

# Neap:

smartstudy®

# ACCOUNTING VCE UNIT 3&4 WORKING SPACE

## Neap smartstudy® Questions

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# Topic 1: The Accounting Equation

## Question 1

Assets	=	Liabilities	+	Owner's Equity
98 600	=	47 600	+	
	=	74 800	+	43 000
110 600	=		+	35 000

3 marks

## Question 2

<b>Net Profit</b>	<b>\$</b>
-------------------	-----------

2 marks

## Question 3

a.

<b>Credit Sales classification:</b>
<b>Explanation:</b>

2 marks

b.

<b>Stock classification:</b>
<b>Explanation:</b>

2 marks

c.

<b>Shop Equipment classification:</b>
<b>Explanation:</b>

2 marks

d.

<b>Discount Expense classification:</b>
<b>Explanation:</b>

2 marks

e.

<b>Mortgage classification:</b>
<b>Explanation:</b>

2 marks

f.

<b>GST Payable classification:</b>
<b>Explanation:</b>

2 marks

g.

<b>Drawings classification:</b>
<b>Explanation:</b>

2 marks

h.

<b>Interest Revenue classification:</b>
<b>Explanation:</b>

2 marks

i.

<b>Discount Revenue classification:</b>
<b>Explanation:</b>

2 marks

j.

<b>Loan classification:</b>
<b>Explanation:</b>

2 marks

k.

<b>Bank Overdraft classification:</b>
<b>Explanation:</b>

2 marks

**Question 4**

a.

Assets	Liabilities	Owner's Equity

3 marks

b.

Assets	Liabilities	Owner's Equity

3 marks

c.

Assets	Liabilities	Owner's Equity

3 marks

d.

Assets	Liabilities	Owner's Equity

3 marks

**Question 5**

a.

<b>Explanation:</b>

2 marks

b.

<b>Explanation:</b>

2 marks

c.

<b>Explanation:</b>

2 marks

d.

<b>Explanation:</b>

2 marks

**Question 6**

a.

	<b>Assets</b>	<b>Liabilities</b>	<b>Owner's Equity</b>
<b>Overstated/Understated/ No effect</b>			
<b>Amount</b>			

3 marks

b.

	<b>Assets</b>	<b>Liabilities</b>	<b>Owner's Equity</b>
<b>Overstated/Understated/ No effect</b>			
<b>Amount</b>			

3 marks

c.

	<b>Assets</b>	<b>Liabilities</b>	<b>Owner's Equity</b>
<b>Overstated/Understated/ No effect</b>			
<b>Amount</b>			

3 marks

d.

	<b>Assets</b>	<b>Liabilities</b>	<b>Owner's Equity</b>
<b>Overstated/Understated/ No effect</b>			
<b>Amount</b>			

3 marks

**Question 7**

a.

<b>Explanation:</b>

3 marks

b.

<b>Explanation:</b>

3 marks

c.

<b>Explanation:</b>

3 marks

d.

<b>Explanation:</b>

3 marks

**Question 8**

a.

<b>Explanation:</b>

2 marks

b.

<b>Explanation:</b>

2 marks

C.

<b>Explanation:</b>

2 marks

## Topic 2: Accounting principles and qualitative characteristics

### Question 1

<b>Explanation:</b>

2 + 2 = 4 marks

### Question 2

<b>Explanation:</b>

2 marks

### Question 3

<b>Explanation:</b>

2 marks

### Question 4

<b>Explanation:</b>

3 marks

### Question 5

<b>Explanation:</b>

2 marks

**Question 6**

a.

<b>Qualitative characteristic:</b>
<b>Explanation:</b>

2 marks

b.

	<b>Input (I), Processing (P), Output (O)</b>
Transaction documents (e.g. invoice)	
A Balance Sheet	
Closing entries	
Income Statement	
Journals (Special and General)	
A General Ledger	

6 marks

**Question 7**

<b>Explanation:</b>

2 marks

**Question 8**

a.

<b>Explanation:</b>

2 marks

b.

<b>Explanation:</b>
<b>Accounting principle:</b>
<b>Qualitative characteristic:</b>

4 marks

**Question 9**

a.

<b>Explanation:</b>

2 marks

b.

<b>Accounting principle:</b>
<b>Explanation:</b>

2 marks

c.

<b>Accounting principle:</b>
<b>Qualitative characteristic:</b>
<b>Explanation:</b>

4 marks

d.

<b>Accounting principle:</b>
<b>Qualitative characteristic:</b>
<b>Explanation:</b>

4 marks

e.

<b>Accounting principle:</b>
<b>Explanation:</b>

2 marks

f.

<b>Accounting principle:</b>
<b>Explanation:</b>

2 marks

g.

<b>Explanation:</b>

2 marks

**Question 10**

a.

<b>Source document:</b>
-------------------------

1 mark

b.

<b>Qualitative characteristic:</b>

2 marks

c.

<b>Accounting principle:</b>

2 marks

**Question 11**

a.

<b>Explanation:</b>

2 marks

b.

<b>Explanation:</b>
<b>Qualitative characteristic:</b>

2 marks

# Topic 3: Journals and Posting to the general ledger

## Question 1

<b>Explanation:</b>

2 marks

## Question 2

a.

Transaction	GST Not applicable	GST \$	Total Amount \$
Business takes a \$10 000 loan from ABC bank			
Purchase Delivery Van for cash \$40 000			
Stock sold for \$5 000 on credit			
Owner contributes additional Capital \$4 000 cash			
Wages Paid \$3 000			
Purchased stock on credit \$8 000			
Advertising \$770 (GST included)			
Drawings \$6 000			

8 marks

b.

