

90978R



NEW ZEALAND QUALIFICATIONS AUTHORITY
MANA TOHU MĀTAURANGA O AOTEAROA

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

Level 1 Accounting, 2015

90978 Prepare financial statements for sole proprietors

9.30 a.m. Tuesday 1 December 2015
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.

RESOURCE

Kahu owns a dairy on a busy corner in Mount Maunganui. The dairy is called *Mount Dairy*.

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

<i>Mount Dairy</i> Trial Balance as at 31 March 2015			
	\$		\$
Accountancy fees	2 200	Accumulated depreciation on office equipment	1 500
Advertising	2 100	Accumulated depreciation on shop fittings	13 000
Bank	23 100	Capital	250 000
Drawings	45 000	Dividends received	1 100
Freight inwards	3 100	GST	2 900
Insurance	6 400	Mortgage	100 000
Interest on mortgage	4 000	Purchase returns	2 300
Inventory 1 April 2014	15 500	Sales	168 000
Goodwill	20 000		
Land and buildings	270 000		
Office equipment	3 200		
Office expenses	1 700		
Purchases	48 000		
Sales returns	600		
Shares in <i>Wholesale Foods Ltd</i>	16 000		
Shop cleaning	1 650		
Shop electricity	3 850		
Shop fittings	24 000		
Shop wages	48 400		
	538 800		538 800

Additional information

- Inventory 31 March 2015, \$18 500.
- Interest on mortgage owing, \$300.
- The insurance is 80% for the shop and 20% for the office.
- Advertising has been paid in advance, \$150 excluding GST.
- Dividends of \$100 are owing to *Mount Dairy*.
- Depreciation on the office equipment, \$600 per year.
- Depreciation on the shop fittings is 10% straight line.
- Invoices issued to customers for sales are on hand, \$230 including GST.
- Invoice received on 31 March 2015 for the purchase of a new office laptop, \$920 including GST.
(Note: This laptop is not depreciated this year.)