

**Task A7.59: Exercise on Revaluations**

OAKVALLEY (Pty) Ltd. is an Australian courier service. The company is established by an owners' contribution of 200,000.00 AUD on 1.01.20X5.

The company operates a delivery van bought on 3.03.20X5 at 4X,000.00 AUD cost of acquisition. (**X is the 5<sup>th</sup> digit of your matriculation number.**)

The car's useful life is 5 years. Thereafter the car is likely to be sold at 10,000.00 AUD.

On 1.07.20X5, the car is revalued based on an appraiser's estimate at a value that is 5,Y00.00 AUD above its current carrying amount. (**Y is the 5<sup>th</sup> digit of your matriculation number.**)

**Required: Prepare the balance sheet at the 20X5 year end. In 20X5, the company earns a cash profit of 100,000.00 AUD apart of depreciation. No appropriation of profits takes place. Ignore VAT.**

| Oakvalley (Pty) Ltd.'s         |                                 |            |                         |                 |
|--------------------------------|---------------------------------|------------|-------------------------|-----------------|
| REGISTER of NON-CURRENT ASSETS |                                 |            |                         |                 |
| as at 31.12.20X5               |                                 |            |                         |                 |
| Asset                          | P, P, E @ cost /<br>@ valuation | Acc. depr. | Acc. impairment<br>loss | Carrying amount |
| van                            |                                 |            |                         | 0.00            |
| <b>Total</b>                   |                                 |            |                         | <b>0.00</b>     |

**Exhibit 1:** Register of non-current assets

**Oakhill (Pty) Ltd.'s**  
**STATEMENT of FINANCIAL POSITION**  
**as at 31.12.20X5**

| A                         |  |       |                               | C, L       |
|---------------------------|--|-------|-------------------------------|------------|
|                           |  | [AUD] |                               |            |
| <i>Non-current assets</i> |  |       | <i>Equity</i>                 |            |
| P, P, E                   |  |       | Share capital                 | 200,000.00 |
| Intangibles               |  |       | Reserves                      |            |
| Financial assets          |  |       | Retained earnings             |            |
| <i>Current assets</i>     |  |       | <i>Liabilities</i>            |            |
| Inventory                 |  |       | Long-term Liab. IBL           |            |
| Accounts receivables      |  |       | Deferred tax liab.            |            |
| Prepaid expenses          |  |       | Provisions                    |            |
| Cash/Bank                 |  |       | Tax liabilities               |            |
| <b>Total assets</b>       |  |       | <b>Total equity and liab.</b> |            |

**Exhibit 2:** Balance sheet 20X5