

Assessment Schedule – 2023**Accounting: Prepare financial statements for sole proprietors (90978)****Evidence****Question One**

Changing Times Accountancy Services
Income Statement for the year ended 31 March 2023

	\$	\$	\$	
Revenue				
Accountancy fees received			662 200	E
Other income				
Dividends received		350		M
Rent received		38 000	<u>38 350</u>	M
(Total income)			700 550	
Less expenses				
Accountancy costs				
Accountants' registration fees	9 400			V
Accountants' salaries	186 400			V
Accounting supplies used	3 950			V
Advertising	5 480			M
Computer expenses	6 500			V
Other accountancy expenses	8 320			V
Rates	4 785			E*
Stationery & printing (accountant)	14 180			V
Depreciation on computer system	<u>8 625</u>	247 640		E
Administrative expenses				
Insurance	3 100			V
Office cleaning	12 200			V
Office expenses	21 530			V
Office wages	68 000			V
Rates	1 595			*
Depreciation on office equipment	<u>464</u>	106 889		E
Finance costs				
Interest on mortgage	<u>13 272</u>	<u>13 272</u>		M
Total expenses			<u>(367 801)</u>	
Profit for the year			<u>\$332 749</u>	V#

Notes

- V** Correct stem (no abbreviations) and figure, correctly classified
- M** Correct figure, correctly classified and correct stem (award **V** if number incorrect but still correctly classified and correct stem)
- E** Correctly calculated figure, correctly classified and correct stem (award **V** if number incorrect but still correctly classified and correct stem)
- E*** Correct figure in both *, correctly classified and correct stem (award **V** if number incorrect but still correctly classified and correct stem)
- F** Foreign item
- V#** Correct stem and correct process

(19) 11V 4M 4E

N1	N2	A3	A4	M5	M6	E7	E8
5 V / M / E	7 V / M / E	10 V / M / E	12 V / M / E	14 V / M / E including 3 M / E Max 1 F	16 V / M / E including 4 M / E Max 1 F	18 V / M / E including 7 M / E No F	19 V / M / E including 8 M / E No F No detracting errors

N0 = No response; no relevant evidence.

Question Two

Changing Times Accountancy Services
Statement of Financial Position as of 31 March 2023

	\$	\$	\$	
Current assets				
Accounting supplies on hand		1 860		E
Bank		5 290		V
Prepayments		800		M
Accrued income		60		M
Accounts receivable		<u>13 570</u>	21 580	E
Non-current assets				
Property, plant and equipment (note 1)				
Total carrying amount		809 211		V ft
Intangible assets				
Goodwill		8 000		V
Investment assets				
Shares in <i>Ledgerwork Ltd</i>		<u>7 000</u>	<u>824 211</u>	V
Total assets			845 791	
Less liabilities				
Current liabilities				
GST payable	13 056			EE*
Accrued expenses	1 272			M
Income in advance	3 000			M
Accounts payable	<u>874</u>	18 202		E
Non-current liabilities				
Mortgage (due January 2030)		<u>351 800</u>		V
Total liabilities			(370 002)	
Net assets			<u>\$475 789</u>	V#
Equity				
Opening capital		263 590		V
Profit for the year		<u>332 749</u>		V ft
Less drawings		<u>(120 550)</u>		V
Closing capital			<u>\$475 789</u>	V#

Notes

- V** Correct stem (no abbreviations) and figure, correctly classified
- V#** Correct process
- M** Correct figure, correctly classified and correct stem (award **V** if number incorrect but still correctly classified and correct stem)
- E** Correctly calculated figure, correctly classified and correct stem (award **V** if number incorrect but still correctly classified and correct stem)
- EE*** GST correct stem and classification – award one **E** for \$13 170 or \$11 286 (award **V** if number incorrect but still correctly classified and correct stem)
- F** Foreign item
- ft** Follow through

Note to the Statement of Financial Position**1. Property, plant, and equipment**

	Land and buildings	Computer system	Office equipment	Total
As at 31 March 2023	\$	\$	\$	\$
Cost	790 000	36 000	5 800 V	831 800
Less accumulated depreciation	0	(20 725) E	(1 864) E	(22 589)
Carrying amount	790 000	15 275	3 936	809 211 V#

Depreciation is calculated on a straight-line basis at the following rates:

- Office equipment at 8% p.a. **V***
- The computer system is depreciated based on it having a residual value of \$1 500 and a useful life of 4 years **V***.

Notes

- V** Correct PPE title and figure
- V#** Process for all three carrying amounts, and total
- V*** Correct depreciation sentence
- M** Correct figure under correct heading (award **V** if incorrect number but greater than / equal to \$7 200)
- E** Correct PPE title and figure (award **V** if correct title but incorrect number)
- F** Foreign item

(25; 14 **V** 4 **M** 7**E**)

N1	N2	A3	A4	M5	M6	E7	E8
6 V/M/E	10 V/M/E	12 V/M/E	16 V/M/E	20 V/M/E including 3 M/E Max 1 F	21 V/M/E including 4 M/E Max 1 F	23 V/M/E including 9 M/E No F	25 V/M/E including 11 M/E No F No detracting errors

N0 = No response; no relevant evidence.

Question Three

Changing Times Accountancy Services
Cash Budget for the month of December 2023

	\$	\$	
Estimated cash receipts			
(Cash) Accounting fees received		54 200	C
Rent received		3 100	C
(Accountants') furniture		<u>250</u>	V
Total estimated cash receipts		57 550	
Estimated cash payments			
Accountants' salaries	15 560		C
Cleaning	1 050		V
Computer expenses	550		V
Interest on mortgage	1 320		V
Mortgage	6 500		C
Rates	1 700		V
Drawings	11 500		CV*
Office wages	6 688		C
Advertising	4 000		V
Office expenses	800		V
(Accountants') furniture	1 280		C
Total estimated cash payments		<u>(50 948)</u>	
Surplus of cash		6 602	P
Opening bank balance		<u>(2 820)</u>	V
Closing bank balance		\$3 782	P

Notes

V Correct stem (no abbreviations) and figure

C Correct figure, correctly classified and correct stem (award **V** if number incorrect but still correctly classified and correct stem)

***** Award **V** \$1 500 on own, and **C** \$10 000 on own if correct stem

P Process correct

F Foreign item

18 (9V, 7C, 2P)

N1	N2	A3	A4	M5	M6	E7	E8
4 grades	6 grades	9 grades	11 grades	13 grades including 3 C Max 1 F	15 grades including 4 C Max 1 F	16 grades including 5 C and 2 P No F	18 grades including 6 C and 2 P No F

N0 = No response; no relevant evidence.

Cut Scores

Not Achieved	Achievement	Achievement with Merit	Achievement with Excellence
0 – 8	9 – 14	15 – 20	21 – 24