagerbestandsbewertung ein.

RIVERGATE (Pty) Ltd. verkauft die Laptops zu einem Nettoverkaufspreis von 800,00 AUD/Stück für "Schule", zu einem Nettoverkaufspreis von 1.000,00 AUD/Stück für "Universität", zu einem Nettoverkaufspreis von 1.400,00 AUD/Stück für "Spiele" und zu einem Nettoverkaufspreis von 1.900,00 AUD/Stück für "Beruf". Die Verkaufszahlen für die Verkaufszeitpunkte 1.06.20X8 sind 180/190/150/160 und am 1.10.20X8: 90/0/220/240 für die Laptops ("Schule"/"Universität"/"Spiel"/"Beruf").

Weil der Laptoplieferant am 1.09.20X8 (nach der zweiten Bestellung) ankündigt, die Produktion des Laptops "Schule" einzustellen, verkauft RIVERGATE (Pty) Ltd. ab September diese zu der Hälfte des ursprünglichen Preises (dann: 400,00 AUD/Stück). Der IAS 2.9 ist auf die Vorratsbewertung anzuwenden (zu dem niedrigeren aus Anschaffungskosten und Nettoveräußerungswert) Weisen Sie den Verlust aus Bestandsbewertung als sonstigen Aufwand in der Gewinn- und Verlustrechnung aus.

Der Laptoplieferant für den Laptop "Beruf" gewährt RIVERGATE (Pty) Ltd. einen Preisnachlaß von 15 % auf ihre letzte Bestellung (im August).

Im November bringen 10 Kunden, die jeweils einen Laptop "Spiel" gekauft haben, diese zurück und erhalten eine Gutschrift dafür. Diese Laptops werden an den Lieferanten zurückgeschickt, weil sie fehlerhaft sind. Der Lieferant entschädigt RIVERGATE (Pty) Ltd. durch Barzahlung. Buchen Sie in ein Returns Inwards Konto und ein Returns Outwards Konto. Berücksichtigen Sie die Rücksendungen für die Kalkulation der Materialaufwendungen in der Gewinn- und Verlustrechnung.

Die Miete i.H.v. 1.200,00 AUD/m wird einen Monat im Voraus bezahlt. Die Miete erhöht sich am 1.04.20X8 um 10 %. Die Miete ist nicht umsatzsteuerrelevant.

Der Betriebsaufwand bei RIVERGATE (Pty) Ltd. beträgt 500.000,00 AUD (nicht umsatzsteuerrelevant).

**Gefragt: Erstellen Sie eine Versuchsbilanz (Trial Balance) nachdem Sie die anfänglichen und gewöhnlichen Buchungssätze gemacht haben. Buchen Sie ebenfalls den Zinsaufwand. Dannach erstellen Sie bitte eine auf die Jahresabschlußarbeiten angepasste Versuchsbilanz (adjusted Trial Balance) bei der Sie die Abschreibungen, Tilgung und Umklassifizierung der Schulden, Vorauszahlungen und die Gewinnermittlung berücksichtigen. Erstellen Sie eine Bilanz und eine Gewinn- und Verlustrechnung sowie eine Kapitalflussrechnung nach der direkten Methode. Weisen Sie einen Anlagespiegel zum 31.12.20X8 aus.**

#### **Solution:**

- (1) Reclassification of prepaid expenses
- (2) Payment for rent  $2 \times 1,200 + 10 \times 1.1 \times 1,200 = 15,600.00 \text{ AUD}$ .
- (3) Payment for income taxes from 20X7: 30,000.00 AUD.
- (4) VAT payment
- (5) Payment for interest:  $130,287.93 \times 3.5\% = 4,560.08 \text{ AUD}$ .
- (6) Recording of operational expenses
- (7) – (10) Purchase of laptops as at 1.02.20X8.

