

**Assessment Schedule – 2014****Accounting: Prepare financial statements for sole proprietors (90978)****Evidence Statement**

Question	Evidence			
One	<b>Mighty Mechanics</b> <b>Income Statement for the year ended 31 March 2014</b>			
		\$	\$	\$
	<b>Revenue</b>			
	Workshop fees			107 700 <b>E</b>
	<b>Add other income</b>			
	Rent received		1 800 <b>M</b>	
	Dividends received		1 000 <b>V</b>	2 800
				110 500
	<b>Less expenses</b>			
	<b>Workshop expenses</b>			
	Apprentice's wages	34 750 <b>M</b>		
	Cleaning (– workshop)	4 000 <b>E*</b>		
	Dry-cleaning of overalls	6 300 <b>V</b>		
	General workshop expenses	2 100 <b>V</b>		
	Telephone and internet (workshop)	1 900 <b>M</b>		
	Workshop supplies used	7 700 <b>V</b>		
	Depreciation on workshop equipment	2 000 <b>E</b>		
			58 750	
	<b>Administrative expenses</b>			
	Accountancy fees	1 200 <b>V</b>		
	Office expenses	8 900 <b>V</b>		
	Depreciation on office equipment	400 <b>M</b>		
	Cleaning (– office)	1 000*		
			11 500	
<b>Finance Costs</b>				
Interest on loan		1 700 <b>V</b>		
Total expenses			71 950	
Profit for the year			38 550 <b>V*</b>	
	<p><b>Notes for Assessors:</b></p> <p><b>V</b> correct stem (no abbreviations) and figure, correctly classified</p> <p><b>M</b> correct figure, correctly classified and correct stem (award <b>V</b> if number incorrect but still correctly classified and correct stem)</p> <p><b>E</b> correctly calculated figure, correctly classified and correct stem (award <b>V</b> if number incorrect but still correctly classified and correct stem)</p> <p><b>F</b> foreign item</p> <p><b>V*</b> correct stem and correct process</p> <p><b>E*</b> cleaning correct in both workshop expenses and administrative expenses correct (award <b>V</b> if 5 000 in one place, or a different split totalling \$5 000)</p> <p><b>Detracting errors:</b> incorrect labels / headings for a service entity, Abbreviated Headings</p>			

**Judgement Statement for Question One**

Not Achieved		Achievement		Achievement with Merit		Achievement with Excellence	
N1	N2	A3	A4	M5	M6	E7	E8
4 V/M/E	6 V/M/E	8 V/M/E	10 V/M/E	12 V/M/E <i>inc</i> 3 M/E  max 1 F	13 V/M/E <i>inc</i> 4 M/E  max 1 F	14 V/M/E <i>inc</i> 6 M/E  no F	15 V/M/E <i>inc</i> 7 E/M  No detracting errors no F

**N0** = No response; no or insufficient relevant evidence.

Question	Evidence		
Two		\$	\$
	<b>Current assets</b>		
	Bank	11 200 <b>V</b>	
	Workshop supplies on hand	3 060 <b>E</b>	
	Accounts receivable	345 <b>E</b>	
	Prepayments	100 <b>M</b>	
			14 705
	<b>Non-current assets</b>		
	<b>Investment Assets</b>		
	Shares in <i>Parts 4 U Ltd</i>	10 000 <b>V</b>	
	<b>Property, plant and equipment</b> (note 1)	162 900 <b>V(ft)</b>	172 900
	<b>Total assets</b>		187 605
	<b>Less liabilities</b>		
	<b>Current liabilities</b>		
	GST payable	3 206 <b>E*E*</b>	
	Accounts payable	299 <b>E</b>	
	Accrued expenses	250 <b>M</b>	
	Income in advance	300 <b>M</b>	
			4 055
	<b>Non-current liabilities</b>		
	Loan (due in 2020)	30 000 <b>V</b>	30 000
<b>Total liabilities</b>		<u>(34 055)</u>	
<b>Net assets</b>		<u>\$153 550 <b>V*</b></u>	
<b>Equity</b>			
(Opening) Capital		179 000 <b>V</b>	
Plus profit for year		38 550 <b>V(ft)</b>	
Less drawings		<u>(64 000) <b>V</b></u>	
(Closing Capital)		<u>\$153 550 <b>V*</b></u>	
<b>V</b>	correct stem (no abbreviations) and figure, correctly classified		
<b>M</b>	correct figure, correctly classified and correct stem (award <b>V</b> if number incorrect but still correctly classified and correct stem)		
<b>E</b>	correctly calculated figure, correctly classified and correct stem (award <b>V</b> if number incorrect but still correctly classified and correct stem)		
<b>E*E*</b>	correctly calculated figure, correctly classified and correct stem. Award one <b>E</b> for 3 245 or 3 161 (award <b>V</b> if number incorrect but still correctly classified and correct stem)		
<b>F</b>	foreign item		
<b>(ft)</b>	follow-through		