Transaction	Amount before GST \$	GST \$	Price including GST \$
Sale of 10 items at \$12 each plus GST			
Sale of 20 items at \$13.20 each including GST			
10 Stock purchased at cost of \$50 each			
15 Stock items purchased at \$10 each			

4 marks

## Question 3

a.

<b>Vehicle \$</b>
<b>Explanation</b>

2 marks

b.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

**Cash Payments Journal**

Date 2013	Details	Chq. No.	Bank	Discount Revenue	Creditors Control	Stock Control	Sundries	GST

3 + 1 = 4 marks

c.

<b>Discussion:</b>

4 marks

**Question 4**

a.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

**Cash Payments Journal**

Date	Details	Rec. No.	Bank	Discount Expense	Debtors Control	Cost of Sales	Sales	Sundries	GST

4 marks

b.

<b>Explanation:</b>

2 marks

**Question 5**

a.

**Cash Receipts Journal**

Date 2013	Details	Rec. No.	Bank	Discount Expense	Debtors Control	Cost of Sales	Sales	Sundries	GST
8 Jan	T Nguyen	7	3 000	300					
14	Cash Sales	8					1 500		
26	K Kwek	9		0	40				

**Cash Payments Journal**

Date 2013	Details	Chq. No.	Bank	Discount Revenue	Creditors Control	Stock Control	Sales	Wages	Sundries	GST
4 Jan	Wages	78						600		
10	Equipment	79								700
15	A Lam	80		100	6 000					
20	Stock Control	81				2 000				
28	Prepaid Rent Expense	82	1 320							

**Sales Journal**

Date 2013	Debtor	Invoice No.	Cost of Sales	Sales	GST	Debtors Control
8 Jan	J Chea	5		6 000		
14	S Chen	6				5 500
25	N Dassaye	7	4 000			

**Purchases Journal**

Date 2013	Creditor	Invoice No.	Stock Control	GST	Creditors Control
5 Jan	K Elias	A45	1 500		
10	M Ferdinands	67		500	
27	S Franks	98			8 800

14 marks

b.

<b>Explanation:</b>

2 marks

c.

<b>Explanation:</b>

4 marks

d.

<b>Explanation:</b>

2 marks

e.

<b>Explanation:</b>

2 marks

**Question 6**

a.

Entry number	Reason for entry
1	
2	
3	
4	
5	
6	

6 marks

b.

<b>Explanation:</b>

2 marks

**Question 7**

a.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

4 marks

b.

<b>Explanation:</b>

2 marks

**Question 8**

a.

**Cash Receipts Journal**

Date 2013	Details	Rec. No.	Bank	Discount Expense	Debtors Control	Cost of Sales	Sales	Sundries	GST

**Cash Payments Journal**

Date 2013	Details	Chq. No.	Bank	Discount Revenue	Creditors Control	Stock Control	Sundries	GST

**Sales Journal**

Date 2013	Debtor	Invoice No.	Cost of Sales	Sales	GST	Debtors Control

**Purchases Journal**

Date 2013	Creditor	Invoice No.	Stock Control	GST	Creditors Control

7 marks

b.

**GST Clearing**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

5 marks

c.

<b>Explanation:</b>

2 marks

d.

<b>Explanation of 5/10:</b>
<b>Explanation of n/30:</b>

2 marks

e.

<b>Discussion:</b>

3 marks

**Question 9**

a.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

2 + 2 = 4 marks



c.

<b>Error 1:</b>
<b>Error 2:</b>

2 marks

**Question 11**

a.

**General Journal**

Date 2012	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

4 marks

b.

**General Journal**

Date 2012	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

2 marks

c.

<b>Explanation:</b>

2 marks

**Question 12**

a.

<b>Explanation:</b>

2 marks

b.

**General Journal**

Date 2012	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

2 marks

**Question 13**

a.

<b>Error 1:</b>
<b>Error 2:</b>
<b>Error 3:</b>

3 marks



b.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

**Purchases Journal**

Date 2013	Creditors	Invoice No.	Stock Control	GST	Creditors Control

**Sales Journal**

Date 2013	Debtors	Invoice No.	Cost of Sales	Sales	GST	Debtors Control

**Cash Receipts Journal**

Date 2013	Details	Rec. No.	Bank	Discount Expense	Debtors Control	Cost of Sales	Sales	Sundries	GST

**Cash Payments Journal**

Date 2013	Details	Chq. No.	Bank	Discount Revenue	Creditors Control	Stock Control	Sundries	GST

14 marks

c.

**Bank**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Debtors Control**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Stock Control**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Shop Fittings**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Creditors Control**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**GST Clearing**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Loan – Eastpac**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Capital**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Drawings**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Cash Sales**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Credit Sales**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Discount Revenue**

<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>	<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>

**Cost of Sales**

<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>	<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>

**Wages**

<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>	<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>

**Discount Expense**

<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>	<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>

**Interest on Loan**

<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>	<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>

18 marks



f.

**Profit and Loss Summary**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Capital**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

3 marks

g. Balance Capital account (see Capital Ledger account above).

1 mark

# Topic 4: Control accounts and Subsidiary Ledgers

## Question 1

a.

### Sales Journal

Date 2013	Debtor	Invoice No.	Cost of Sales	Sales	GST	Debtors Control

6 marks

b. and c.

### Debtors Control

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

### Debtors Subsidiary Ledger

#### Hoi Man Lee

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Z. Abernathy**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**G. Salemme**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**M. Appadoo**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

b.

2 marks

c.

10 marks

d.

Debtors Schedule as at 31 January 2013	\$

2 marks

e.

Explanation:

2 marks

**Question 2**

a.

Item: Rocking Horses					Cost Assignment Method: FIFO					
Date 2013	Details	In			Out			Balance		
		Qty.	Cost	Total	Qty.	Cost	Total	Qty.	Cost	Total

6 marks

b.

