



SUPERVISOR'S USE ONLY

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Draw a cross through the box (☒) if you have NOT written in this booklet



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Mana Tohu Mātauranga o Aotearoa
New Zealand Qualifications Authority

Level 3 Accounting 2023

91406 Demonstrate understanding of company financial statement preparation

Credits: Five

Achievement	Achievement with Merit	Achievement with Excellence
Demonstrate understanding of company financial statement preparation.	Demonstrate in-depth understanding of company financial statement preparation.	Demonstrate comprehensive understanding of company financial statement preparation.

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

You should attempt ALL the questions in this booklet.

Pull out Resource Booklet 91406R from the centre of this booklet.

If you need more room for any answer, use the extra space provided at the back of this booklet.

Check that this booklet has pages 2–12 in the correct order and that none of these pages is blank.

Do not write in any cross-hatched area (DO NOT WRITE). This area will be cut off when the booklet is marked.

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

Do not use abbreviations in your answers except for particulars in general ledger accounts.

QUESTION ONE

Refer to Resource A in the resource booklet to answer this question.

- (a) Complete the following accounting entries for *Smart Packaging Limited* at 31 March 2023.

General Journal

31/03/23				
	<i>Record change in fair value of financial assets</i>			

General Ledger Taxation payable

31/03/23					

- (b) Explain the impact of the gain on land revaluation on *Smart Packaging Limited's* Statement of Financial Position as at 31 March 2023. In your answer, refer to relevant figures and include how the gain on land revaluation will:
- be reported in the property, plant, and equipment note
 - impact on net assets and equity.

- (c) Complete the other income note to the financial statements at 31 March 2023.

Smart Packaging Limited
Notes to the financial statements (extract)

Other income	

- (d) Complete the Statement of Comprehensive Income for *Smart Packaging Limited* for the year ended 31 March 2023. Revenue and some expenses have been entered for you. A finance cost note is not required.

Smart Packaging Limited
Statement of Comprehensive Income for the year ended 31 March 2023

Revenue	898 500	
Other income		
Total income		
Expenses		
Cost of goods sold	300 500	
Other expenses	141 500	
Wages and salaries	210 400	
Finance costs		
Total expenses		
Profit before tax		
Income tax expense		
Profit for the year		
Other comprehensive income		
Total other comprehensive income		
Total comprehensive income		

QUESTION TWO

Refer to Resource A in the resource booklet and your answer to Question One to answer this question.

- (a) Complete the current asset section of *Smart Packaging Limited's* Statement of Financial Position as at 31 March 2023. Include the sub-total for current assets. An accounts receivable note is not required.

Smart Packaging Limited
Statement of Financial Position (extract) as at 31 March 2023

Current assets		
Total current assets		

- (b) Complete the following accounting entries for *Smart Packaging Limited* relating to the year ended 31 March 2023. Dates have been included to indicate the transactions and closing entries to record.

General Journal

20/03/23			
	<i>Record the repurchase of shares</i>		

**General Ledger
Retained earnings**

01/04/22	Balance				
20/03/23					
31/03/23					

- (c) Complete the contributed equity note at 31 March 2023.

Smart Packaging Limited
Notes to the financial statements (extract)

Contributed equity

	Number of shares	\$

- (d) Explain the treatment of the final dividend (2022) in the financial statements for *Smart Packaging Limited*. In your answer, explain how the:
 - proposed final dividend (2022) was communicated to shareholders at 31 March 2022
 - final dividend (2022) impacts on equity at 31 March 2023.

Answer space continues over ➤

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The assessment continues on the following page.**

QUESTION THREE

Refer to Resource B in the resource booklet to answer this question.

- (a) Complete the operating and financing activity sections of *Daffodil Field Limited's* Statement of Cash Flows for the year ended 31 March 2023.

Show your working in the space below. This may be used for marking purposes.

Working

Daffodil Field Limited
Statement of Cash Flows (extract) for the year ended 31 March 2023

	\$000	\$000	\$000
Operating activities			
<i>Cash was provided from</i>			
<i>Cash was applied to</i>			
Net cash from operating activities			
Financing activities			
<i>Cash was provided from</i>			
<i>Cash was applied to</i>			
Net cash from financing activities			

Question Three continues over ►

