**Task 3 for submission**

**Analyse** and **interpret** the financial reports for ***Qantas Airways*** and ***Potaka Enterprises***(provided in PPT 4). Select the correct responses to the following questions.

1. *Qantas Airways* is a
2. Non-profit organisation
3. Partnership
4. Public Company
5. Private Company
6. Which account would not appear in the sole trader’s Statement of Profit or Loss?
7. Service revenue
8. Income tax expenses
9. Supplies expenses
10. Council rates
11. *Qantas Airways* Statement of Financial Position has a number of differences compared to *Potaka Enterprises* Statement of Financial Position. Which account would not appear in a sole trader’s Statement of Financial Position?
12. Inventories
13. Property
14. Goodwill
15. Retained profits
16. Which account would not appear in a sole trader’s Statement of Financial Position?
17. Plant and equipment
18. Intangible assets
19. Reserves
20. Drawings
21. Due to the different type of business ownership structure, differences which may appear in the Statements of Profit and Loss for *Qantas Airways* and *Potaka Enterprises* are:
22. Earnings per share may appear in the Statement of Profit and Loss for *Potaka Enterprises* and not in *Qantas Airways* report
23. Earnings per share may appear in the Statement of Profit and Loss for *Qantas Airways* and not in *Potaka Enterprises* report
24. Earnings per share may appear in the Statement of Financial Position for *Potaka Enterprises* and not in *Qantas Airways* report
25. Earnings per share may appear in the Statement of Financial Position for *Qantas Airways* and not in *Potaka Enterprises* report
26. Income tax expenses appears in *Qantas Airways* Statement of Profit and Loss.

Which of the following statements is correct?

1. Income tax expenses would not appear in *Potaka Enterprises’* Statement of Profit or Loss as it is not an expense related to this type of business ownership.
2. Income tax expenses is incurred by all businesses regardless of the type of ownership.
3. Income tax expenses is an expense which is directly related to the operation of the business of *Qantas Airways.*
4. Income tax expenses would appear in the Expense section of *Potaka Enterprises’* Statement of Profit or Loss.
5. Which of the following would be best described as part of the earned profit which is retained by *Qantas Airways* for a specific purpose?
6. Dividends
7. Shareholders’ equity
8. Retained earnings
9. Reserves
10. Which of the following statements is correct?
11. Debentures could appear as an asset and/or a liability in *Potaka Enterprises* Statement of Financial Position.
12. Debentures could only appear as an asset in *Qantas Airways* Statement of Financial Position.
13. Debentures could appear as an asset and/or a liability in *Qantas Airways* Statement of Financial Position.
14. Debentures could only appear as a liability in *Qantas Airways* Statement of Financial Position.
15. *Potaka Enterprises* Statement of Financial Position indicates an Owner’s equity section with all increases and decreases recorded through the one account, Capital. In contrast to this, the Statement of Financial Position for *Qantas Airways* indicates a:
16. Equity section with all increases and decreases recorded through the one account, Share Capital.
17. Owners’ equity section with all increases and decreases recorded through the one account, Share Capital.
18. Equity section with three major categories of equity listed.
19. Equity section with Capital, Drawings and Net profit being the main categories reported on.