

Instructions

Answer **all** questions in the spaces provided.

**BSAFIN201A – PREPARE AND PROCESS FINANCIAL DOCUMENTATION FOR
CASH FLOW AND ACCOUNTING PURPOSES**

Question 1

The following invoice is correct.

Compare it to the cheque issued by the business and record one error only.

SmartBank Australia	ABN: 37 088 695 258
Melbourne – 164 Bourke Street Vic 3000	Date: 27 October 2006
Pay to TRU Energy	or bearer
The sum of Two hundred and Eighty Dollars and Sixty Cents	\$280.60
M Mark	
914028	<i>M Mark</i>

TRU Energy	
Gas Account	
Mr M Mark	
Clever Water Car Wash	
14 Natalia Ave	
MELBOURNE VIC 3000	
	Issue date 20 October 2006
Tax Invoice	
Gas Account Summary	
Total Amount Due (inc. GST)	\$208.60

List **one** error only.

1 mark

Question 2

Compare the following two documents and record one error.

Clever Water Car Wash				
14 Natalia Avenue				
MELBOURNE VIC 3000				
				Receipt No. 100
Date	Received	Particulars	Discount	Cash/Cheque
21 Oct 2006	Dr A Clifford	Car Wash \$55.00 GST \$5.50		\$55.00
				_____ signature

CleverBank Victoria	ABN: 73 078 625 298
Melbourne – 99 Collins Street Vic 3000	Date: 27 October 2006
Pay to Clever Water Car Wash	or bearer
The sum of Fifty-five Dollars	\$55.00
Dr A Clifford	
102 10223455	_____ signature

List **one** error only.

1 mark

TURN OVER

Question 3

The following information was collected by M Mark of Clever Water Car Wash on 27 October 2006.

Clever Water Car Wash		
14 Natalia Avenue		
MELBOURNE VIC 3000		
27/10/2006		
Cash Summary		
\$100		\$600.00
\$50		\$450.00
\$20		\$280.00
\$10		\$130.00
\$5		\$55.00
Coins		\$23.25

Clever Water Car Wash	
14 Natalia Avenue	
MELBOURNE VIC 3000	
27/10/2006	
VISA/MASTERCARD/EFTPOS Summary	
EFTPOS	\$515.00
VISA/MASTERCARD	\$320.55
TOTAL	\$835.55

Cheques were received from

Dr A Clifford, CleverBank Victoria, Melbourne, \$55.00

S Jones, Southpac, Melbourne, \$135.00.

Required

Prepare the bank deposit slip below for all transactions on 27 October 2006 for Clever Water Car Wash, account number 1123 1132.

SmartBank Australia				
Deposit Slip				
		Date _____		
Account Name _____		Account No. _____		
<i>Cheques deposited (funds not available until cheques cleared, approximately four working days)</i>				
Drawer	Bank	Branch/BSB	Amount	
			\$	c
Cash Tended	\$	Total cheques		
	100			
	50			
	20			
	10			
	5			
	Coins			
		Total cash		
Paid in by	Total deposit			

Question 4

a. What are source documents?

1 mark

b. Why is it important to fill out the cheque butt?

1 mark

c. List four pieces of information to be included on an invoice.

1. _____
2. _____
3. _____
4. _____

4 marks

d. What does the abbreviation EFTPOS stand for?

1 mark

TURN OVER

Question 5

Refer to the Petty Cash Book and Cash Payments Journal on pages 7 and 8.

- a. Provide **one** reason why Clever Water Car Wash uses petty cash vouchers for its petty cash system.

1 mark

- b. Provide **one** reason why Clever Water Car Wash would not record GST on all items in the Petty Cash Book.

1 mark

- c. Record the following expenditure for October into the Petty Cash Book on page 7.

Date	Amount \$	Item	Voucher No.
Oct 20	2.30	Photocopy	507
23	1.10	Stamps	508
23	5.00	Milk	509
26	8.25	Stamps	510

1 mark

- d. Reimburse the Petty Cash Book on 27 October 2006 and record the reimbursement in the Cash Payments Journal on page 8 using cheque number 914029.

6 marks

BSAFIN302A – MONITOR CASH CONTROL FOR ACCOUNTING PURPOSES

Question 6

- a. Freedom Engineering and Tool Making needs to send out its October statements. Complete the statement for R Frazer.

