Assessment Schedule - 2009

Accounting: Prepare financial statements and related accounting entries for sole proprietors (90224)

Evidence Statement

uestion		Evidence/Code			
ONE					
(a)	31/03/09	Interest on loan	200		٧
(i)		Accrued expenses		200	V & C
	Interest on lo	oan owing on balance day			
(ii)					
	31/03/09	Bad debts	160		V
		GST	20		٧
		Accounts receivable		180	V & S
	Bad debts to	be written off \$180 including GST			
(iii)					
,	31/03/09	Doubtful debts	24		V
		Allowance for doubtful debts		24	V & C
	Allowance fo	or doubtful debts to 2% of accounts receiv	able		
(iv)					
. ,	31/03/09	Depreciation on fittings	1 360		٧
		Accumulated depreciation on fittings		1 360	V & S
	Depreciation	on fittings 20% diminishing value method	d		

Judgement for General Journal entries

To award any **V**, **S** or **C** the answer must have a complete general journal entry – ie debit account name(s) and debit figure(s) plus credit account name and credit figure.

V correct stem and a figure in correct debit / credit column. No abbreviations.

S/C provided 2 or 3 **V** have been awarded for the entry, award **S** or **C** for the correct figure(s)

Question	Evidence/Code						
ONE (b) (i)		Interest on Loan					
,	31/03/09	Balance			600	Dr	٧
		Accrued expenses	200		800	Dr	VSf
		Income summary		800	0		VS*
	01/04/09	Accrued expenses		200	200	Cr	VSfD
(ii)		Accrued Expenses					
	31/03/09	Interest on loan		200	200	Cr	VSf
	01/04/09	Interest on loan	200		0		VS*E
(iii)	Accumulated Depreciation on Fittings						
	31/03/09	Balance			1200	Cr	V
		Depreciation on fittings		1 360	2560	Cr	VSf

Judgement for General Ledger entries

- for appropriate stem and a figure in the correct debit/credit column followed by correct treatment in the balance column figure must be correct unless **S** or **C** also awarded
- **Sf** the figure is marked based on follow-through from the general journal
- S^* the entry must close the account and produce a zero balance to award S^* if the answer has a credit balance first, S^* can be awarded for a debit entry that closes the account to zero
- D correct dates

The reversal entry is marked on follow through from the initial balance day adjustment entry.

S/C provided V has been awarded for the entry, award S or C for the correct figure

Question One Judgement Criteria

Achievement	Merit	Excellence
12 V/S/C	10 V	14 V
	AND	AND
	6 S/C	6 S
		AND
		1 C
		AND
		1 D

Question	Evide	ence/Code					
TWO							
(a)		\$	\$				
	Administrative expenses						
	Office salaries	38 500		V & S			
	Rates	1 600		V			
	Insurance	3 400		V			
	Bad debts	1 200		V & C			
	Doubtful debts	250		V & C			
	Depreciation on buildings	4000	48 950	V & S			
	 V Correct stem, correct treatment and correct figure if no S or C (incorrect number allowed if S or C a possibility). 						
		orrect number. (Stem can be incorrect but must be recognisable.)					
	F foreign items are items which do not be	long in the Income S	tatement				
	Shaded figures are not marked.						

estion	Evidence/Code							
(b)	Kahikatea Nurseries Balance Sheet as at 31 March 2009							
(i)		\$	\$	\$				
	Current assets							
	Accounts receivable (Note 1)		14250		Vf			
	Inventory		52 000		V			
	Accrued income / revenue		300	66 550	V & S			
	Non-current assets							
	Investments							
	Shares in Big Trees Ltd		4800		V			
	Property, plant and equipment							
	Total carrying amount (Note 2)		284 300		Vf			
	Total assets			355 650				
	Less liabilities							
	Current liabilities							
	Accounts payable		27000		V			
	GST		1200		V & C			
	Accrued expenses		500		V & S			
	Bank		6000	34700	V			
	Non-current liabilities							
	Mortgage			<u>110 000</u>				
	Total liabilities			144700				
	Net assets			<u>\$210 950</u>				
	Equity							
	(Opening) capital			200 600	V			
	Plus profit for the year (period)			42350	V & C			
	Less drawings			<u>32 000</u>	V			
	(Closing) capital			<u>\$210 950</u>	V*			
	Codes: V Correct stem, correct classification number allowed if S/C a possibility S/C correct number. Must be correctly of	/)		_	•			
	recognisable.) V* Net assets and closing capital the s f follow-through from Note F Foreign items are items that do no	same num	ber (any)					