**Cash Receipts Journal**

Date 2013	Details	Rec. No.	Bank	Discount Expense	Debtors Control	Cost of Sales	Sales	Sundries	GST

**Purchases Journal**

Date 2013	Creditor	Invoice No.	Stock Control	GST	Creditors Control

**Sales Journal**

Date 2013	Debtor	Invoice No.	Cost of Sales	Sales	GST	Debtors Control

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

10 marks

c. and d.

**Stock Control**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Cost of Sales**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

c.

4 + 2 = 6 marks

d.

1 + 1 = 2 marks

e.


2 marks



**Question 4**

a.

<b>Explanation:</b>

2 marks

b., c. and d.

**Stock Control**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Creditors Control**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Creditors Subsidiary Ledger**

**S. Mitten**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**A. Jayawardene**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

H.W. Lee

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

b.

2 marks

c.

11 marks

d.

Creditors Schedule as at 30 April 2013	\$

2 marks

e.

2 marks

f.

Explanation:

2 marks

**Question 5**

a.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

**Cash Receipts Journal**

Date 2013	Details	Rec. No.	Bank	Discount Expense	Debtors Control	Cost of Sales	Sales	Sundries	GST

4 marks

b.

**General Ledger (extract)**

**Bad Debts**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Debtors Subsidiary Ledger (extract)**

**Chico Marks**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

4 marks

c.

<b>Explanation:</b>

2 marks

**Question 6**

a.

**Cash Receipts Journal**

Date 2013	Details	Rec. No.	Bank	Discount Expense	Debtors Control	Cost of Sales	Sales	Sundries	GST
30 Jun	Totals			650	30 650	12 000	39 000		3 900

**Cash Payments Journal**

Date 2013	Details	Chq. No.	Bank	Discount Revenue	Creditors Control	Drawings	Wages	Sundries	GST
30 Jun	Totals			600	30 000	18 000	3 500	12 500	1 150

2 marks

b. and c.

**Debtors Control**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Creditors Control**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Stock Control**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**GST Clearing**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

b.

11 marks

c.

4 marks



**Cash Payments Journal**

Date 2013	Details	Chq. No.	Bank	Disc. Rev.	Creditors Control	Drawings	Rent	Sundries	GST

**Purchases Journal**

Date 2013	Creditor	Invoice No.	Stock Control	GST	Creditors Control

**Sales Journal**

Date 2013	Debtor	Invoice No.	Cost of Sales	Sales	GST	Debtors Control

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

21 marks

b.

**General Ledger**

**Capital**

<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>	<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>

**Bank**

<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>	<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>

**Debtors Control**

<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>	<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>

**Discount Expense**

<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>	<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>

**GST Clearing**

<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>	<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>

**Sales**

<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>	<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>

**Cost of Sales**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Stock Control**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Discount Revenue**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Creditors Control**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Drawings**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Rent Expense**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Bad Debts**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Advertising**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Wages**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Prepaid Stationery**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

15 marks

c.

**Debtors Subsidiary Ledger**

**Aturn Sports Stores**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Luto Sports**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Bollik**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Creditors Subsidiary Ledger**

**Tennis Traders**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**D. Okic**

<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>	<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>

6 marks

d.

<b>Debtors Schedule as at 31 July 2013</b>	<b>\$</b>

<b>Creditors Schedule as at 31 July 2013</b>	<b>\$</b>

2 marks

## Topic 5: Balance day adjustments

### Question 1

a.

	Expense
Advertising Expense	
Wages Expense	
Insurance Expense	
Rates Expense	

4 marks

b.

	Amount Paid
Wages Paid	
Advertising Prepaid	
Interest Paid	
Insurance Paid	

4 marks

### Question 2

a.

#### General Journal

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

3 marks

b.

#### As at 31 December 2013

Non-Current Assets	\$	\$

#### As at 31 December 2014

Non-Current Assets	\$	\$

2 marks

**Question 3**

a.

**Cash Payments Journal**

Date 2013	Details	Chq. No.	Bank	Discount Revenue	Creditors Control	Stock Control	Wages	Sundries	GST

1 mark

b.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

2 marks

c.

**Prepaid Rent Expense**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

**Rent Expense**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

5 marks

d.

<b>Explanation:</b>

2 marks

e.

<b>Explanation:</b>

2 marks

**Question 4**

a.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

3 marks

b.

<b>Explanation:</b>

2 marks

c.

**Cash Payments Journal**

Date 2013	Details	Chq. No.	Bank	Discount Revenue	Creditors Control	Stock Control	Wages	Sundries	GST

2 marks

**Question 5**

a.

**Cash Payments Journal**

Date 2013	Details	Chq. No.	Bank	Discount Revenue	Creditors Control	Stock Control	Wages	Sundries	GST

3 marks

b.

<b>Explanation:</b>

2 marks

**Question 6**

a.

<b>Explanation:</b>

2 marks

b.

**Wages Expense**

Date 2015	Cross Reference	\$	Date 2015	Cross Reference	\$

2 marks

c.

**Cash Payments Journal**

Date 2015	Details	Chq. No.	Bank	Discount Revenue	Creditors Control	Stock Control	Wages	Sundries	GST

1 mark

**Question 7**

**Prepaid Insurance**

Date	Cross Reference	\$	Date	Cross Reference	\$
1 Jul 2012	Balance	390			
30 Sep 2012	Bank	1 800			

3 marks

**Question 8**

a.

<b>Rental expense:</b>

1 mark

b.

Report	Item	Classification	Amount
Cash Flow Statement			
Income Statement			
Balance Sheet			

3 marks

**Question 9**

a.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

3 marks

b.

<b>Explanation:</b>

2 marks

c.

