**Assessment Schedule - 2017**

**Prepare financial statements for sole proprietors (90978)**

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| **Question****One** | **Evidence** |
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| ***Sam’s Stationery*****Income Statement for the year ended 31 March 2017** |  |
|  | $ | $ | $ |  |
| **Revenue** |  |  |  |  |
| Sales |  |  | 308 600 | **E** |
| Less sales returns |  |  | 12 400 | **V** |
| Net sales |  |  | 296 200 |  |
| Less cost of goods sold |  |  |  |  |
| Opening inventory |  | 52 840 |  | **V** |
| Plus purchases | 105 800 |  |  | **E** |
| Less purchase returns | 2 080 | 103 720 |  | **V** |
| Plus freight inwards |  | 2 100 |  | **V** |
| Goods available for sale |  | 158 660 |  |  |
| Less closing inventory |  | 55 670 |  | **V** |
| Cost of goods sold |  |  | 102 990 | **V\*** |
| Gross profit |  |  | 193 210 | **V\*** |
| **Add other Income** |  |  |  |  |
| Dividends received |  | 825 |  | **M** |
| Interest received |  | 400 | 1 225 | **V** |
|  |  |  | 194 435 |  |
| **Less expenses** |  |  |  |  |
| **Distribution costs** |  |  |  |  |
| Advertising | 2 000 |  |  | **M** |
| Courier and delivery expenses | 11 600 |  |  | **V** |
| Electricity (shop) | 1 875 |  |  | **E\*** |
| Shop Insurance | 5 200 |  |  | **V** |
| Shop security | 1 980 |  |  | **V** |
| Shop wages | 33 200 |  |  | **V** |
| Depreciation on shop fittings | 3 215 |  |  | **E** |
|  |  | 59 070 |  |  |
| **Administrative expenses** |  |  |  |  |
| Accountancy Fees | 1 400 |  |  | **V** |
| Electricity (office) | 625 |  |  |  |
| General office expenses | 1 500 |  |  | **V** |
| Office salaries | 26 350 |  |  | **M** |
| Depreciation – Office equipment | 2 400 |  |  | **M** |
|  |  | 32 275 |  |  |
| **Finance costs** |  |  |  |  |
| Interest on mortgage |  | 8 525 |  | **V** |
| **Total Expenses** |  |  | 99 870 |  |
| **Profit for the year** |  |  | **94 565** | **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\*** Electricity correct in both distribution costs and administrative expenses (award V if $2500)**F** Foreign item (accounts or headings which do not belong in this statement) **V\*** Correct stem and correct process  |

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| **Not Achieved** | **Achievement** | **Achievement with Merit** | **Achievement with Excellence** |
| **N1** | **N2** | **A3** | **A4** | **M5** | **M6** | **E7** | **E8** |
| 6 **V** / **M** / **E** | 10 **V** / **M** / **E** | 12 **V** / **M** / **E** | 17 **V** / **M** / **E** | 18 **V** / **M** / **E** *inc*3 **M** / **E**max 2 **F** | 21 **V** / **M** / **E** *inc*4 **M** / **E**max 1 **F** | 22 **V** / **M** / **E** *inc*7 **M** / **E**no **F** | 24 **V** / **M** / **E** *inc*8 **M** / **E**no **F****No Detracting errors** |

**NØ** = No response; no relevant evidence.

Note: A detracting error includes those errors that limit the accuracy of the financial statements for the entity being examined. This includes % breakdowns as part of the stem for Electricity, Total Income (after COGS has been deducted), Total Sales as opposed to Net Sales, Abbreviated or incorrect headings (eg Shop Expenses as opposed to Distribution Costs). Similar detracting errors in question 2.

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| **Question****Two** | **Evidence** |
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| ***Sam’s Stationery*****Statement of Financial Position as at 31 March 2017** |  |
|  | $ | $ | $ |  |
| **Current Assets** |  |  |  |  |
| Accounts receivable |  | 1 265 |  | **E** |
| Inventory |  | 55 670 |  | **V** |
| Prepayments |  | 250 |  | **M** |
| Accrued income |  | 275 |  | **M** |
|  |  |  | 57 460 |  |
| **Add: Non-current assets** |  |  |  |  |
| **Intangible Assets** |  |  |  |  |
| Goodwill |  | 18 700 |  | **V** |
| **Investment Assets** |  |  |  |  |
| Shares in The Warehouse |  | 14 000 |  | **V** |
| **Property, Plant and Equipment (1)** |  |  |  |  |
| (Total Carrying Amount) |  | 216 635 | 249 335 | **V**ft |
| **Total Assets** |  |  | 306 795 |  |
| **Less: Liabilities** |  |  |  |  |
| **Current Liabilities** |  |  |  |  |
| Accounts payable | 2 070 |  |  | **E** |
| Bank | 1 650 |  |  | **V** |
| GST  | 7 695 |  |  | **EE\*** |
| Accrued expenses | 150 | 11 565 |  | **M** |
|  |  |  |  |  |
| **Non-current Liabilities** |  |  |  |  |
| Mortgage (due 2027) |  | 155 000 |  | **V** |
| **Total Liabilities** |  |  | 166 565 |  |
| **Net Assets** |  |  | **140 230** | **V\*** |
| **Equity** |  |  |  |  |
| (Opening) Capital |  |  | 97 665 | **V** |
| Plus profit for the year |  | 94 565 |  | **V**ft |
| Less drawings |  | (52 000) | 42 565 | **V** |
| Closing Capital |  |  | **140 230** | **V\*** |