- (11) – (14) Stock releases of laptops on 1.06.20X8.
- (15) Revenue recognition on 1.06.20X8.
- (16) – (19) Purchase, discount considered
- (20) – (22) Sales of laptops
- (23) Revenue recognition 1.10.20X8
- (24) Returns inwards  $1,400 \times 10 = \mathbf{14,000.00 \text{ AUD}}$
- (25) Returns outwards
- (26) Pay-off loan
- (27) Reclassification loan completely
- (28), (29) Depreciation
- (30) Prepaid rent

Find below the accounts and financial statements:

Inv Laptop-School INS					Inv Laptop-University INU					PPE-Packing station PPS				
D				C	D				C	D				C
24 OV	10,800.00	(11)	88,232.14	180	57 OV	34,200.00	(12)	122,871.60	190	OV	300,000.00	c/d	300,000.00	
200 (7)	99,000.00	c/d	21,567.86		200 (8)	132,000.00	c/d	43,328.40		b/d	300,000.00			
	109,800.00		109,800.00			166,200.00		166,200.00						
44 b/d	21,567.86	LOV	32,867.86		67 b/d	43,328.40			0					
200 (16)	108,900.00	c/d	97,600.00		200 (17)	145,200.00	c/d	188,528.40						
	130,467.86		130,467.86			188,528.40		188,528.40						
244 b/d	97,600.00	(20)	36,000.00	90	267 b/d	188,528.40								
		c/d	61,600.00											
	97,600.00		97,600.00											
154 b/d	61,600.00													

Inv Laptop-Game ING					Inv-Laptop C-Business INB					PPE-Office PPO				
D				C	D				C	D				C
9 OV	7,200.00	(13)	131,483.25	150	84 OV	82,320.00	(14)	167,842.25	160	OV	200,000.00	c/d	200,000.00	
200 (9)	176,000.00	c/d	51,716.75		200 (10)	215,600.00	c/d	130,077.75		b/d	200,000.00			
	183,200.00		183,200.00			297,920.00		297,920.00						
59 b/d	51,716.75	(21)	208,377.16	220	124 b/d	130,077.75	(22)	245,676.85	240					
200 (18)	193,600.00	c/d	36,939.59		200 (19)	201,586.00	c/d	85,986.90						
	245,316.75		245,316.75			331,663.75		331,663.75						
39 b/d	36,939.59				84 b/d	85,986.90								

Prepaid expenses					Rent-20X8 RNT					Accumulated depreciation PS				
D				C	D				C	D				C
OV	1,200.00	(1)	1,200.00		(1)	1,200.00				c/d	140,000.00	OV	140,000.00	
RNT	1,320.00				(2)	15,600.00	c/d	16,800.00		b/d	140,000.00	b/d	140,000.00	
						16,800.00		16,800.00		c/d	168,000.00	(28)	28,000.00	
					b/d	16,800.00	PRE	1,320.00			168,000.00		168,000.00	
							P&L	15,480.00				b/d	168,000.00	
						16,800.00		16,800.00						

[illegible]

### Figure 3: Accounts

D

Issued capital ISS

C

c/d

100,000.00

OV

100,000.00

b/d

100,000.00

D

Earnings reserves RES

C

c/d

250,000.00

OV

250,000.00

b/d

250,000.00

D

Retained earnings R/E

C

c/d

70,000.00

OV

70,000.00

b/d

70,000.00

c/d

95,956.35

P&L

25,956.35

95,956.35

b/d

95,956.35

D

Interest bearing liabilities IBL

C

c/d

114,848.02

OV

114,848.02

(27)

114,848.02

b/d

114,848.02

D

Short-term liabilities A/P

C

c/d

32,239.92

OV

15,439.92

(24)

16,800.00

32,239.92

32,239.92

(26)

15,439.92

b/d

32,239.92

c/d

131,648.02

(27)

114,848.02

147,087.94

147,087.94

b/d

131,648.02

D

Income tax liabilities ITL

C

(3)

30,000.00

OV

30,000.00

c/d

11,124.15

ITL

11,124.15

41,124.15

41,124.15

b/d

11,124.15

D

Interest-20X8 INT

C

(5)

4,560.08

c/d

4,560.08

b/d

4,560.08

P&L

4,560.08

D

Operational expenses-20X8 OEX

C

(6)

500,000.00

c/d

500,000.00

b/d

500,000.00

P&L

500,000.00

D

Cost of goods sold-20X8 COS

C

(11)

88,232.14

(12)

122,871.60

(13)

131,483.25

(14)

167,842.25

(20)

36,000.00

(21)

208,377.16

(22)

245,676.85

c/d

1,000,483.25

1,000,483.25

1,000,483.25

b/d

1,000,483.25

P&L

1,000,483.25

D

Revenue-20X8 REV

C

(15)

848,000.00

(23)

800,000.00

c/d

1,648,000.00

1,648,000.00

1,648,000.00

P&L

1,648,000.00

b/d

1,648,000.00

D

Loss in valuation Laptop School

C

LOV

32,867.86

b/d

32,867.86

c/d

32,867.86

P&L

32,867.86

D

Returns inwards R.I.