**Oakleigh South Motor Repairs**  
**Balance Sheet (extract) as at 31 October 2013**

<b>Non-Current Assets</b>		

2 marks

**Question 10**

a.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

2 + 2 + 2 + 2 + 2 = 10 marks

b.

**Wages**

Date 2013	Cross Reference	\$	Date 2013	Cross Reference	\$

3 marks





e.

**Calm Sewing Machines Balance Sheet (extract) as at 30 June 2013**

<b>Current Assets</b>		
<b>Current Liabilities</b>		

8 marks

# Topic 6: Accounting reports

## Question 1

Item	Operating/Investing/Financing	Inflow/Outflow
Payments to Creditors		
Loan repayment		
Drawings (of cash)		
Interest Expense		
Cash Sales		
Cash purchase of Equipment		

6 marks

## Question 2

<b>Classification:</b>
<b>Explanation:</b>

3 marks

## Question 3

<b>Explanation:</b>

2 marks

## Question 4

<b>Classification:</b>
\$
<b>Explanation:</b>

3 marks

**Question 5**

Error	Explanation
Error 1	
Error 2	
Error 3	
Error 4	
Error 5	
Error 6	

6 marks

**Question 6**

***Tuscan Tin Cans***

**Cash Flow Statement for the year ended 31 December 2013**

Operating	\$	\$
<b>Net Cash Flow from Operations</b>		
<b>Investing</b>		
<b>Net Cash flow from Investing Activities</b>		
<b>Financing</b>		
<b>Net Cash Flow from Financing Activities</b>		
<b>Net Increase (Decrease) in Cash Position</b>		
<b>Bank Balance 1 Jan. 2013</b>		
<b>Bank Balance 31 Dec. 2013</b>		

10 marks

**Question 7**

a.

***Billy's Billycars***

**Cash Flow Statement for the month ended 31 January 2013**

<b>Operating</b>		
<b>Net Cash from Operations</b>		
<b>Investing</b>		
<b>Net Cash Flow from Investing Activities</b>		
<b>Financing</b>		
<b>Net Cash Flow from Financing Activities</b>		
<b>Net Increase (Decrease) in Cash Position</b>		
<b>Bank Balance 1 Jan 2013</b>		
<b>Bank Balance 31 Jan 2013</b>		

10 marks

b.

**Barry's Billycarts**  
**Income Statement for month ending 31 January 2013**

Revenue	\$	\$
<b>Less Cost of Goods Sold</b>		
<b>Gross Profit</b>		
<b>Adjusted Gross Profit</b>		
<b>Add Other Revenue</b>		
<b>Less Other Expenses</b>		
<b>Net Profit (Loss)</b>		

10 marks

c.

<b>Explanation:</b>

2 marks

d.

**Barry's Billycarts**  
**Balance Sheet (extract) as at 31 January 2013**

Owner's Equity	\$	\$

3 marks

e.

<b>Explanation:</b>
<b>Example 1:</b>
<b>Example 2:</b>

4 marks

**Question 8**

a.

***Brainy Books***

**Cash Flow Statement for the year ended 30 June 2013**

	\$	\$
<b>Operating</b>		
<b>Net Cash from Operations</b>		
<b>Investing</b>		
<b>Net Cash Flow from Investing Activities</b>		
<b>Financing</b>		
<b>Net Cash Flow from Financing Activities</b>		
<b>Net Increase (Decrease) in Cash Position</b>		
<b>Bank Balance 1 July 2012</b>		
<b>Bank Balance 30 June 2013</b>		

10 marks

b.

**Brainy Books**  
**Income Statement for the year ended 30 June 2013**

<b>Revenue</b>		
<b>Less Cost of Goods Sold</b>		
<b>Gross Profit</b>		
<b>Adjusted Gross Profit</b>		
<b>Add Other Revenue</b>		
<b>Less Other Expenses</b>		
<b>Net Profit (Loss)</b>		

10 marks

c.

**GST Clearing**

<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>	<b>Date 2013</b>	<b>Cross Reference</b>	<b>\$</b>



e.

<b>Qualitative characteristic:</b>
<b>Explanation:</b>

2 marks

# Topic 7: Recording and reporting for Sales Returns and Purchase Returns

## Question 9

<b>Document:</b>

1 mark

## Question 10

Account	Amount	Debit/Credit

5 marks

## Question 11

<b>Explanation:</b>

2 marks

## Question 12

<b>Explanation:</b>

2 marks



b.

<b>Qualitative characteristic:</b>
<b>Explanation:</b>

3 marks

**Question 15**

a.

Item: Standard Golf Club					Cost Assignment Method: FIFO					
Date 2013	Details	In			Out			Balance		
		Qty.	Cost	Total	Qty.	Cost	Total	Qty.	Cost	Total

Item: Deluxe Golf Club					Cost Assignment Method: FIFO					
Date 2013	Details	In			Out			Balance		
		Qty.	Cost	Total	Qty.	Cost	Total	Qty.	Cost	Total

5 + 3 = 8 marks

b.

<b>Accounting Principle:</b>
<b>Explanation:</b>

3 marks

c.

<b>Explanation:</b>

2 + 2 = 4 marks

d.

<b>Explanation:</b>

2 marks

**Question 16**

a.

**Creditors Control**

<b>Date 2013</b>	<b>Cross-reference</b>	<b>Amount</b>	<b>Date 2013</b>	<b>Cross-reference</b>	<b>Amount</b>

4 marks

b.

<b>Document:</b>

1 mark

c.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

5 marks

**Question 17**

a.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

3 + 5 = 8 marks

b.

<b>Working Space</b>	
<b>Cost of Sales</b>	<b>\$</b>

1 mark

**Question 18**

a.

**Pillow Chairs  
General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

5 + 3 = 8 marks

b.

