

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

Question	Evidence		
One	Mighty Mechanics Income Statement for the year ended 31 March 2014		
		\$	\$
	Revenue		\$
	Workshop fees		107 700 E
	Add other income		
	Rent received		1 800 M
	Dividends received		1 000 V 2 800
			110 500
	Less expenses		
	Workshop expenses		
	Apprentice's wages	34 750 M	
	Cleaning (– workshop)	4 000 E*	
	Dry-cleaning of overalls	6 300 V	
	General workshop expenses	2 100 V	
	Telephone and internet (workshop)	1 900 M	
	Workshop supplies used	7 700 V	
	Depreciation on workshop equipment	2 000 E	
			58 750
	Administrative expenses		
	Accountancy fees	1 200 V	
	Office expenses	8 900 V	
	Depreciation on office equipment	400 M	
	Cleaning (– office)	1 000*	
			11 500
Finance Costs			
Interest on loan		1 700 V	
Total expenses		71 950	
Profit for the year		38 550 V*	
	<p>Notes for Assessors:</p> <p>V correct stem (no abbreviations) and figure, correctly classified</p> <p>M correct figure, correctly classified and correct stem (award V if number incorrect but still correctly classified and correct stem)</p> <p>E correctly calculated figure, correctly classified and correct stem (award V if number incorrect but still correctly classified and correct stem)</p> <p>F foreign item</p> <p>V* correct stem and correct process</p> <p>E* cleaning correct in both workshop expenses and administrative expenses correct (award V if 5 000 in one place, or a different split totalling \$5 000)</p> <p>Detracting errors: 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		\$	\$
	Current assets		
	Bank	11 200 V	
	Workshop supplies on hand	3 060 E	
	Accounts receivable	345 E	
	Prepayments	100 M	
			14 705
	Non-current assets		
	Investment Assets		
	Shares in <i>Parts 4 U Ltd</i>	10 000 V	
	Property, plant and equipment (note 1)	162 900 V(ft)	172 900
	Total assets		187 605
	Less liabilities		
	Current liabilities		
	GST payable	3 206 E*E*	
	Accounts payable	299 E	
	Accrued expenses	250 M	
	Income in advance	300 M	
			4 055
	Non-current liabilities		
	Loan (due in 2020)	30 000 V	30 000
Total liabilities		<u>(34 055)</u>	
Net assets		<u>\$153 550 V*</u>	
Equity			
(Opening) Capital		179 000 V	
Plus profit for year		38 550 V(ft)	
Less drawings		<u>(64 000) V</u>	
(Closing Capital)		<u>\$153 550 V*</u>	
V	correct stem (no abbreviations) and figure, correctly classified		
M	correct figure, correctly classified and correct stem (award V if number incorrect but still correctly classified and correct stem)		
E	correctly calculated figure, correctly classified and correct stem (award V if number incorrect but still correctly classified and correct stem)		
E*E*	correctly calculated figure, correctly classified and correct stem. Award one E for 3 245 or 3 161 (award V if number incorrect but still correctly classified and correct stem)		
F	foreign item		
(ft)	follow-through		

Note to the Statement of Financial Position

1. Property, plant and equipment

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

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 V/M/E	9 V/M/E	13 V/M/E	16 V/M/E	21 V/M/E <i>inc</i> 3 M/E	23 V/M/E <i>inc</i> 4 M/E	24 V/M/E <i>inc</i> 4 E <i>and</i> 4 other M/E	26 V/M/E <i>inc</i> 10 M/E No detracting errors
				max 1 F	max 1 F	no F	no F

N0 = No response; no or insufficient relevant evidence.

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Three	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: center;">Mighty Mechanics</th> </tr> <tr> <th colspan="3" style="text-align: center;">Cash Budget for the month ended 31 August 2014</th> </tr> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">\$</th> <th style="width: 20%; text-align: center;">\$</th> </tr> </thead> <tbody> <tr> <td>Estimated cash receipts</td> <td></td> <td></td> </tr> <tr> <td>Workshop fees / Fees (Received)</td> <td style="text-align: right;">9 300</td> <td style="text-align: center;">V</td> </tr> <tr> <td>Rent (received)</td> <td style="text-align: right;">300</td> <td style="text-align: center;">V</td> </tr> <tr> <td>Sold workshop equipment</td> <td style="text-align: right;">500</td> <td style="text-align: center;">V</td> </tr> <tr> <td>Dividends (received)</td> <td style="text-align: right;">50</td> <td style="text-align: center;">V</td> </tr> <tr> <td>Total estimated cash receipts</td> <td></td> <td style="text-align: right;">10 150</td> </tr> <tr> <td>Estimated cash payments</td> <td></td> <td></td> </tr> <tr> <td>Accounts payable / supplies</td> <td style="text-align: right;">790</td> <td style="text-align: center;">V</td> </tr> <tr> <td>Interest on loan</td> <td style="text-align: right;">120</td> <td style="text-align: center;">C</td> </tr> <tr> <td>Telephone and Internet</td> <td style="text-align: right;">180</td> <td style="text-align: center;">V</td> </tr> <tr> <td>Drawings</td> <td style="text-align: right;">4 800</td> <td style="text-align: center;">C</td> </tr> <tr> <td>(Apprentice's) wages</td> <td style="text-align: right;">2 400</td> <td style="text-align: center;">C</td> </tr> <tr> <td>Workshop equipment deposit</td> <td style="text-align: right;">600</td> <td style="text-align: center;">C</td> </tr> <tr> <td>Total estimated cash payments</td> <td></td> <td style="text-align: right;">8 890</td> </tr> <tr> <td>Surplus / Deficit of cash</td> <td></td> <td style="text-align: right;">1 260</td> </tr> <tr> <td>Opening bank balance</td> <td></td> <td style="text-align: right;">9 100</td> </tr> <tr> <td>Closing bank balance</td> <td></td> <td style="text-align: right;">10 360</td> </tr> </tbody> </table> <div style="border: 1px solid black; width: 40px; height: 20px; float: right; margin-top: 10px; text-align: center; line-height: 20px;">C*</div> <p>Notes for Assessors:</p> <p>V correct stem and correct figure correctly classified.</p> <p>C correct stem and correct figure correctly classified (award V if correct stem, correctly classified and incorrect figure)</p> <p>C* 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)</p> <p>F foreign item. (this includes foreign item components added to correct items (eg fixing car included with drawings, full equipment cost, invoices with supplies)</p>	Mighty Mechanics			Cash Budget for the month ended 31 August 2014				\$	\$	Estimated cash receipts			Workshop fees / Fees (Received)	9 300	V	Rent (received)	300	V	Sold workshop equipment	500	V	Dividends (received)	50	V	Total estimated cash receipts		10 150	Estimated cash payments			Accounts payable / supplies	790	V	Interest on loan	120	C	Telephone and Internet	180	V	Drawings	4 800	C	(Apprentice's) wages	2 400	C	Workshop equipment deposit	600	C	Total estimated cash payments		8 890	Surplus / Deficit of cash		1 260	Opening bank balance		9 100	Closing bank balance		10 360
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Judgement Statement for Question Three

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

N0 = No response; no or insufficient relevant evidence.

Cut Scores

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