





NEW ZEALAND QUALIFICATIONS AUTHORITY MANA TOHU MĀTAURANGA O AOTEAROA

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

Level 2 Accounting, 2016

91176 Prepare financial information for an entity that operates accounting subsystems

2.00 p.m. Tuesday 22 November 2016 Credits: Five

Achievement	Achievement with Merit	Achievement with Excellence
Prepare financial information for an entity that operates accounting subsystems.	Prepare in-depth financial information for an entity that operates accounting subsystems.	Prepare comprehensive financial information for an entity that operates accounting subsystems.

Check that the National Student Number (NSN) on your admission slip is the same as the number at the top of this page.

You should attempt ALL the questions in this booklet.

Pull out Resource Booklet 91176R from the centre of this booklet.

If you need more room for any answer, use the extra space provided at the back of this booklet.

Check that this booklet has pages 2–8 in the correct order and that none of these pages is blank.

YOU MUST HAND THIS BOOKLET TO THE SUPERVISOR AT THE END OF THE EXAMINATION.



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Refer to Resources A, B, and C in Resource Booklet 91176R when answering the questions.

QUESTION ONE

Gymtime is a retailer selling gym equipment, workout clothing, and health supplements. The business uses a perpetual inventory system and is registered for GST on the invoice basis.

(a) Using **Resource A**, prepare the **General Journal** entry to close the Office wages account. (The narration is NOT required.)

· ····································		40,000	
31/3/2016	Actual Expenses Office Wages	1200	
	Incorre Summary		46,200

(b) Using **Resource A**, complete the **Inventory General Ledger** account for the year ended 31 March 2016.

	Inventory	,		
31/3/2016	Balance		250 000	Dr
-	Inventory Loss Goods Soll	3,000	2.47,000	Or
_		•		

(c) Using **Resource A**, prepare the **Income Statement** for *Gymtime* on page 3. Group expenses under the following headings: Distribution costs, Administrative expenses, and Finance costs. (Do NOT use abbreviations.)

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Income Statement for th	\$	\$	\$
C MOAND-			
Sales			\$\$995,000
Less Cost of Goods Sold			(503,00)
pross Profit			492,000
ess Expenses. MM			
), it ribution Costs-	10 10		
Haurtina	35,000		
als staff wages shop Electricity shop Rent epreciation on Equipment	120,000		
shop Electricity	18,000		
phop Rent J	56,000		
epreciation on Equipment	7,000		
opreciation on delivery vans idministrative Exerpts	2,800	.238,800	
idministrative Expapses			
eral Oklotis	2,500	×	
klivery vans inswance	8,000		
Hill & some	16,000		
Ffice Wages	46,200		
spreciation on Equipment	3,000		
epreciation on Equipment	(500)	75,200	
narce Casts			
interest on Loan		2,000	
Stal Expenses et Profit for-the Year			(316,000)
et Profit for the Year			\$176,000
		No.	
			•

3.

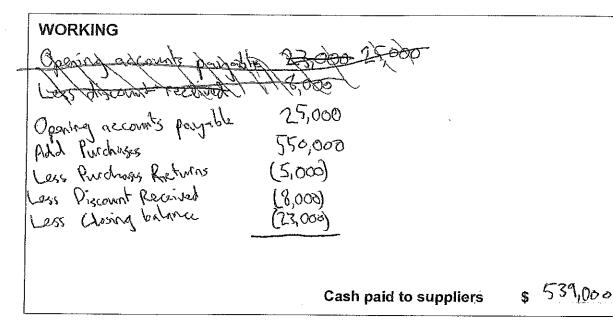
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- Tentplanet is a retailer in Taupo that sells tents and other camping gear.
- (a) Using **Resource B**, calculate **cash paid** to suppliers (accounts payable). Ignore GST. Show and fully label your working in the space below.



(b) Using **Resource B**, prepare the cash payments section of *Tentplanet*'s Cash Flow Statement (extract) for the year ended 31 March 2016. Ignore GST.

<i>Tentplanet</i> Cash Flow Statement (extract) for the year ended 31 March 2016					
	\$	\$			
Cash payments					
Interes At Cash Paid to Suppliers	539,000				
Cash Drawings	49,000				
Office Expenses	35000.				
Rent	20,000				
Wages	225,000				
Shop Filtings	1,200				
1 3					
Total cash payments		\$869,200			

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ASSESSOR'S USE ONLY Tentplanet is registered for GST on the invoice basis.

(c) Using **Resource B**, prepare the **General Journal** entries to record the following balance day information for *Tentplanet*. (Narrations are NOT required.)

One month's interest is owing to Tentplanet on the term deposit.

31/3/2016	Accrued Income	250	
	Interest on term Deposit		250

Close the Drawings account.

31/3/2016	Capital	5	0,000	
	Drawings			50,000
	3	σ.		

(d) Using **Resource B**, complete the **General Ledger** accounts below for *Tentplanet* to show the relevant **balance day adjustments** and **closing entries** (if required) for the year ended 31 March 2016.

Bad debts					
31/3/2016	Balance			1,500	Dr
	Accounts Receivable	1,100		2,600	Dr
	Income Summary		2,600	0	
	J				

	Accrued in	icome			
31/3/2016	Interest on Term Deposit	250		250	Pr
	Batance Sheet		250		-

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QUESTION THREE

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Cleverclean provides cleaning services to businesses. It is registered for GST on the invoice basis.