**Kyabramata Supplies  
General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

5 marks

**Question 19**

a.

**Debtors Subsidiary Ledger**

**McSconeville**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

6 marks

b.

**Creditors Subsidiary Ledger**

**Rosie Day Imports**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

7 marks

**Question 20**

a. The accounts should be as follows:

**Debtors Control**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

**GST Clearing**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

**Creditors Control**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

**Stock Control**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

**Debtors Subsidiary Ledger**

**J. Langton**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount



b.

<b>Item 1:</b>
<b>Explanation:</b>
<b>Item 2:</b>
<b>Explanation:</b>

2 + 2 = 4 marks

c.

<b>Item 1:</b>
<b>Explanation:</b>
<b>Item 2:</b>
<b>Explanation:</b>

2 + 2 = 4 marks

# Topic 8: Stock valuation

## Question 1

a.

<b>Working space:</b>
-----------------------

1 mark

b.

<b>Explanation:</b>

4 marks

c.

<b>Qualitative characteristic:</b>
<b>Explanation:</b>

3 marks

d.

<b>Explanation:</b>

2 marks

## Question 2

a.

<b>Working space:</b>
-----------------------

1 mark

b.

<b>Delivery of coffee mugs:</b>
<b>GST on invoice price:</b>
<b>Sales discount:</b>
<b>Cash discount:</b>

2 + 2 + 2 + 2 = 8 marks

**Question 3**

a.

<b>Stock Item: Mango Code No: MY21</b>		<b>Cost Assignment Method: FIFO</b>								
Date 2013	Details	IN			OUT			BALANCE		
		Qty.	Cost	Total	Qty.	Cost	Total	Qty.	Cost	Total

6 marks

b.

	Quantity	Cost	Realisable Value	Delivery Cost	NRV	Lower of cost or NRV	Total
Damaged stock							
Other stock							
Total							

2 marks

**c.**  
**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

3 marks

**d.**

<b>Accounting principle:</b>
<b>Qualitative characteristic:</b>
<b>Justification:</b>

4 marks

**Question 4**

**a.**

<b>Stock value:</b>
<b>Stock valuation rule:</b>

2 marks

**b.**

<b>Accounting principle:</b>
<b>Explanation:</b>
<b>Accounting principle:</b>
<b>Explanation:</b>

4 marks

**Question 5**

<b>Cost:</b>
<b>Net realisable value:</b>

2 + 2 = 4 marks

**Question 6**

a.

	Quantity	Cost	Realisable Value	Selling Cost	NRV	Lower of cost or NRV	Stock Write Down per unit
Flex Umbrellas							
Rigid Umbrellas							
Total Stock Write Down							

2 marks

b.

Product: Flex Umbrellas Code: FU		Cost Assignment Method: FIFO								
		In			Out			Balance		
Date	Details	Qty.	Cost	Total	Qty.	Cost	Total	Qty.	Cost	Total
23 Oct	Balance							402	3.50	1 407
31 Oct	Inv. 101				2	3.50	7.00	400	3.50	1 400

Product: Rigid Umbrellas Code: RU2		Cost Assignment Method: FIFO								
		In			Out			Balance		
Date	Details	Qty.	Cost	Total	Qty.	Cost	Total	Qty.	Cost	Total
23 Oct	Balance							150	2.00	300
26 Oct	Inv. 35				40	2.00	80.00	110	2.00	220
29 Oct	CN 2	2	2.00	4.00				112	2.00	224
31 Oct	Inv. 36				12	2.00	24.00	100	2.00	200

2 marks

c.

<b>Explanation:</b>

2 marks

**Question 7**

a. and b.

<b>Product: Class 1 Handbags</b>					<b>Cost Assignment Method: FIFO</b>					
<b>Code: C1H</b>										
Date 2013	Detail	In			Out			Balance		
		Qty.	Cost	Total	Qty.	Cost	Total	Qty.	Cost	Total

a.

2 marks

b.

2 marks

c.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

3 marks

**Question 8**

a.

**Purchases Journal**

Date 2013	Creditor	Invoice	Stock Control	GST	Creditors Control

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

4 marks

b.

Item: Grand Final Posters Code: GF2013		Cost Assignment Method: FIFO								
Date 2013	Details	In			Out			Balance		
		Qty.	Cost	Total	Qty.	Cost	Total	Qty.	Cost	Total
30 Sep	Balance							10	20	200

2 marks

c.

Distinguish:

4 marks

d.

Discussion:

4 marks

**Question 9**

a.

<b>Working space</b>	
Cost Price of each Hedge trimmer	\$

2 marks

b.

<b>Explanation:</b>
<b>Qualitative Characteristic:</b>

3 marks

c.

<b>Item: Hedge Trimmer</b>			<b>Cost Assignment Method: FIFO</b>								
<b>Code: CS13</b>											
		<b>In</b>			<b>Out</b>			<b>Balance</b>			
<b>Date 2012</b>	<b>Details</b>	<b>Qty.</b>	<b>Cost</b>	<b>Total</b>	<b>Qty.</b>	<b>Cost</b>	<b>Total</b>	<b>Qty.</b>	<b>Cost</b>	<b>Total</b>	

2 marks

d.

**Max Mart Income Statement  
for month ending 30 November 2013**

**Product Cost**

<b>Revenue</b>	<b>\$</b>	<b>\$</b>
<b>Gross Profit</b>		

**Max Mart Income Statement  
for month ending 30 November 2013**

**Period Cost:**

<b>Revenue</b>	<b>\$</b>	<b>\$</b>
<b>Gross Profit</b>		

3 + 3 = 6 marks

e.

<b>Explanation</b>

2 marks

f.

<b>Explanation</b>

2 marks

# Topic 9: Accounting for non-current assets

## Question 1

a.

