

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 2022

91176 Prepare financial information for an entity that operates accounting subsystems

Credits: Five

RESOURCE BOOKLET

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

Check that this booklet has pages 2–4 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 *Sauces, Spices and More* for the year ended 31 March 2022.

***Sauces, Spices and More* Trial Balance as at 31 March 2022**

	\$		\$
Accountancy fees	2 300	Accounts payable	4 400
Accounts receivable	8 630	Accumulated depreciation – delivery vehicles	9 200
Advertising	6 290	Accumulated depreciation – office equipment	2 900
Bad debts	400	Accumulated depreciation – shop shelving	4 100
Cost of goods sold	142 630	Allowance for doubtful debts	200
Delivery driver wages	41 800	Bank overdraft	3 100
Delivery vehicles	50 600	Capital	63 326
Depreciation on office equipment	60	Delivery fees received	3 200
Drawings	45 500	Dividends received	220
General expenses	2 960	Gain on sale – office equipment	180
Insurance – inventory	5 000	GST payable	3 480
Interest on loan	2 900	Loan (11% p.a.)	30 000
Inventory	21 000	Sales	399 244
Miscellaneous shop expenses	6 810		
Office electricity	800		
Office equipment	6 000		
Office wages	14 800		
Printing, postage, and stationery	1 010		
Sales assistants' wages	100 000		
Shares in <i>SPK Ltd</i>	15 000		
Shop electricity	2 400		
Shop rent	18 000		
Shop shelving	12 300		
Vehicle expenses	16 360		
	\$523 550		\$523 550

Additional information on balance day

- Delivery driver wages owing: \$740.
- Dividends from *SPK Ltd* owing: \$286.
- Shop rent paid in advance: \$1 150 including GST.
- Interest on loan is owing.
- One online customer has paid for an order in advance. This order comprised sales \$3 220 including GST, and delivery fees received \$161 including GST.
- An invoice on hand for electricity is yet to be recorded. The invoice totals \$322 including GST. Electricity is split 75% shop and 25% office.
- Some inventory has been found past its expiry date. Inventory is to be written down to \$20 140.
- Bad debts to be written off \$230 including GST.
- The allowance for doubtful debts to be 3% p.a.
- Depreciation on shop shelving 12% p.a. diminishing value method.
- Depreciation on office equipment 6% p.a. straight line method.
- Depreciation on delivery vehicles this year totals \$12 650.
- The loan is with *ASB* and is due November 2025.
- The shares in *SPK Ltd* have a current market value of \$16 200.

Additional information that occurred during the year

- *Sauces, Spices and More* purchased a new delivery van from *Westside Auto*: \$29 900 including GST.
- *Sauces, Spices and More* sold an old office laptop for \$690 including GST. The laptop was originally purchased for \$1 380 including GST and had a carrying amount of \$420.

RESOURCE B

The following information relates to *Sauces, Spices and More* for the **quarter** (three months) 1 July to 30 September 2022.

All expenses and incomes in the information below are cash transactions where appropriate.

Sauces, Spices and More**Summary Information for the quarter ended 30 September 2022**

	\$		\$
Accounts receivable	2 590	Accounts payable	1 840
Depreciation on shop shelving	60	Delivery fees received	1 090
Drawings	17 400	Discount received	310
Interest on loan	930	Loan (11% p.a., due Nov. 2025)	26 200
Inventory	17 640	Cash sales	95 850
Loss on disposal shop shelving	86		
Other distribution costs	26 290		
General expenses	8 370		
Office equipment	6 000		
Sales assistants' wages	38 600		
Shares in <i>SPK Ltd</i>	16 380		
Shop rent	5 800		
Shop shelving	12 300		

Additional information for the quarter ended 30 September 2022

- Invoices issued for sales total \$15 150 including GST.
- Invoices received for purchases totalled \$45 500 including GST.
- Credit notes received \$368 including GST.
- Sales assistants' wages owing on 30 September 2022: \$500.
- In July, *Sauces, Spices and More* purchased 300 shares in *SPK Ltd* at \$4.60 each.
- On August 18, old shop shelves were sold on *Buy Sell* and paid for by internet transfer for \$310. The shelves cost \$800 excluding GST.
- In August, paid IRD for GST: \$3 800.
- Drawings include inventory that Suri took home for personal use totalling \$400.
- Loan payments were made totalling \$2 830 that included principal and interest.
- Bad debts written off: \$92 including GST.
- Balances on 1 July 2022:
 - Accounts receivable \$3 760
 - Accounts payable \$1 680.