

Assessment Schedule – 2007 Updated 9/12/07**Accounting: Prepare financial statements and related accounting entries for sole proprietors (90224)****Evidence Statement**

Question	Evidence			Code																																																																		
ONE Part A	<p>Measurement Base – The financial statements have been prepared / stated / reported / shown on the basis of Historical Cost.</p> <p>Property, Plant and Equipment – (Property, Plant and Equipment) are stated / reported / listed / shown at cost (historical cost / purchase cost / price) (and except for land), depreciated.</p> <p>Accounts Receivable – Receivables are stated / reported / listed / shown at estimated realisable value after allowing for doubtful debts (after adjusting for debts where collection is doubtful). Bad Debts are expensed (written off) during the period in which they are identified. Note: Not NET realisable value.</p> <p>S = Correct policy for the first two, and one for each correct part of Accounts Receivable.</p>			<p>S</p> <p>S</p> <p>S</p> <p>S</p>																																																																		
Part B	<table border="1" data-bbox="260 875 1230 1597"> <thead> <tr> <th></th> <th style="text-align: center;">\$</th> <th style="text-align: center;">\$</th> <th></th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Fees (Received)</td> <td></td> <td style="text-align: right;">89 040</td> <td style="text-align: center;">S</td> </tr> <tr> <td>Other Income</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Dividends</td> <td style="text-align: right;">460</td> <td></td> <td style="text-align: center;">S C</td> </tr> <tr> <td>Discount Received</td> <td style="text-align: right;">530</td> <td style="text-align: right;">990</td> <td style="text-align: center;">S</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">90 030</td> <td></td> </tr> <tr> <td>Make-up and Travelling Expenses</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Advertising</td> <td style="text-align: right;">1 836</td> <td></td> <td style="text-align: center;">S C</td> </tr> <tr> <td>Petrol and Oil</td> <td style="text-align: right;">21 000</td> <td></td> <td style="text-align: center;">S</td> </tr> <tr> <td>Insurance</td> <td style="text-align: right;">860</td> <td></td> <td style="text-align: center;">S C</td> </tr> <tr> <td>Cellphone (Expense)</td> <td style="text-align: right;">1 300</td> <td></td> <td style="text-align: center;">S</td> </tr> <tr> <td>Make-up (Supplies) (Used)</td> <td style="text-align: right;">28 000</td> <td></td> <td style="text-align: center;">S</td> </tr> <tr> <td>Depreciation on (Delivery) Vehicle</td> <td style="text-align: right;">4 480</td> <td style="text-align: right;">57 476</td> <td style="text-align: center;">S C</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>S = Correct stem, correct classification, correct treatment and correct figure if no C (incorrect number allowed if a C possibility). C = correct number and correct stem.</p> <p>Shaded figures are not marked.</p> <p>Judgement Statement – Question One Part A and Part B</p> <table border="1" data-bbox="233 1872 1398 1993"> <thead> <tr> <th data-bbox="233 1872 624 1933">Achievement</th> <th data-bbox="624 1872 1015 1933">Achievement with Merit</th> <th data-bbox="1015 1872 1398 1933">Achievement with Excellence</th> </tr> </thead> <tbody> <tr> <td data-bbox="233 1933 624 1993">7 S plus 1 C</td> <td data-bbox="624 1933 1015 1993">9 S plus 2 C Maximum of 2 foreign</td> <td data-bbox="1015 1933 1398 1993">11 S plus 3 C No foreign</td> </tr> </tbody> </table>				\$	\$		Revenue				Fees (Received)		89 040	S	Other Income				Dividends	460		S C	Discount Received	530	990	S			90 030		Make-up and Travelling Expenses				Advertising	1 836		S C	Petrol and Oil	21 000		S	Insurance	860		S C	Cellphone (Expense)	1 300		S	Make-up (Supplies) (Used)	28 000		S	Depreciation on (Delivery) Vehicle	4 480	57 476	S C					Achievement	Achievement with Merit	Achievement with Excellence	7 S plus 1 C	9 S plus 2 C Maximum of 2 foreign	11 S plus 3 C No foreign	
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**ONE
Part C**

**Mia's Make-up on the Move
Balance Sheet as at 31 March 2007**

	\$	\$	\$	
Current Assets				
Accounts Receivable (Note 1)		1 960		Sf
Bank		1 850		S
Make-up (Supplies) (on Hand)		9 800		S
Petty Cash		60		S
Prepayments		240		S C
Accrued Income / Revenue		<u>110</u>	14 020	S C
Non-current Assets				
Property Plant and Equipment				
Total carrying amount (Note 2)		20 200		Sf
Intangibles				
Goodwill		3 000		S
Investments				
Shares in <i>Funky Shades Ltd</i> (Note 3)		<u>8 000</u>	<u>31 200</u>	S
Total Assets			45 220	
Current Liabilities				
Accounts Payable	2 953			S C
GST	1 178			S C
Accrued Expenses	<u>400</u>	4 531		S C
Non-current Liabilities				
Loan (Note 4)		<u>15 000</u>	<u>(19 531)</u>	S
Net Assets			<u>\$25 689</u>	
Equity				
Opening Capital			45 815	S
(Net) Profit (for the year / period)			14 874	S C
Drawings			<u>(35 000)</u>	S
Closing Capital			<u>\$25 689</u>	S*

Codes for Part C:

S = Correct stem (if relevant), correct classification (if relevant), correct treatment and correct figure if no **C** (incorrect number allowed if a **C** possibility).

