

90978R



NEW ZEALAND QUALIFICATIONS AUTHORITY  
MANA TOHU MĀTAURANGA O AOTEAROA

## Level 1 Accounting, 2012

### 90978 Prepare financial statements for sole proprietors

2.00 pm Tuesday 13 November 2012

Credits: Five

## RESOURCE BOOKLET

Refer to this booklet to answer the questions for Accounting 90978.

Check that this booklet has pages 2–3 in the correct order and that none of these pages is blank.

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

Greta owns *Greta's Gifts*, a thriving gift shop in the centre of Whakatane.

The Trial Balance below and additional information on page 3 relate to *Greta's Gifts* for the year ended 31 March 2012.

<b><i>Greta's Gifts</i></b>			
<b>Trial Balance as at 31 March 2012</b>			
	\$		\$
Accountancy fees	2 100	Accumulated depreciation on office equipment	9 500
Advertising	4 700	Accumulated depreciation on shop fittings	6 000
Customs duty	850	Bank overdraft	500
Drawings	20 000	Capital	42 480
Goodwill	10 000	GST payable	3 200
Insurance	4 000	Loan due 2020	20 000
Interest on loan	930	Purchase returns	2 360
Inventory 1 April 2011	19 500	Sales	122 560
Office electricity	9 800		
Office equipment	20 000		
Office wages	8 200		
Purchases	31 000		
Sales returns	910		
Shop electricity	4 210		
Shop fittings	28 000		
Shop rent	11 500		
Shop wages	23 000		
Telephone and internet	7 900		
	206 600		206 600

**Additional Information**

- Inventory 31 March 2012, \$13600
- Interest on loan owing, \$140
- Shop rent has been paid in advance, \$500 excluding GST
- Depreciation on the office equipment is based on a useful life of 8 years and a residual value of \$200
- Depreciation on the shop fittings, \$1400 per year
- Invoices issued on hand for gifts sold, \$253 including GST
- The telephone and internet expense is 80% for the shop and 20% for the office
- Invoices received and on hand, for gifts purchased, \$345 including GST.

