

91176R



NEW ZEALAND QUALIFICATIONS AUTHORITY
MANA TOHU MĀTAURANGA O AOTEAROA

Level 2 Accounting, 2012

91176 Prepare financial information for an entity that operates accounting subsystems

9.30 am Friday 30 November 2012
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.

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

RESOURCE ONE

The following trial balance and additional information relate to *Stationery Pad* for the year ended 31 March 2012.

Stationery Pad **Trial Balance as at 31 March 2012**

	\$		\$
Accountancy fee	3 000	Accounts payable	15 300
Accounts receivable	25 000	Accumulated depreciation Buildings	25 000
Advertising	12 000	Accumulated depreciation Office equipment	10 000
Bad debts	2 000	Accumulated depreciation Shop fittings	5 000
Buildings	460 000	Allowance for doubtful debts	700
Cost of goods sold	586 000	Bank	25 000
Drawings	80 000	Capital	300 000
Electricity	22 000	Mortgage	100 000
GST	6 125	Rent received	26 000
Insurance	5 000	Sales	990 000
Interest on mortgage	6 875		
Inventory	45 000		
Office equipment	40 000		
Office expenses	33 000		
Sales staff salaries	125 000		
Shop fittings	46 000		
	1 497 000		1 497 000

Additional Information

- Sales staff salaries \$1 000 are owing.
- Rent received of \$2 000 excluding GST has been received in advance.
- Depreciation on office equipment is \$2 000 p.a.
- Depreciation on buildings is calculated 2% p.a. on a straight-line basis and is classified as a distribution cost.
- Depreciation on shop fittings is 10% p.a. diminishing value.
- An invoice for office expenses \$690 including GST is on hand.
- The allowance for doubtful debts is to be adjusted to 2% of accounts receivable.
- The advertising figure in the trial balance includes a payment of \$3 000 excluding GST for a three-month advertising campaign. At balance sheet day, there is still one month of the campaign left to run.
- Insurance and electricity expenses are allocated 70% to distribution costs and 30% to administrative expenses.

RESOURCE TWO

The following trial balance (extract) and additional information relate to *Garden Life* for the year ended 31 March 2012.

Garden Life
Trial Balance (extract) as at 31 March 2012

	\$		\$
Accounts receivable	10 000	Accounts payable	20 000
Bad debts	1 600	Accumulated depreciation Delivery vehicles	20 000
Bank	20 000	Accumulated depreciation Trailers	15 000
Cost of goods sold	450 000	Allowance for doubtful debts	500
Delivery expenses	12 000	Dividends received	500
Delivery vehicles	150 000	GST	6 000
Insurance	14 000	Mortgage (8% p.a. due 2025)	300 000
Interest on mortgage	22 000		
Inventory	75 000		
Office expenses	8 000		
Shares in <i>Greenworld Ltd</i>	40 000		
Trailers	45 000		

Additional Information

- Dividends of \$1 500 are owing from *Greenworld Ltd*.
- Insurance \$3 000 excluding GST has been paid in advance.
- An invoice for delivery expenses \$299 including GST is on hand.
- A bad debt of \$345 including GST needs to be written off. No adjustment to the allowance for doubtful debts is required.
- One month's interest is owing on the mortgage.
- Inventory that cost \$6 000 excluding GST has a net realisable value of \$5 000 excluding GST.
- Trailers are depreciated on a straight-line basis. They have a residual value of \$5 000 excluding GST and an estimated useful life of 10 years.
- Delivery vehicles are depreciated on units of use basis. They have a residual value of \$25 000 excluding GST and an estimated useful life of 200 000 km. In the year ended 31 March 2012, the delivery vehicles travelled 40 000 km.

RESOURCE THREE

The following information relates to *Jetboat Fun* for the month ended 31 December 2011.

Accounts receivable	\$
Balance 1/12/11	1 500
Balance 31/12/11	2 000

Accounts payable for fuel	\$
Balance 1/12/11	900
Balance 31/12/11	750

Credit documents	\$
Invoices issued to customers	3 000
Invoices received for fuel	1 200
Credit notes issued to customers	200

Selected bank statement information	\$
Direct debit advertising	400
Automatic payment rent	1 000
Direct credit interest	150
Electronic bank transfer wages	1 800

Other information for the month ended 31 December 2011:

- Total of cash customer deposits for December \$4 000
- Bad debt of \$100 written off
- Discounts received for prompt payment of fuel accounts \$50
- Business expenses paid by cheque \$2 300
- Jodi invested a computer with a cost of \$700 into the business
- Receipt issued for sale of office equipment \$500
- Gain on sale of office equipment \$100
- Depreciation office equipment \$300