### General Journal

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

3 marks

b.

<b>Working space</b>		
	<b>31 December 2013</b>	<b>31 December 2014</b>
<b>Straight-Line method</b>		
<b>Reducing Balance method</b>		

4 marks

c.

<b>Explanation:</b>

2 marks

d.

<b>Justification:</b>

2 marks

e.

<b>Distinguish:</b>

2 marks

**Question 2**

a.

Line A	
Line B	

2 marks

b.

<b>Explanation:</b>
<b>Accounting principle:</b>
<b>Qualitative characteristic:</b>

4 marks

c.

<b>Distinguish:</b>

4 marks

**Question 3**

a.

The length of time the business has owned the Equipment	
The carrying value of the Asset at time of Disposal	
The Profit or Loss on Disposal	

3 marks

b.

Report	Classification	Item	Amount

2 marks

**Question 4**

a.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

4 marks

b.

<b>Justification:</b>

2 marks

c.

<b>Explanation:</b>

2 marks

d.

<b>Explanation:</b>

2 marks

e.

**Cash Payments Journal**

Date 2013	Details	Chq. No.	Bank	Disc. Rev.	Creditors Control	Wages	Sundries	GST

1 mark

**Question 5**

a.

**General Journal**

Date	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

2 + 2 = 4 marks

b.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

**Cash Receipts Journal**

Date 2013	Details	Rec. No.	Bank	Disc. Exp.	Debtors Control	Cost of Sales	Sales	Sundries	GST

5 marks

c.

**Machinery**

Date	Cross-reference	Amount	Date	Cross-reference	Amount

**Disposal of Machinery**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

**Loss on Disposal of Machinery**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

7 marks

d.

<b>Explanation:</b>

2 marks

e.

<b>Explanation:</b>

2 marks

**Question 6**

a.

<b>Reason 1:</b>
<b>Reason 2:</b>

2 marks

b.

<b>Explanation:</b>

2 marks



d.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

2 marks

**Question 8**

a.

<b>Working space:</b>	
<b>Carrying Value</b>	<b>\$</b>

2 marks

b.

<b>Working space:</b>	
<b>Proceeds from Sale</b>	<b>\$</b>

1 mark

c.

<b>Reason 1:</b>
<b>Reason 2:</b>

2 marks



**Disposal of Computer**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

6 marks

c.

**Income Statement for the quarter ended 31 March 2013 (extract)**

Item	Revenue/Expense	Amount \$

2 marks

d.

**Cash Flow Statement for the quarter ended 31 March 2013 (extract)**

Item	Classification	Inflow/Outflow	Amount \$

1 mark

e.

<b>Explanation:</b>

2 marks

**Question 10**

a.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

6 marks

b.

**Equipment**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

**Disposal of Equipment**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

6 marks

**Question 11**

a.

**Equipment**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

**Disposal of Equipment**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

3 + 3 = 6 marks

b.

Report	Classification	Amount
Balance Sheet		
Cash Flow Statement		

2 marks



# Topic 10: Balance day adjustments

## Question 1

a.

	Revenue Item	Amount \$
(i)		
(ii)		
(iii)		

	Asset/Liability	Item	Amount \$
(i)			
(ii)			
(iii)			

6 marks

b.

	Cash Receipt	Amount \$
(i)		
(ii)		

2 marks

## Question 2

a.

### Cash Receipts Journal

Date 2013	Details	Receipt Number	Bank	Discount Expense	Debtors Control	Cost of Sales	Sales	Sundries	GST

1 mark

b.

### General Journal

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

2 marks

c.

**Prepaid Rent Revenue**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

3 marks

d.

<b>Description:</b>

2 marks

**Question 3**

a.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

3 marks

b.

**Accrued Interest Revenue**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

**Interest Revenue**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

3 marks

c.

**Cash Receipts Journal**

Date 2013	Details	Receipt Number	Bank	Discount Expense	Debtors Control	Cost of Sales	Sales	Sundries	GST

2 marks

**Question 4**

a.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

**Sales Journal**

Date 2013	Debtor	Invoice	Cost of Sales	Sales	GST	Debtors Control

6 marks

b.

<b>Explanation:</b>

2 marks

**Question 5**

a.

**Prepaid Advertising Revenue**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

**Advertising Revenue**

Date 2013	Cross-reference	Amount	Date 2013	Cross-reference	Amount

4 marks

b.

<b>Explanation:</b>

2 marks

**Question 6**

a.

<b>Explanation:</b>

2 marks

b.

<b>Explanation:</b>

2 marks

c.

<b>Explanation:</b>

2 marks

**Question 7**

a.

**Cash Receipts Journal**

Date 2013	Details	Receipt Number	Bank	Discount Expense	Debtors Control	Cost of Sales	Sales	Sundries	GST

1 mark

b.

Report	Item	Classification	Explanation
Cash Flow Statement			
Income Statement			
Balance Sheet			

3 marks

c.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

**Sales Journal**

Date 2013	Debtor	Invoice	Cost of Sales	Sales	GST	Debtors Control

**Cash Receipts Journal**

Date 2013	Details	Receipt Number	Bank	Discount Expense	Debtors Control	Cost of Sales	Sales	Sundries	GST

6 marks

**Question 8**

a.

**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

**Working space:**

8 marks

b.

**Balance Sheet (extract) as at 30 September 2013**

Current Assets	Current Liabilities

5 marks

**C.**  
**General Journal**

Date 2013	Details	General Ledger		Subsidiary Ledger	
		Debit	Credit	Debit	Credit

**Sales Journal**

Date 2013	Debtor	Invoice Number	Cost of Sales	Sales	GST	Debtors Control

4 marks

**d.**  
**Cash Receipts Journal**

Date 2013	Details	Receipt Number	Bank	Discount Expense	Debtors Control	Cost of Sales	Sales	Sundries	GST

2 marks

**e.**

<b>Explanation:</b>

2 marks

# Topic 11: Budgeting

## Question 1

a.

