

3. Revaluation of Fixed Assets

(60)

(a)

Land and Buildings Account

(15)

Date	Details	€	Date	Details	€
1/1/2007	Balance b/d	720,000 (1)			
1/1/2007	Revaluation Reserve	120,000 (1)	31/12/2007	Balance c/d	840,000
		840,000			840,000
1/1/2008	Balance b/d	840,000	1/2/2008	Disposal	310,000 (1)
		840,000	31/12/2008	Balance c/d	530,000
					840,000
1/1/2009	Balance b/d	*530,000 (1)			
1/1/2009	Bank	380,000 (1)			
	Bank	90,000 (1)			
	Wages	40,000 (1)	31/12/2009	Balance c/d	1,040,000
		1,040,000			1,040,000
1/1/2010	Balance b/d	1,040,000			
1/1/2010	Revaluation Reserve	**208,000 (2)	31/12/2010	Balance c/d	1,248,000
		1,248,000			1,248,000
1/1/2011	Balance b/d	1,248,000	1/2/2011	Disposal	**636,000 (3)
1/1/2011	Revaluation Reserve	**98,000 (3)	31/12/2011	Balance c/d	710,000
		1,346,000			1,346,000
1/1/2012	Balance b/d	710,000			

* Allow marks for student's own figure.

** Allow 1 mark for words 'Revaluation Reserve' and 'Disposal' with incorrect figure.

Provision for Depreciation on Buildings Account

(21)

Date	Details	€	Date	Details	€
1/1/2007	Revaluation Reserve	*55,200 (2)	1/1/2007	Balance b/d	55,200 (2)
31/1/2007	Balance c/d	10,600	31/12/2007	Profit and Loss a/c	**10,600 (2)
		65,800			65,800
31/12/2008	Balance c/d	21,200	1/1/2008	Balance b/d	10,600
		21,200	31/12/2008	Profit and Loss a/c	**10,600 (2)
					21,200
31/12/2009	Balance c/d	42,000	1/1/2009	Balance b/d	21,200
		42,000	31/12/2009	Profit and Loss a/c	**20,700 (2)
					42,000
1/1/2010	Revaluation Reserve	*42,000 (2)	1/1/2010	Balance b/d	42,000
31/12/2010	Balance c/d	24,960	31/12/2010	Profit and Loss a/c	**24,960 (2)
		66,960			66,850
1/1/2011	Disposal	**12,720 (2)	1/1/2011	Balance b/d	24,960
1/1/2011	Revaluation Reserve	12,240 (3)	31/12/2011	Profit and Loss a/c	**14,200 (2)
31/12/2011	Balance c/d	14,200			39,160
		39,160			
			1/1/2012	Balance b/d	14,200

* Allow marks for student's own figure.

** Allow 1 mark for words 'Profit and Loss a/c' or 'Depreciation' with incorrect figure.

Disposal of Land Account

(3)

Date	Details	€	Date	Details	€
1/1/2008	Buildings	310,000 (1)	1/1/2008	Bank	335,000 (1)
31/12/2008	Profit & Loss a/c (Profit)	25,000 (1)			
		335,000			335,000

Disposal of Building Account

(4)

Date	Details	€	Date	Details	€
1/1/2011	Buildings	*636,000 (1)	1/1/2011	Depreciation	*12,720 (1)
31/12/2011	Profit & Loss a/c (Profit)	**21,720 (1)	1/1/2011	Bank	645,000 (1)
		<u>657,720</u>			<u>657,720</u>

* Allow marks for student's own figures if consistent with previous work.

** Allow marks for student's own figure to balance account.

Revaluation Reserve Account

(10)

Date	Details	€	Date	Details	€
1/1/2007	Revenue Reserve	50,000 (1)	1/1/2007	Land and Buildings	120,000 (1)
31/12/2007	Balance c/d	125,200	1/1/2007	Provision for depreciation	*55,200 (1)
		<u>175,200</u>			<u>175,200</u>
31/12/2008	Balance c/d	125,200	1/1/2008	Balance b/d	125,200
		<u>125,200</u>			<u>125,200</u>
31/12/2009	Balance c/d	125,200	1/1/2009	Balance b/d	125,200
		<u>125,200</u>			<u>125,200</u>
1/1/2010	Revenue Reserve	263,000 (1)	1/1/2010	Balance b/d	125,200
31/12/2010	Balance c/d	112,200	1/1/2010	Land and Buildings	*208,000 (1)
		<u>375,200</u>	1/1/2010	Provision for depreciation	*42,000 (1)
					<u>375,200</u>
31/12/2011	Balance c/d	222,440 (2)	1/1/2011	Balance b/d	112,200
		<u>222,440</u>	1/1/2011	Land and Buildings	*98,000 (1)
			1/1/2011	Provision for depreciation	*12,240 (1)
					<u>222,440</u>
			1/1/2012	Balance b/d	222,440

* Allow marks for student's own figures if consistent with previous work.

Revenue Reserve Account

(2)

Date	Details	€	Date	Details	€
31/12/2011	Balance c/d	313,000	1/1/2007	Revaluation Reserve	*50,000 (1)
		<u>313,000</u>	1/1/2010	Revaluation Reserve	*263,000 (1)
					<u>313,000</u>
			1/1/2012	Balance b/d	313,000

* Allow marks for student's own figures if consistent with previous work.

(b)

Balance Sheet as at 31/12/2011

(5)

	€	€	€
<u>Fixed Assets</u>	<u>Cost</u>	<u>Dep.</u>	<u>N.B.V.</u>
Land and buildings	710,000 (1)	*14,200 (1)	*695,800 (1)
<u>Capital and Reserves</u>			
Revaluation Reserve		*222,440 (1)	
Revenue Reserve		*313,000 (1)	535,440

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