

90980R



NEW ZEALAND QUALIFICATIONS AUTHORITY  
MANA TOHU MĀTAURANGA O AOTEAROA

## Level 1 Accounting, 2012

### 90980 Interpret accounting information for sole proprietors

2.00 pm Tuesday 13 November 2012  
Credits: Four

#### RESOURCE BOOKLET

Refer to this booklet to answer the questions for Accounting 90980.

Check that this booklet has page 2 overleaf.

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

## ANALYSIS MEASURES – FORMULAE SHEET

<b>Mark Up %</b>	$\frac{\text{Gross Profit}}{\text{Cost of Goods Sold}} \times 100$
<b>Gross Profit %</b>	$\frac{\text{Gross Profit}}{\text{Sales}} \times 100$
<b>Distribution Costs %</b>	$\frac{\text{Distribution Costs}}{\text{Sales}} \times 100$
<b>Administrative Expense %</b>	$\frac{\text{Administrative Expenses}}{\text{Sales}} \times 100$
<b>Finance Cost %</b>	$\frac{\text{Finance Costs}}{\text{Sales}} \times 100$
<b>Individual expense %</b>	$\frac{\text{Individual Expense}}{\text{Sales}} \times 100$
<b>Profit for the year %</b>	$\frac{\text{Profit for the Year}}{\text{Sales}} \times 100$
<b>Current Ratio</b>	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
<b>Liquid Ratio</b>	$\frac{\text{Current Assets} - (\text{Inventory} + \text{Prepayments})}{\text{Current Liabilities} - \text{Bank Overdraft (secured)}}$
<b>Equity Ratio</b>	$\frac{\text{Equity}}{\text{Total Assets}}$
<b>Percentage Change</b>	$\frac{\text{Year 2} - \text{Year 1}}{\text{Year 1}} \times 100$