(a) Using **Resource C**, complete *Cleverclean*'s fully classified **Statement of Financial Position**. The **assets** have been entered for you. (Do NOT use abbreviations.)

Statement of Finan	<i>Cleverc</i> cial Posit		March 2016	
	Note		\$; ;
Current assets		-		
Accounts receivable	1	17 225		
Cleaning supplies on hand		7000		
			24225	-
Non-current assets				
Property, plant and equipment	2		768600	
Total assets				792825
Current Liabilition:				
Accounts Payable		21,900		
Bant		2,000	~	
GST	6	6,600>		
Accored Expenses		600		
Λ	-		31,100	
Non Gurrent LinbillFig:				
Non Gurrent Linbillitig: Loan (9% pa., due 2025)		·····	80,000	· · · · · · · · · · · · · · · · · · ·
Total Liabilities		<u></u>	Contractor of the second s	111.00
				3681,725
Net Assets Dwner's Equity:				
Corpital .		500,000	500,000	
-Pric Den Sidde			(75,00)	
-ess Drawings Thus Profit for the Year			256725	
and the second second				\$681,725
				1001/51
			*	

Accounting 91176, 2016

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- (b) Prepare the Accounts Receivable note for *Cleverclean*.

Notes to the Financial Statements Note 1: Accounts Receivable

\$ 72.5 Accounts Receivable Owance For Doubtful Denin Debts 7, 225

(c) Prepare the **Cleaning Equipment** section of the Property, Plant and Equipment note for *Cleverclean*.

-Note 2: Property, Plant and Equipment note (extract)

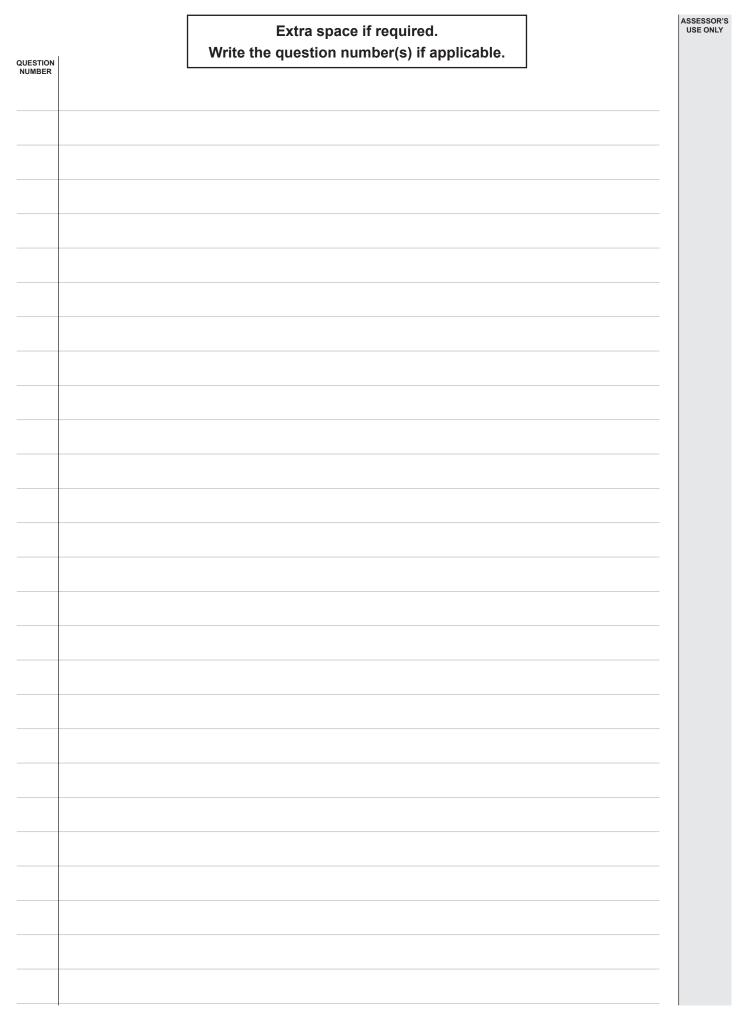
	Cleaning equipment
•	\$
For the year ended 31 March 2016	
Opening carrying amount	121 000
Additions	6,000
Less Disposals	(1,000)
Less Disposals Less Depreciation.	(3,000)
Mosing Carrying Amount	123,000
As at March 2016	
Cost Price	156,000
Accumulated Depressiation	(33,000)
Closing Carrying Amount	123,000

(d) Prepare the **General Journal** entry to record depreciation on **computers** for the year ended 31 March 2016. (A narration is not required.)

31/3/2016 2,400 orecration Gn Computers Depressiation on 2,400 Acum Computers

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Sub	ject:	Αссοι	unting	Standard:	91176	Total score:	21
Q	Grade score		Annotation				
1	M6		To get to Excellence and demonstrate comprehensive understanding, the candidate needs to produce a complete Income Statement. Sales returns and Discount received need to be reported.				
2	E8		The candidate demonstrates Excellence. The working for cash paid to suppliers is correct and all cash payments have been correctly reported. Bad debts has been closed correctly and the candidate has crossed out the closing of Accrued Income to demonstrate they understand which accounts to close.				
3	E7		The candidate needs the correct figure for GST, \$6 825, and Income in advance, \$3 000, to earn E8.				