

90026R



NEW ZEALAND QUALIFICATIONS AUTHORITY
MANA TOHU MĀTAURANGA O AOTEAROA

Level 1 Accounting, 2010

90026 Prepare financial statements for sole proprietors

Credits: Four

2.00 pm Tuesday 16 November 2010

RESOURCE BOOKLET

Refer to this booklet to answer the questions for Accounting 90026.

Check that pages 2–3 contain printed material.

YOU MAY KEEP THIS BOOKLET AT THE END OF THE EXAMINATION.

Janine's Jewellery is a jewellery store located in a busy mall. *Janine's Jewellery* is a sole proprietorship owned by Janine and is registered for GST on the payments basis.

The following Trial Balance and additional information relate to *Janine's Jewellery* for the year ended 30 June 2010.

<i>Janine's Jewellery</i> Trial Balance as at 30 June 2010			
	\$		\$
Advertising	1 200	Accounts payable	4 000
Bank	3 950	Accumulated depreciation – shop fittings	5 200
Customs duty	480	Accumulated depreciation – office equipment	3 000
Drawings	12 000	Capital	70 000
Electricity	2 200	Discount received	350
Freight inwards	2 100	GST	900
Insurance	1 800	Interest received	80
Inventory 1 July 2009	16 050	Sales	121 500
Office equipment	8 000		
Office expenses	3 200		
Office salary	6 400		
Petty cash	50		
Purchases	36 000		
Sales returns	1 200		
Shop assistants' wages	33 000		
Shop fittings	24 000		
Shop rent	23 400		
Term deposit	30 000		
	205 030		205 030

Additional Information

- Inventory 30 June 2010 \$15980
- Wages due to shop assistants \$200
- Interest due on the term deposit \$40
- Depreciation on the shop fittings is 10% straight line
- Depreciation on the office equipment is based on a useful life of 5 years and a residual value of \$500
- Invoices received for jewellery purchased \$270 including GST of 12.5%
- Invoices issued for jewellery sales \$360 including GST of 12.5%

