



For Supervisor's use only

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90503



NEW ZEALAND QUALIFICATIONS AUTHORITY
MANA TOHU MĀTAURANGA O AOTEAROA



National Certificate of Educational Achievement
TAUMATA MĀTAURANGA Ā-MOTU KUA TAEA

Level 3 Accounting, 2006

90503 Prepare financial statements for partnerships and companies

Credits: Six

2.00 pm Thursday 23 November 2006

Check that the National Student Number (NSN) on your admission slip is the same as the number at the top of this page.

Pull out Resource Booklet 90503R from the centre of this booklet to answer all THREE questions.

You should answer ALL the questions in this booklet.

If you need more space for any answer, use the page(s) provided at the back of this booklet and clearly number the question.

Check that this booklet has pages 2–10 in the correct order and that none of these pages is blank.

YOU MUST HAND THIS BOOKLET TO THE SUPERVISOR AT THE END OF THE EXAMINATION.

<i>For Assessor's use only</i>		Achievement Criteria	
Achievement	<input type="checkbox"/>	Achievement with Merit	<input type="checkbox"/>
		Achievement with Excellence	<input type="checkbox"/>
Prepare financial statements following generally accepted accounting practice with some additional information correctly treated.	<input type="checkbox"/>	Prepare financial statements following generally accepted accounting practice with the majority of additional information correctly treated.	<input type="checkbox"/>
		Prepare financial statements following generally accepted accounting practice with all or nearly all additional information correctly treated.	<input type="checkbox"/>
Overall Level of Performance		<input type="checkbox"/>	

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You are advised to spend 60 minutes answering the questions in this booklet.

QUESTION ONE: REPORTING FOR PARTNERSHIPS

Refer to **RESOURCE ONE** in the RESOURCE BOOKLET 90503R to answer this question.

PART A

Complete the Profit Distribution Statement. Include the correct **heading** in the space provided. The net profit/profit for the period has been entered for you.

Do not use abbreviations.

Net profit		112 000

PART B

Complete the following extracts from the Balance Sheet, and Notes to the financial statements, in the spaces provided.

Totals are required for current assets and current liabilities.

The partners' current account balances, after completing closing entries on 31 March 2006, are as follows:

- Charlie Rivers \$18 250 Cr
- Holly Todman \$7 750 Cr

Do not use abbreviations.

Rockmusic
Balance Sheet (extract)
as at 31 March 2006

Current assets		
Current liabilities		

Rockmusic**Notes to the financial statements (extract)**Assessor's
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These financial statements are prepared for _____

Specific Accounting Policies**Receivables**

2. Equity

	Capitals	Currents	Totals

QUESTION TWO: STATEMENT OF CASH FLOWSAssessor's
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Refer to **RESOURCE TWO** in the RESOURCE BOOKLET 90503R to answer this question.

Complete the Statement of Cash Flows extract on page 7, showing cash flows from investing and financing activities.

Do not use abbreviations.

Show your working in the working box provided below.

Working box for Statement of Cash Flows extract

Tune In Ltd
Statement of Cash Flows (extract)
for the year ended 31 March 2006

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	\$NZ000	\$NZ000
Cash flows from investing activities		
<i>Cash was provided from</i>		
<i>Cash was applied to</i>		
Net cash inflow (outflow) from investing activities		
Cash flows from financing activities		
<i>Cash was provided from</i>		
<i>Cash was applied to</i>		
Net cash inflow (outflow) from financing activities		

QUESTION THREE: REPORTING FOR COMPANIES

Refer to **RESOURCE THREE** in the RESOURCE BOOKLET 90503R to answer this question.

- (a) Complete the Statement of Changes in Equity using the template below.
- All boxes with **bold** outlines must be completed, with appropriate terms or figures. **Do not write in the shaded boxes.**
 - The total equity column has been omitted from the Statement of Changes in Equity. Total equity is **NOT** required.
 - Notes to the Statement of Changes in Equity are **NOT** required.
 - Do not use abbreviations.**

Aria Music Ltd
Statement of Changes in Equity
for the year ended 30 June 2006

			Retained Earnings
	\$NZ000	\$NZ000	\$NZ000
Balance at 1 July 2005			
Changes in equity for 2006			
Gain on revaluation			
Net income recognised directly in equity			
Proceeds from share issue			
Balance at 30 June 2006			

- (b) Complete the extract from the Property, plant and equipment note shown below. Complete the boxes with **bold** outlines with appropriate terms, sentences or figures.

Aria Music Ltd**Notes to the financial statements (extract)****1. Property, plant and equipment (extract)**

	Buildings
	\$NZ000
For the year ended 30 June 2006	
Opening carrying amount	
Depreciation	
Revaluation	
As at 30 June 2006	
Cost or valuation	
Accumulated depreciation	

Had buildings not been revalued

- (c) Complete the note for dividends declared after balance sheet date.

Aria Music Ltd**Notes to the financial statements (extract)****2. Dividends declared after balance sheet date**