C

(24)

14,000.00

b/d

14,000.00

c/d

14,000.00

P&L

14,000.00

D

Depreciation-20X8 DPR

C

(28)

28,000.00

(29)

25,000.00

P&L

53,000.00

53,000.00

53,000.00

D

Returns outwards R.O.

C

c/d

9,471.69

P&L

9,471.69

(25)

9,471.69

b/d

9,471.69

D

Profit and Loss-20X8

C

COS

1,000,483.25

R.I.

14,000.00

DPR

53,000.00

LOV

32,867.86

OEX

500,000.00

INT

4,560.08

RNT

15,480.00

EBT

37,080.50

1,657,471.69

1,657,471.69

ITL

11,124.15

R/E

25,956.35

REV

1,648,000.00

R.O.

9,471.69

b/d

37,080.50

**Figure 3: Accounts (continued)**

**Rivergate (Pty) Ltd.**  
**TRIAL BALANCE**  
**as at 31.12.20X8**

Account	Debit entries	Credit entries
INS	61,600.00	
INU	188,528.40	
ING	36,939.59	
INB	85,986.90	
PPE-PS	300,000.00	
ACC-PS		140,000.00
PPE-O	200,000.00	
ACC-O		100,000.00
PRE	0.00	0.00
RNT	16,800.00	
C/B	97,110.69	
VAT		74,317.14
ISS		100,000.00
RES		250,000.00
R/E		70,000.00
IBL		114,848.02
A/P		32,239.92
ITL	0.00	0.00
INT	4,560.08	
OEX	500,000.00	
COS	1,000,483.25	
REV		1,648,000.00
LOV	32,867.86	
R.I.	14,000.00	
R.O.		9,471.69
Total:	2,538,876.77	2,538,876.77

**Figure 4:** Trial balance

Rivergate (Pty) Ltd.		
ADJUSTED TRIAL BALANCE		
as at 31.12.20X8		
Account	Debit entries	Credit entries
INS	61,600.00	
INU	188,528.40	
ING	36,939.59	
INB	85,986.90	
PPE-PS	300,000.00	
ACC-PS		168,000.00
PPE-O	200,000.00	
ACC-O		125,000.00
PRE	1,320.00	0.00
RNT	0.00	0.00
C/B	81,670.77	
VAT		74,317.14
ISS		100,000.00
RES		250,000.00
R/E		95,956.35
IBL		0.00
A/P		131,648.02
ITL		11,124.15
INT	0.00	0.00
OEX	0.00	0.00
COS	0.00	0.00
REV	0.00	0.00
LOV	0.00	0.00
R.I.	0.00	0.00
R.O.	0.00	0.00
Total:	956,045.66	956,045.66

Figure 5: Adjusted trial balance

Rivergate (Pty) Ltd.			
STATEMENT of FINANCIAL POSITION			
as at 31.12.20X8			
A			C, L
<i>Non-current assets</i>	[AUD]	<i>Equity</i>	[AUD]
P, P, E	207,000.00	Share capital	100,000.00
Intangibles		Reserves	250,000.00
Financial assets		Retained earnings	95,956.35
<i>Current assets</i>		<i>Liabilities (liab.)</i>	
Inventory	373,054.89	Long-term liab. IBL	0.00
Acc. receivables A/R		Short-term liab. A/P	205,965.16
Prepaid expenses	1,320.00	Provisions	
Cash/Bank	81,670.77	Income tax liab.	11,124.15
<b>Total assets</b>	<b>663,045.66</b>	<b>Total equity and liab.</b>	<b>663,045.66</b>

Figure 6: Balance sheet



**Rivergate (Pty) Ltd.**  
**STATEMENT of PROFIT & LOSS**  
**and OTHER COMPREHENSIVE INCOME**  
**for the year ended 31.12.20X8**