Question	Evidence/Code							
TWO (ii)	Notes: Note 1 – Accounts receivable							
	Accounts receivable			150	000		V &	S
	Less allowance for doubtful deb	ts		(7	50)	14250	V &	С
	C the C may only be awarded he	re if the Allow	ance	is deducted fr	om	the Accounts	Rece	eivable
(iii)	Note 2 – Property, plant and eq	uipment						
		Land		Building		Shop Equipment		
		\$		\$		\$		
	Opening carrying amount	85 000	٧	188 000	С	9 000		
	+ Additions	0		0		12 000	٧	
	- Disposals	0		0		4 000	С	
	- Depreciation	0		4000	S	1 700	S	
	Closing carrying amount	85 000		184 000		15 300		
	As at 31 March 2009							
	(Historical) cost	V 85 000	٧	200 000	٧	25 000	V	
	 Accumulated depreciation 	V 0		16 000	S	9700	S	Total \$
	(Closing) carrying amount	V 85 000		184 000		15 300		284300

Question Two Judgement Criteria

Achievement	Merit	Excellence
25 V/S/C	22 V	26 V
Max 4 F	AND	AND
	10 S/C	7 S
	Max 2 F	AND
		4 C
		No F

Question	Evidence/Code						
THREE (a)	Cash from Credit Customers						
	Accounts receivable 1/2/09	7800	V				
	Plus invoices issued	47 000	S				
		54800					
	Less bad debts	540	С				
	Less accounts receivable 28/2/09	6 900	V				
	Equals cash from customers	47 360	С				
	Cash from Customers: \$	47 360					
(b)	Cash to Suppliers						
	Accounts payable 1/2/09	10500	٧				
	Plus invoices received	22 000	S				
		32500					
	Less credit notes	800	C				
	Less accounts payable 28/2/09	11 200	٧				
	Equals cash paid to suppliers	20500	С				
	Cash to Suppliers: \$20	500					
	V correct stem (abbreviations are acceptable in the wo including the correct treatment of the item, ie Invoice balance						
	S/C correct stem (abbreviations are acceptable in the wo including the correct treatment of the item, ie Bad De deducted from the opening balance						
	Note: If \$ and no labels but can recognise \$ award appropremoved.	riate V, S, C	but the	e first V is			
	Note: If no working and correct answer is recorded for Cas 1V, 1S and 2C for each question.	sh from Custo	omers/	to suppliers, awar			

uestion	Evidence/Code					
THREE		re Gadgets				
(c)		t of Cash Flows				
	for the month	ended February 2009				
		\$	\$			
	Receipts					
	Cash from credit customers (accounts receivable)	47 360		Vf		
	Dividends received	<u>350</u>		٧		
	Total receipts		47710			
	Payments					
	Cash to suppliers (accounts payable)	20 500		Vf		
	Staff wages	4000		٧		
	Loan (repayments)	8 3 0 0		٧		
	Shop lease	5 000		٧		
	Total payments		37 800			
	Net increase/decrease in cash		9910	Vp		
	Opening bank balance		1 280	٧		
	Closing bank balance		\$ 11 190	VpC*		
	Grades:	<u> </u>				
	Vf follow-through figure from (a) and (b)					
	V correct stem and correct figure. (Autom	natic payment/direct debit e	etc are not co	rrect st		
	Vp correct process, total payments deduct	ed from total receipts (mus	t delete decre	ease)		
	Or change in cash added to opening b	alance				
	C* Correct Number					
	F Foreign Items would be only depreciat	ion or drawings.				

Question Three Judgement Criteria

Achievement	Merit	Excellence
10 V/S/C	14 V	11 V
	Including	AND
	4 S/C	2 S
	Changed to	AND
	15 V	3 C
	Including	AND
	4 S/C	0 F
	Maximum 1 F	

Overall Judgement Statement

Achievement	Achievement with Merit	Achievement with Excellence
A/M/E Question One	M/E Question One	E Question One
AND	AND	AND
1 A	2 M in Question Two and Three	2 E in Question Two and Three
	OR	
	E Question One	
	AND	
	1 E in Question 2 or 3 and	
	1 A in Question 2 or 3	