**Notes** **V** Correct stem (no abbreviations) and figure, correctly classified**V\*** Correct process and stem for Net Assets, and process for Closing Capital**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 – award one E for 7530 or 7965**F** Foreign item**ft** Follow through allowance |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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| **Note to the Statement of Financial Position**1. **Property, Plant and Equipment**

|  |  |  |  |  |
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|  | **Land and buildings** | **Office Equipment** | **Shop Fittings** | **Total** |
|  | $ | $ | $ | $ |
| Cost  | 200 000 **V** | 12 500 **V** | 22 995 **V** | 235 495 |
| Accumulated Depreciation  | 0 | 6 000 **M** | 12 860 **E** | 18 860 |
| Carrying Amount  | 15 260 | 25 400 | 12 400 | 216 635 |
|  |  |  |  | **V\*** |

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

|  |  |
| --- | --- |
| **Office equipment is $2 400 per year (or 10.4%)****Shop fitting is based on a useful life of 7 years and a residual value of $490 (or $3 215 or 14% per year)**  | **V#****V#** |
|  |  |

**Notes****V** Correct PPE account title and figure**V\*** Correct process for all carrying amounts, including total column**V#** Correct depreciation sentences NOT formulae**M** Correct figure, under correct heading**E** Correct figure, under correct heading**F** Foreign item |

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| **Not Achieved** | **Achievement** | **Achievement with Merit** | **Achievement with Excellence** |
| **N1** | **N2** | **A3** | **A4** | **M5** | **M6** | **E7** | **E8** |
| 6 **V** / **M** / **E** | 9 **V** / **M** / **E** | 12 **V** / **M** / **E** | 15 **V** / **M** / **E** | 20 **V** / **M** / **E** *inc*3 **M** / **E**max 1 **F** | 22 **V** / **M** / **E** *inc*4 **M** / **E**max 1 **F** | 24 **V** / **M** / **E** *inc*7 **M** / **E**no **F** | 26 **V** / **M** / **E** *inc*9 **M** / **E**no **F****No Detracting errors** |

**NØ** = No response; no relevant evidence.

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| **Question****Three** | **Evidence** |
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| ***Sam’s Stationery*****Cash Budget for the month ended 31 May 2017** |
|  | $ | $ |  |
| **Estimated Cash Receipts** |  |  |  |
| Dividends (received) | 275 |  | **V** |
| Sales | 20 200 |  | **C** |
| Shares (Warehouse) | 7 000 |  | **V** |
|  |  |  |  |
| **Total Estimated Cash Receipts**  |  | 27 475 |  |
| **Estimated Cash Payments** |  |  |  |
| Insurance | 450 |  | **V** |
| Wages | 4 800 |  | **C** |
| Purchases | 9 000 |  | **V** |
| Advertising | 300 |  | **V** |
| Vehicle/Van (deposit) | 6 400 |  | **C** |
| Mortgage and Interest | 1 500 |  | **V** |
| Drawings | 1 000 |  | **C** |
| Shop Expenses | 3 000 |  | **C** |
|  |  |  |  |
| **Total Estimated Cash Payments**  |  | 26 450 |  |
|  |  |  |  |
| **Surplus of cash** |  | 1 025 |  |
| **Opening Bank Balance** |  | 560 | **C#** |
| **Closing Bank Balance** |  | 1 585 |  |

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|  | **Notes for Assessors****V** correct stem, correct figure correctly classified **C** correct stem, correct figure correctly classified (award V if correct except for figure)**C#** correct processing over all 3 areas: surplus stated (or deficit if numbers incorrect), opening bank balance, and closing bank balance)**F** foreign item |

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| **Not Achieved** | **Achievement** | **Achievement with Merit** | **Achievement with Excellence** |
| **N1** | **N2** | **A3** | **A4** | **M5** | **M6** | **E7** | **E8** |
| 2 grades | 4 grades | 6 grades | 8 grades | 9 grades inc 3 **C**Max 2 F | 10 grades inc 4 **C**max 1 F | 11 grades inc 5 **C**no F | 12 grades inc 6 **C** no F |

**NØ** = No response; no relevant evidence

**Cut Scores**

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