	[AUD]
Revenue	1,634,000.00
Other income	1,634,000.00
COS	(991,011.56)
Depreciation	(53,000.00)
Other expenses	(548,347.86)
<b>Earnings before int. &amp; taxes (EBIT)</b>	<b>41,640.58</b>
Interest	(4,560.08)
<b>Earnings before taxes (EBT)</b>	<b>37,080.50</b>
Income tax expenses	(11,124.15)
Deferred taxes	25,956.35
<b>Earnings after taxes (EAT)</b>	<b>25,956.35</b>

Figure 7: Income statement

**Rivergate (Pty) Ltd.**  
**STATEMENT of CHANGES in EQUITY**  
**as at 31.12.20X8**

	Share capital	Reserves	Retained earnings	total
	[AUD]	[AUD]	[AUD]	[AUD]
as at 1.01.20X7	100,000.00	250,000.00	70,000.00	420,000.00
Profit 20X8			25,956.35	25,956.35
as at 31.12.20X8	100,000.00	250,000.00	95,956.35	445,956.35

Figure 8: Statement of changes in equity

<b>Rivergate (Pty) Ltd.</b> <b>STATEMENT of CASH FLOWS</b> <b>for the period ended 31.12.20X8</b>		
<i>Cash flow from operating activities</i>	[AUD]	[AUD]
Proceeds	1,977,600.00	
Refund received	11,366.03	
Payment for rent	(15,600.00)	
Tax payment	(30,000.00)	
VAT payment	(100,000.00)	
Material payments	(1,526,263.20)	
Payment for operations	(500,000.00)	
		<u>(182,897.17)</u>
<i>Cash flow from investing activities</i>		
Investments	0.00	
		<u>0.00</u>
<i>Cash flow from financing activities</i>		
Share issue		
Bond issued		
Coupon paid		
Pay-off plus interest	(20,000.00)	
		<u>(20,000.00)</u>
<b>Total cash flow</b>		<u><b>(202,897.17)</b></u>

**Figure 9:** Statement of cash flows (direct method)

**Rivergate (Pty) Ltd.**  
**STATEMENT of CASH FLOWS**  
**for the period ended 31.12.20X8**

	[AUD]	[AUD]
<i>Cash flow from operating activities</i>		
EAT	25,956.35	
add Interest paid	4,560.08	
add Depreciation	53,000.00	
...		
	<u>83,516.43</u>	
<i>changes in working capital</i>		
changes in A/R	0.00	
changes in prepaid expenses	(120.00)	
changes in inventory	(238,534.89)	
changes in A/P	16,800.00	
changes in income tax liabilities	(18,875.85)	
changes in VAT/r only materials	(257,177.20)	
changes in VAT/p	231,494.34	
		<u>(182,897.17)</u>
<i>Cash flow from investing activities</i>		
Investments	0.00	
		<u>0.00</u>
<i>Cash flow from financing activities</i>		
Pay-off plus interest	(20,000.00)	
...		
		<u>(20,000.00)</u>
<b>Total cash flow</b>		<u><u>(202,897.17)</u></u>

Figure 10: Statement of cash flows (reconciliation method)

**Rivergate (Pty) Ltd.**  
**REGISTER of NON-CURRENT ASSETS**  
**as at 31.12.20X8**

Asset	Date of acquisition	Useful life [a]	P, P, E @ cost / @ valuation	Acc. depr.	Acc. impairment loss	Carrying amount
Packing station	2.01.20X3	10	300,000.00	(168,000.00)	0.00	132,000.00
Office equipment	2.01.20X4	8	200,000.00	(125,000.00)	0.00	75,000.00
<b>Total</b>						<u>207,000.00</u>

Figure 11: Register of non-current assets

0.035 rate of interest

**Rivergate (Pty) Ltd.'s INTEREST and PAY-OFF PLAN**

Year	Opening amount	Interest	Pay-off	Annuity	Rest
	[AUD]	[AUD]	[AUD]	[AUD]	[AUD]
20X3	200,000.00	7,000.00	13,000.00	20,000.00	187,000.00
20X4	187,000.00	6,545.00	13,455.00	20,000.00	173,545.00
20X5	173,545.00	6,074.08	13,925.93	20,000.00	159,619.08
20X6	159,619.08	5,586.67	14,413.33	20,000.00	145,205.74
20X7	145,205.74	5,082.20	14,917.80	20,000.00	130,287.94
20X8	130,287.94	4,560.08	15,439.92	20,000.00	114,848.02
20X9	114,848.02	4,019.68	114,848.02		0.00

Figure 12: Bank loan calculation