**Note to the Statement of Financial Position**

**1. Property, plant and equipment**

		Land and building	Office equipment	Workshop equipment	Total	
			\$	\$	\$	
Cost	<b>V</b>	150 000	3 100	14 500	167 600	<b>V#</b>
Accumulated depreciation	<b>V</b>		1 300	3 400	4 700	<b>M E</b>
Carrying amount	<b>V</b>	150 000	1 800	11 100	162 900	<b>V(ft)</b>

Depreciation is calculated on a straight-line basis at the following rates:

Office equipment: \$400 per year **V**

Workshop equipment: is based on a residual value of \$500 and a useful life of 7 years (or \$2 000 p.a.) **V**

**Notes for Assessors:**

**V** correct wording / stem

**V#** all three figures correct (excluding total)

**M** correct figure (award **V** if number incorrect and greater than or equal to \$900)

**E** correct figure (award **V** if number incorrect and greater than or equal to \$1 400)

**F** foreign item

**V(ft)** correct process to calculate all four carrying amounts – allow follow-through

**Judgement Statement for Question Two**

Not Achieved		Achievement		Achievement with Merit		Achievement with Excellence	
N1	N2	A3	A4	M5	M6	E7	E8
5 <b>V/M/E</b>	9 <b>V/M/E</b>	13 <b>V/M/E</b>	16 <b>V/M/E</b>	21 <b>V/M/E</b> <i>inc</i> 3 <b>M/E</b>	23 <b>V/M/E</b> <i>inc</i> 4 <b>M/E</b>	24 <b>V/M/E</b> <i>inc</i> 4 <b>E</b> <i>and</i> 4 other <b>M/E</b>	26 <b>V/M/E</b> <i>inc</i> 10 <b>M/E</b>  No detracting errors
				max 1 <b>F</b>	max 1 <b>F</b>	no <b>F</b>	no <b>F</b>

**N0** = No response; no or insufficient relevant evidence.

Question	Evidence		
<b>Three</b>	<b>Mighty Mechanics</b>		
	<b>Cash Budget for the month ended 31 August 2014</b>		
		\$	\$
	<b>Estimated cash receipts</b>		
	Workshop fees / Fees (Received)	9 300	<b>V</b>
	Rent (received)	300	<b>V</b>
	Sold workshop equipment	500	<b>V</b>
	Dividends (received)	50	<b>V</b>
	<b>Total estimated cash receipts</b>		10 150
	<b>Estimated cash payments</b>		
	Accounts payable / supplies	790	<b>V</b>
	Interest on loan	120	<b>C</b>
	Telephone and Internet	180	<b>V</b>
	Drawings	4 800	<b>C</b>
	(Apprentice's) wages	2 400	<b>C</b>
	Workshop equipment deposit	600	<b>C</b>
	<b>Total estimated cash payments</b>		8 890
<b>Surplus / Deficit of cash</b>		1 260	
<b>Opening bank balance</b>		9 100	
<b>Closing bank balance</b>		10 360	
		<b>C*</b>	
<b>Notes for Assessors:</b>			
<b>V</b> correct stem and correct figure correctly classified.			
<b>C</b> correct stem and correct figure correctly classified (award <b>V</b> if correct stem, correctly classified and incorrect figure)			
<b>C*</b> correctly indicating surplus/deficit and calculated figure (allow follow-through), then correct opening bank balance, and the correct treatment to calculate closing bank balance (allow follow-through)			
<b>F</b> foreign item. (this includes foreign item components added to correct items (eg fixing car included with drawings, full equipment cost, invoices with supplies)			

**Judgement Statement for Question Three**

Not Achieved		Achievement		Achievement with Merit		Achievement with Excellence	
N1	N2	A3	A4	M5	M6	E7	E8
2 <b>V / C</b>	3 <b>V / C</b>	6 <b>V / C</b>	7 <b>V / C</b>	8 <b>V / C</b> <i>INCLUDING</i> 2 <b>C</b>	9 <b>V / C</b> <i>INCLUDING</i> 3 <b>C</b>	10 <b>V / C</b> <i>INCLUDING</i> 4 <b>C</b> incl <b>C*</b>	10 <b>V / C</b> <i>INCLUDING</i> 5 <b>C</b>
				max 1 <b>F</b>	max 1 <b>F</b>	no <b>F</b>	no <b>F</b>

**N0** = No response; no or insufficient relevant evidence.

**Cut Scores**

	<b>Not Achieved</b>	<b>Achievement</b>	<b>Achievement with Merit</b>	<b>Achievement with Excellence</b>
<b>Score range</b>	0 – 8	9 – 14	15 – 20	21 – 24