

5 Which statement is correct?

- A Assets cannot be revalued by companies at all.
- B Companies have to disclose their policy on revaluation in their accounts.
- C Companies must carry out revaluations every year.
- D Every asset in a particular class must be revalued by companies, not just one.

6 The following payments have been made for property rates.

		\$
8 November 2011	paid rates for 6 months to 31 March 2012	1300
4 May 2012	paid rates for 6 months to 30 September 2012	1800

Which amount for rates is shown in the statement of financial position at 30 June 2012?

- A accrual \$900
- B accrual \$1800
- C prepayment \$900
- D prepayment \$1800

7 Which action is an application of the prudence principle?

- A applying the same depreciation method each year
- B excluding the owner's personal spending from the accounts
- C making an allowance for debts which may go bad
- D valuing assets on the assumption that the business will continue to trade

8 The table shows a bank reconciliation statement prepared as at 31 December.

	\$
balance per bank statement	862 523
add outstanding lodgements	73 540
bank charges not entered in cash book	15 200
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	951 263
less unpresented cheques	40 826
balance per cash book	<hr/>
	910 437

Which amount will be included in the statement of financial position as at 31 December as cash at bank?

- A \$862 523
- B \$877 723
- C \$895 237
- D \$910 437