**Working space:**

3 marks

b.

**Benchmark:**

---

**Benchmark:**

2 marks

c.

**Accounting principle:**

---

**Explanation:**

---



---



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3 marks

## Question 2

a.

**Working space:**

1 mark

b.

Month	Total Sales (including GST)	Credit Sales (including GST)	December
	Estimated Receipts from Debtors		

3 marks

**Question 3**

a.

**Kate's Kites**

**Cash Budget Variance Report (extract) for month ending 30 June 2016**

	Actual	Budget	Variance	F/U
<b>Cash Flow from Operating Activities</b>				
Cash Sales		3 800	1 200	<b>U</b>
Receipts from Debtors	15 000		2 000	<b>U</b>
Payments to Creditors	(12 000)	(13 830)		
Prepaid Insurance Expense		(1 000)	200	<b>U</b>
Wages	(4 900)		1 600	<b>F</b>
Advertising	(500)	(1 040)		
<b>Net Cash Flows from Operations</b>	<b>(1 000)</b>		<b>570</b>	<b>F</b>

7 marks

b.


2 marks

c.


2 marks

**Question 4**

a.

**Brian's Boats**

**Income Statement Variance Report for year ending 31 December 2016**

	Actual	Budget	Variance	F/U
Sales	100 000		20 000	<b>U</b>
Less Cost of Sales	60 000	72 000		
Gross Profit	40 000			
Less Other Expense	20 000	30 000		
Net Profit	20 000		2 000	<b>F</b>

5 marks

b.

<b>Explanation</b>

2 marks

**Question 5**

a.

<b>Working space:</b>

**Debtors Control**

Date 2016	Cross-reference	Amount	Date 2016	Cross-reference	Amount

Credit Sales	
--------------	--

3 marks

b.

<b>Working space:</b>

**Debtors Control**

Date 2016	Cross-reference	Amount	Date 2016	Cross-reference	Amount

Cash Received from Debtors	
----------------------------	--

3 marks

c.

Working space:

**Debtors Control**

Date 2016	Cross-reference	Amount	Date 2016	Cross-reference	Amount

Cash Received from Debtors	
----------------------------	--

6 marks

**Question 6**

a.

**Debtors Control**

Date 2016	Cross-reference	Amount	Date 2016	Cross-reference	Amount

Cash Received from Debtors	
----------------------------	--

6 marks

b.

**Stock Control**

Date 2016	Cross-reference	Amount	Date 2016	Cross-reference	Amount

**Creditors Control**

Date 2016	Cross-reference	Amount	Date 2016	Cross-reference	Amount

Cash Paid to Creditors	
------------------------	--

7 marks

**Question 7**

a.

**Creditors Control**

Date 2016	Cross-reference	Amount	Date 2016	Cross-reference	Amount

Credit purchases of Stock	
---------------------------	--

3 marks

b.

**Stock Control**

Date 2016	Cross-reference	Amount	Date 2016	Cross-reference	Amount

Cost of Sales	
---------------	--

5 marks





h.

<b>Explanation:</b>

4 marks

**Question 8**

a.

**Old Hampton Sales**

**Cash Budget Variance Report for the year ended 30 June 2016**

	<b>Budget \$</b>	<b>Actual \$</b>	<b>Variance \$</b>	<b>F/U</b>
<b>Cash Flow from Operating Activities</b>				
Cash Sales	124 000	116 000	8000	
Receipts from Debtors	80 000	64 000		
GST Collected	12 400	11 600		
Payments to Creditors	(55 000)	(60 000)		
Petrol	(2 500)	(2 800)		
Other Car Expenses	(3 700)	(3 100)		
Wages	(64 000)		7 000	F
Rent	(16 000)		1 200	
Interest	0	(2 000)		
GST paid	(2 220)	(2 310)		
GST Settlement	(8 000)	(11 000)		
<b>Net Cash Flow from Operations</b>				
<b>Investing</b>				
Equipment	(18 000)	(24 000)		
<b>Net Cash Flow from Investing Activities</b>	<b>(18 000)</b>	<b>(24 000)</b>		
<b>Financing</b>				
Loan	0	20 000		
Drawings	(10 000)	(25 000)	15 000	U
<b>Net Cash Flow from Financing Activities</b>				
<b>Net Increase/(Decrease) in Cash Position</b>				
<b>Bank Balance as at 1/7/2015</b>	83 500	83 500		
<b>Bank Balance as at 30/6/2016</b>				

Note: \* F = favourable, U = unfavourable

6 marks

b.

<b>Reason 1:</b>
<b>Reason 2:</b>

2 marks

c.

<b>Benefit:</b>

2 marks

### Question 9

a.

<b>Comparison:</b>

4 marks

b.

<b>Discussion:</b>

3 marks

c.

<b>Advice:</b>

3 marks

d.

<b>Discussion:</b>

4 marks

e.

**Moonee Ponds Sports Store  
Income Statement Variance Report for the six months ending 31 March 2016**

	<b>Budget \$</b>	<b>Actual \$</b>	<b>Variance \$</b>	<b>% Change</b>	<b>F/U*</b>
Sales					
Less Cost of Sales					
Gross Profit					
Less Expenses					
Net Profit					

4 marks

f.

<b>Explanation:</b>

2 marks

g.

<b>Explanation:</b>

2 marks



b.

