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91176R

NEW ZEALAND QUALIFICATIONS AUTHORITY
MANA TOHU MĀTAURANGA O AOTEAROA

QUALIFY FOR THE FUTURE WORLD
KIA NOHO TAKATŪ KI TŌ ĀMUA AO!

Level 2 Accounting, 2015

91176 Prepare financial information for an entity that operates accounting subsystems

2.00 p.m. Friday 20 November 2015
Credits: Five

RESOURCE BOOKLET

Refer to this booklet to answer the questions for Accounting 91176.

Check that this booklet has pages 2–4 in the correct order and that none of these pages is blank.

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RESOURCE A

The following Trial Balance and additional information relate to *Electrical Times* for the year ended 31 March 2015.

Electrical Times **Trial Balance as at 31 March 2015**			
	$		**$**
Accounts receivable	77 448	Accounts payable	35 000
Bad debts	1 380	Accumulated depreciation – buildings	54 000
Bank	12 632	Accumulated depreciation – equipment	42 000
Buildings	300 000	Accumulated depreciation – electricians vans	50 000
Drawings	75 000	Allowance for doubtful debts	780
Electrical supplies on hand	30 000	Capital	658 000
Electrical supplies used	45 000	Electrical fees received	680 000
Electricians vans	250 000	GST	5 730
Electricians vans expenses	46 000	Interest received	2 750
Electricians vans insurance	8 000	Mortgage	153 000
Electricians wages	225 000	Rent received	25 200
Equipment	150 000		
Interest on mortgage	6 000		
Land	275 000		
Office expenses	45 000		
Office wages	100 000		
Term deposit (5% interest p.a., maturity 2019)	60 000		
	1 706 460		1 706 460

RESOURCE A (continued)

Additional information

- Office wages owing of $1 000.
- Depreciation on electricians vans is $4 000 per annum.
- Depreciation on buildings is 2% straight-line per annum, and is an electrical work expense.
- Depreciation on equipment is 10% diminishing value, and is to be split 60% electrical work expenses and 40% administrative expenses.
- An invoice for $1 265 including GST is on hand for electrical work completed on 31 March 2015.
- A bad debt of $713 including GST needs to be written off.
- One month's interest is owing to *Electrical Times* on the term deposit.
- *Electrical Times* rents out part of the building office space to *Account World* for $2 070 including GST per month.

RESOURCE B

The following information relates to *Cooltimes* for the year ended 31 March 2015.

Selected income statement information	**Bank statement information**
• Gain on sale of van $4 000 • Sales returns (from credit sales) $5 500 • Bad debts $3 000 • Discount allowed $2 000 • Discount received $3 500	• Direct debits for insurance and rates $22 000 • Direct credit GST tax refund $8 000 • Deposit of $12 000 from selling shares in *The Warehouse* • Automatic payments for rent totalled $38 000
Other information • Invoices issued by *Cooltimes* totalled $450 000 • Invoices received by *Cooltimes* totalled $200 000 • Credit notes received by *Cooltimes* totalled $9 000 • Cash sales totalled $350 000 • The van was sold for $10 000 cash • Sanjay invested $15 000 into the business during the year, made up of office equipment valued at $5 000, and cash	**Accounts receivables** • Balance 1 April 2014 $45 000 • Balance 31 March 2015 $40 000 **Accounts payables** • Balance 1 April 2014 $20 000 • Balance 31 March 2015 $30 000

RESOURCE C

The following Trial Balance (extract) and additional information relate to *Homeware* for the year ended 31 March 2015.

Homeware **Trial Balance (extract) as at 31 March 2015**			
	$		**$**
Accounts receivable	60 000	Accounts payable	6 000
Delivery vans	290 000	Accumulated depreciation – delivery vans	45 000
Electricity	11 000	Allowance for doubtful debts	1 600
GST	4 000	Bank	7 000
Insurance	8 000	Loan (9% p.a. due July 2015)	5 000
Interest on mortgage	8 800	Mortgage (6% p.a. due 2025)	160 000
Inventory	290 000	Rent received	26 000
Petty cash	500		
Stationery on hand	1 000		

Additional information

- Rent received in advance $2 000 excluding GST.
- An invoice is on hand for electricity $989 including GST.
- Allowance for doubtful debts needs to be adjusted to 3% of accounts receivable.
- Inventory that cost $18 000 excluding GST has a net realisable value of $14 000 excluding GST.
- Delivery vans are depreciated using the units of use method. They have an estimated residual value of $50 000, and an estimated useful life of 300 000 km. Delivery vans travelled 25 000 km in 2015.
- An insurance premium of $3 450 including GST for a full year was paid on 1 July 2014.
- Interest for the year is owing on the mortgage.