

91176R



NEW ZEALAND QUALIFICATIONS AUTHORITY
MANA TOHU MĀTAURANGA O AOTEAROA

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

Level 2 Accounting, 2017

91176 Prepare financial information for an entity that operates accounting subsystems

9.30 a.m. Thursday 23 November 2017
Credits: Five

RESOURCE BOOKLET

Refer to this booklet to answer the questions for Accounting 91176.

Check that this booklet has pages 2–5 in the correct order and that none of these pages is blank.

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

RESOURCE A

The following trial balance and additional information relate to *Garden4eva* for the year ended 30 June 2017.

Garden4eva			
Trial Balance as at 30 June 2017			
	\$		\$
Accounts receivable	25 000	Accounts payable	7 250
Advertising	15 000	Accumulated depreciation – office equipment	7 000
Bad debts	1 000	Accumulated depreciation – shop fittings	5 000
Bank	3 000	Capital	128 000
Cost of goods sold	430 000	Interest received	2 250
Drawings	52 000	Landscaping design fees	75 000
Goodwill	15 000	Loan	20 000
GST	9 500	Sales	910 000
Insurance	5 500		
Interest on loan	1 500		
Office equipment	46 000		
Office staff wages	115 000		
Office supplies on hand	1 000		
Office supplies used	3 000		
Sales staff wages	265 000		
Shop expenses	46 000		
Shop fittings	25 000		
Shop rent	45 000		
Term deposit	45 000		
Website running costs	6 000		
	1 154 500		1 154 500

RESOURCE A (CONTINUED)***Garden4eva* Trial Balance: Additional information**

- Sales staff wages of \$5 000 are owing on balance day.
- Depreciation for the year has yet to be recorded; it will comprise depreciation on office equipment, \$2 000 per annum, and shop fittings at 10% per annum, straight-line.
- A bad debt of \$575, including GST, needs to be written off.
- An invoice on hand for Landscaping design fees hasn't been recorded yet. It is for work completed in the last week of June: \$1 495, including GST.
- In April 2017 *Garden4eva* paid \$2 760, including GST, for a three-month radio advertising campaign which began on 1 May 2017.

TURN THE PAGE FOR RESOURCE B AND RESOURCE C >>

RESOURCE B

The following information relates to *Wai Jetboat Tours*.

<i>Wai Jetboat Tours</i>	
Income Statement (extract) for the year ended 31 March 2017	
	\$
Discount received	18 000
Loss on sale of equipment	3 000
Depreciation of equipment	2 000
Discount allowed	5 000

<i>Wai Jetboat Tours</i>		
Statement of Financial Position (extract) as at 31 March		
	2016	2017
	\$	\$
Accounts receivable	9 000	7 000
Accounts payable	35 000	22 000
Drawings	85 000	82 000

Wai Jetboat Tours: Other financial information for the year ended 31 March 2017

- Invoices issued: \$100 000
- Invoices received: \$660 000
- Credit notes issued: \$1 000
- Credit notes received: \$5 000
- Drawings for the year **include** \$1 500 of jet boat fuel for family jet boat trips.

<i>Wai Jetboat Tours</i>	
Bank Statement Summary for the year ended 31 March 2017	
	\$
Bank fees	1 100
Tour revenue	1 600 000
Equipment purchased	15 000
Insurance – direct debit	4 500
Interest – direct credit	1 200
Loan and interest repayments	30 000
Other business expenses – internet banking	250 000
Wages	380 000

RESOURCE C

The following Trial Balance (extract) and additional information relate to *Ice Cream Treat* for the year ended 31 March 2017.

<i>Ice Cream Treat</i>			
Trial Balance (extract) as at 31 March 2017			
	\$		\$
Equipment	75 000	Accounts payable	8 000
GST	2 500	Accumulated depreciation – equipment	15 000
Interest on mortgage	12 100	Accumulated depreciation – vans	50 000
Phone and internet	23 000	Bank	7 000
Shares in Fonterra	60 000	Dividends received	400
Vans	250 000	Mortgage	220 000

***Ice Cream Treat* Trial Balance: Additional information**

- \$1 000 of dividends are due, but still haven't been received by balance day.
- Depreciation is yet to be accounted for on equipment of \$6 000 per annum, and on vans at 15% per annum, diminishing value.
- An invoice on hand for a Vodafone mobile plan of \$2 300, including GST, hasn't been recorded yet.
- One month's interest on the mortgage is owing on balance day. The interest rate is 6% per annum, and the mortgage matures on 30 September 2025.
- During the year, old equipment that had cost \$4 600, including GST, was sold. The equipment's accumulated depreciation was \$3 000. New equipment costing \$5 750, including GST, was purchased to replace it. This information has been **included** in the Trial Balance for balance day.