C = correct number regardless of classification. (Stem can be incorrect but must be recognisable.)

S* = Net Assets and Closing capital the same number (any).

f = follow-through from Note.

Shaded figures are not marked.

Notes:

Note 1 – Accounts Receivable

Accounts Receivable	2 000		S C
Less Allowance for Doubtful Debts	(40)	1 960	S C

Note 2 – Property, Plant and Equipment

	Delivery Vehicles \$	Computer \$	
Opening Carrying Amount	22 400 S	0	
+ Additions	0	3 800 S	
– Disposal	0	0	
– Depreciation	4 480 S C	1 520 S C	
Closing Carrying Amount	17 920	2 280	
As at 31 March 2007			
Historical Cost	28 000 S	3 800 S	
– Accumulated Depreciation	10 080 S C	1 520 S C	Total \$
Closing Carrying Amount	17 920	2 280	20 200

Depreciation is calculated on the **diminishing value** basis at the following rates:
Vehicles 20% pa and **Computer 40% pa** (BOTH required).

Note 3 – Investments

\$9 600

Note 4 – Loan

The Loan has an **interest rate of 12%**
and a maturity date of /expiry date of /that falls due on 1 April 2010.

S = correct answers in **BOLD**.

Judgement Statement – Question One Part C

Achievement	Achievement with Merit	Achievement with Excellence
17 S plus 4 C Maximum of 5 foreign	24 S plus 7 C Maximum of 2 foreign	29 S plus 10 C No foreign

S
S

S

S
S

**TWO
Part A**
(a)

30/6/07	Telephone (expenses)	80		S
	GST	10		
	Accounts Payable (NOT Accrued expenses)		90	S*

(b)

30/6/07	Lesson Fees Received	120		S
	Revenue (Income) (Received) in Advance (allow Lesson fees received in advance)		120	

(c)

30/6/07	Allowance for Doubtful Debts	23		S S#
	Doubtful Debts (Recovered)		23	

(d)

30/6/07	Depreciation on Equipment	1 160		S S#
	Accumulated Depreciation on Equipment		1 160	

(e)

30/6/07	Income (Performance) Summary (NOT Net Profit)	22 346		S
	Capital		22 346	

(f)

30/6/07	Income (Performance) Summary	40		S
	Bad Debts		40	

Note: to award **S**, **S***, and **S#** in journals:

To award any credit for a journal entry a COMPLETE journal entry must be present. This requires a debit entry AND a credit entry that are EQUAL in amount, with appropriate stems, and NO additional balancing / totalling.

In addition to this:

S = (When there is only **one S** possible for the journal entry):

A complete journal entry (refer above) and the **correct stems**, and the **correct figures**.

S = (When there is a **S and S*** available for the journal entry):

A complete journal entry (refer above) and the **correct stems**, and the **correct figure(s)** for the DEBIT entry.

S* = (When there is a **S and S*** available for the journal entry):

A complete journal entry (refer above) and the **correct stems**, and the **correct figure** for the CREDIT entry.

S S# = **First S** – a complete journal entry (refer above) and the correct stems, and any number that is the same in both dr and cr columns.

The S# – correct number (regardless of stem accuracy but does need to be a complete journal entry (refer above).

Note: Where the accounts being used in the general journal entry are provided in the Trial Balance, the **exact** names must be used and not abbreviated.

TWO Part B	General Ledger Entries					
(a)	Studio Rent					
	30/6/07	Balance		4 000	dr	
		Prepayments (allow Prepaid Studio Rent)	400	3 600	dr	S
		Income (Performance) Summary	3 600	0		S*
	1/7/07	Prepayments (allow Prepaid Studio Rent) – Must be the same account name as the original BDA on 30/6/07	400	400	dr	Sf
(b)	Accrued Expenses					
	30/6/07	Instructor's Wages		350	350	cr
	1/7/07	Instructor's Wages	350	0		Sf
(c)	Allowance for Doubtful Debts					
	30/6/07	Balance		70	cr	
		Doubtful Debts (Recovered)	23	47	cr	Sf S#
Note: to award S and Sf						
S = Balance column must be completed and treated correctly, and indicator must be correct. = Appropriate stems and correct figure in the correct debit or credit column followed by correct treatment to the balance.						
Sf = correct number <i>OR</i> allow follow-through from previous relevant entry. = if the first balance sheet day adjustment error is wrong then allow this Sf if they have reversed it correctly.						
S* = Make the ledger account equal 0 with appropriate stem and relevant figure in credit column.						
S# = First for the correct particulars and any number in the correct column, the second for the correct number (particulars may be wrong). = in the allowance for doubtful debts ledger allow for follow through errors for Q 2 Pt A (c).						
Judgement Statement – Question Two Part A and Part B						
	Achievement	Achievement with Merit	Achievement with Excellence			
	5 S	10 S MUST include one date	13 S MUST include two dates (including one of 1/7/07)			

Overall Judgement Statement

Criterion One

Achievement	Achievement with Merit	Achievement with Excellence
Achievement in BOTH Question One A and B, AND Question One C OR A total of 26 S and 5 C across all of Q1, with a minimum of 5 S from Q1 Part A and B combined	Merit or better in ONE of Question One A and B, OR Question One C AND Achievement in the other question	Excellence in ONE of Question One A and B OR Question One C AND Merit in the other question

Criterion Two

Achievement	Achievement with Merit	Achievement with Excellence
Achievement in Question Two	Merit in Question Two	Excellence in Question Two