**Wheels and Spokes****Cash Budget Variance Report for the year ended 30 June 2016**

	<b>Budget \$</b>	<b>Actual \$</b>	<b>Variance \$</b>	<b>F/U</b>
<b>Cash Flow from Operating Activities</b>				
Sales	105 000	108 500		
GST collected	10 500			
Payments to Creditors	(11 500)			
Rent of Shop	(12 000)			
Wages	(30 000)	(29 240)		
Electricity	(3 000)	(3 200)		
Advertising	(2 400)		500	F
Postage and Stationery	(1 000)	(800)		
Interest on Loan	(2 700)		400	U
Telephone	(700)	(600)		
GST Paid	(1 910)	(1 990)		
GST Settlement	(24 000)	(23 000)		
<b>Net Cash Flow from Operations</b>	<b>26 290</b>			
<b>Financing</b>				
Bank Loan	0	5 000		
Loan Repayments	(18 000)	(20 000)		
Drawings	(36 000)	(40 000)		
<b>Net Cash Flows from Financing Activities</b>	<b>(54 000)</b>			
<b>Net Increase/(Decrease) in Cash position</b>	<b>(27 710)</b>			
<b>Bank Balance 1/7/2015</b>	<b>8 500</b>	<b>8 500</b>		
<b>Bank Balance 30/6/2016</b>	<b>(19 210)</b>			

6 marks

c.


2 marks

d.


2 marks

e.


1 mark

f.

<b>Working space:</b>			
	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="padding: 2px 5px;"><b>Budgeted Sales</b></td> <td style="padding: 2px 5px; text-align: center;"><b>\$</b></td> </tr> </table>	<b>Budgeted Sales</b>	<b>\$</b>
<b>Budgeted Sales</b>	<b>\$</b>		

2 marks

**Question 11**

a.

<b>Working space:</b>			
	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="padding: 2px 5px;"><b>Estimated Receipts from Debtors</b></td> <td style="padding: 2px 5px; text-align: center;"><b>\$</b></td> </tr> </table>	<b>Estimated Receipts from Debtors</b>	<b>\$</b>
<b>Estimated Receipts from Debtors</b>	<b>\$</b>		

2 marks

b.

<b>Working space:</b>			
	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="padding: 2px 5px;"><b>Estimated Payments to Creditors</b></td> <td style="padding: 2px 5px; text-align: center;"><b>\$</b></td> </tr> </table>	<b>Estimated Payments to Creditors</b>	<b>\$</b>
<b>Estimated Payments to Creditors</b>	<b>\$</b>		

2 marks



b.

Month	Total Sales	Cash Sales	Credit Sales	\$
			Estimated Receipts from Debtors	

2 marks

c.

**The Neater Furniture Store**  
**Budgeted Cash Flow Statement for month ended 31 October 2016**

	\$	\$
<b>Cash Flow from Operating Activities</b>		
<b>Net Cash flow from Operations</b>		
<b>Investing</b>		
<b>Financing</b>		
<b>Net Increase/(Decrease) in cash position</b>		
<b>Bank Balance 1 Oct 2016</b>		
<b>Bank Balance 31 Oct 2016</b>		

6 marks

d.

**General Ledger**

**Stock Control**

Date 2016	Cross-reference	Amount	Date 2016	Cross-reference	Amount

3 marks

e.

**The Neater Furniture Store**  
**Budgeted Income Statement for month ended 31 October 2016**

	\$	\$
<b>Revenue</b>		
<b>Net Profit</b>		

4 marks

f.

**Creditors Control**

Date 2016	Cross-reference	Amount	Date 2016	Cross-reference	Amount

**Debtors Control**

Date 2016	Cross-reference	Amount	Date 2016	Cross-reference	Amount

3 + 3 = 6 marks

g.

**The Neater Furniture Store**  
**Budgeted Balance Sheet as at 31 October 2016**

	\$	\$		\$	\$
<b>Current Assets</b>			<b>Current Liabilities</b>		
<b>Non-Current Assets</b>					
			<b>Non-Current Liabilities</b>		
			<b>Owner's Equity</b>		
<b>Total Assets</b>			<b>Total Equities</b>		

8 marks

h.

<b>Explanation:</b>

2 marks

i.

<b>Discussion:</b>

4 marks

j.

<b>Distinguish:</b>

4 marks

## Topic 12: Analysis and interpretation

### Question 1

a.

<b>Explanation:</b>

2 marks

b.

<b>Explanation:</b>

2 marks

c.

<b>Explanation:</b>

4 marks

### Question 2

a.

<b>Explanation:</b>

2 marks

b.

<b>Explanation:</b>

2 marks

c.

<b>Discussion:</b>

5 marks

d.

<b>Strategy:</b>
<b>Explanation:</b>

2 marks

e.

--

1 mark

f.

<b>Explanation:</b>

3 marks

**Question 3**

a.

<b>Description:</b>

2 marks

b.

<b>Discussion:</b>

4 marks

c.

<b>Discussion:</b>

4 marks

#### Question 4

a.

<b>Explanation:</b>

2 marks

b.


1 mark

c.

<b>Favourable or Unfavourable:</b>
<b>Justification:</b>

3 marks



d.

<b>Explanation:</b>

2 marks

e.

i.
ii.
iii.

3 marks

f.

<b>Limitation 1:</b>
<b>Limitation 2:</b>

2 marks

### Question 6

a.

<b>Explanation:</b>

2 marks

b.

<b>Discussion:</b>

6 marks

c.


2 marks

d.

<b>Distinguish:</b>

4 marks

e.

<b>Discussion:</b>

3 marks

f.

<b>Explanation:</b>

2 marks

**Question 7**

a.

<b>Explanation:</b>

2 marks

b.

<b>Explanation:</b>

2 marks

c.

<b>Explanation:</b>
<b>Strategy 1:</b>
<b>Strategy 2:</b>

4 marks