

91176R



NEW ZEALAND QUALIFICATIONS AUTHORITY  
MANA TOHU MĀTAURANGA O AOTEAROA

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## Level 2 Accounting, 2018

### 91176 Prepare financial information for an entity that operates accounting subsystems

2.00 p.m. Wednesday 14 November 2018  
Credits: Five

#### RESOURCE BOOKLET

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

Check that this booklet has pages 2 and 3 in the correct order and that neither of these pages is blank.

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



**RESOURCE A** continued**Awa Motel Trial Balance: Additional information**

- Insurance and rates paid in advance \$1 500 excluding GST.
- Motel room sales received in advance \$28 750 including GST.
- Two weeks of wages are owing to the part-time receptionist who works 15 hours a week for \$20 an hour.
- Invoice on hand for motel electricity \$2 300 including GST.
- Invoices on hand for breakfast sales \$1 150 including GST.
- Included in Inventory – breakfast supplies is some past-use-by-date cereal with a cost of \$500 and a net realisable value of \$0. The inventory is to be written down.
- Create an allowance for doubtful debts 2% of Accounts Receivable.
- Depreciation on Furniture and Fittings \$14 000.
- Depreciation on Laundry Equipment is based on the hours in use of the washing machines and driers. These have a useful life of 25 000 hours and a residual value of \$10 000. For the year ended 31 March 2018, the laundry equipment was used for 4 500 hours.
- The shares in *Mercury Limited* have a current market value, considered to be fair value, of \$15 840.
- The following transactions relating to furniture and fittings occurred during the year. These transactions were recorded when they occurred.
  - Beds included in furniture and fittings were sold. The beds originally cost \$8 000 excluding GST. They had a carrying amount of \$1 700 when they were sold for \$2 300 including GST. The related gain on sale is in the trial balance.
  - New beds costing \$13 800 including GST were purchased.
- The carrying amount of furniture and fittings on 1 April 2017 was \$107 700.

**RESOURCE B**

During April 2018, the following transactions occurred:

- Invoices issued for breakfast sales \$2 415.
- Electricity invoice received \$2 645.
- An old washing machine that cost \$2 000 was traded in for its carrying amount of \$500 on a new washing machine, purchased on credit and costing \$3 910.
- Max used *Awa Motel's* debit EFTPOS card to purchase motel supplies \$1 700.
- Motel supplies purchased on credit \$1 150.
- Credit note received for motel supplies purchased on credit during March \$200.
- Credit note issued for one prepaid room night not used by a guest \$140.

On 30 April 2018, the balance of Accounts Payable was \$6 000.