Date	Details	Amount \$
Oct 01	Balance	1 020 DR
06	Payment of balance received less 5% discount–Rec No. 25	?
13	Sales invoice 123	2 005
23	Returns Credit Note 05	200
26	Receipt number 35	1 200

Freedom Engineering and Tool Making					
96 Blacksmith Road					
MELBOURNE VIC 3000					
October Statement for R Frazer				Date _____	
Date	Particulars	Debit	Credit	Balance	
	Total amount owing				
5% 10/n30 Your prompt attention to this account would be appreciated					

5 marks

- b. Name two documents that should be checked during the preparation of R Frazer’s monthly statement.

Document 1 _____

Document 2 _____

2 marks

- c. State **one** reason why Freedom Engineering and Tool Making should **not** accept a personal cheque from R Frazer.

1 mark

d. Explain why R Frazer would benefit from paying Freedom Engineering and Tool Making promptly.

1 mark

e. If an error was detected by R Frazer in his statement, how could he correct the situation?

1 mark

BSAFIN301A – MAINTAIN DAILY FINANCIAL RECORDS FOR ACCOUNTING PURPOSES

Question 7

The following information relates to the business of Teresa Ga'al, a professional photographic supplier. On 30 November 2006, the following Bank Statement was received by the business.

Bank Statement

Account Number 137-888 133-7893 Account Title Teresa Ga'al Photographic Supplier The Northplace Banking Company Collingwood Branch				
Date	Details	DR \$	CR \$	Balance \$
2006 Nov 1	Balance carried forward			1 230 DR
7	Chq. 8975	250		1 480 DR
8	Deposit		199	1 281 DR
10	Deposit		1 100	181 DR
13	Deposit		500	319 CR
17	Chq. 8976	456		137 DR
20	Chq. 8977	157		294 DR
22	Dishonoured Chq.	199		493 DR
27	Deposit		550	57 CR
30	Chq. book	49		
30	Interest		7	

- a. Complete the two balances missing in the Bank Statement.

2 marks

The Cash Journals for the business for the month of November 2006 were as follows.

Cash Receipts Journal

Date	Details	Rec. No.	Debtors \$	Cash fees \$	Sales \$	Sundries \$	Bank \$
2006 Nov 8	J Turnbull	978	199				199
10	Cash fees	CRR		1 100			1 100
13	Sale of film and paper	979			500		500
27	T Jones	980	550				550
29	Cash fees	CRR		975			975

Cash Payments Journal

Date	Details	Chq. No.	Creditors \$	Film \$	Sundries \$	Bank \$
2006 Nov 5	Film	8975		250		250
19	Photographic paper	8976	456			456
21	Cash (Drawings)	8977			157	157
25	Photographic paper	8978		200		200

Additional information

- The bank balance on the business records as at 31 October 2006 was \$1230 credit.
 - The bank notified Teresa that the cheque deposited on 8 November 2006 would not be honoured.
- b. Using the bank statement complete the Cash Receipts and Cash Payments records and total the columns.

4 marks

- c. Using either the T-format **or** columnar format provided, complete the Bank Account in the ledger for Teresa Ga'al.

3 marks

T-FORMAT

Bank Account

Date	Details	Amount \$	Date	Details	Amount \$

OR

COLUMNAR FORMAT

Bank Account

Date	Particulars	Folio	Debit \$	Credit \$	Balance \$

- d. Prepare a Bank Reconciliation Statement as at 30 November 2006.

Bank Reconciliation Statement for Teresa Ga'al Photographic Supplier

	\$	\$

3 marks

- e. What advantage would a computerised accounting software package be for Teresa, who is always pressed for time?

1 mark

- f. What does a DR balance in the Bank Statement mean?

1 mark

- g. State two reasons why a business needs to prepare a monthly Bank Reconciliation Statement.

Reason 1 _____

Reason 2 _____

2 marks

Question 8

Using all the information provided, **complete** the Credit Sales Journal and the Debtors Subsidiary Ledger for T Jones.

- 9 November T Jones purchased 500 rolls of film @ \$5.50 each (incl. GST) (Invoice KY23456)
- 19 November T Jones purchased 300 packets of photographic paper @ \$11 each (incl. GST) (Invoice KY23489)

Credit Sales Journal

Date	Details	Inv. No.	Sales	GST collected	Debtors control

T-FORMAT

Debtors Subsidiary Ledger**AA1–T Jones**

Date	Details	Amount \$	Date	Details	Amount \$

OR

COLUMNAR FORMAT

Debtors Subsidiary Ledger**AA1–T Jones**

Date	Details	Folio	Debit \$	Credit \$	Balance \$

4 marks

TURN OVER

BSAFIN305A – MAINTAIN FINANCIAL RECORDS FOR REPORTING PURPOSES

Question 9

a. Explain the term ‘accrued wages’.

1 mark

b. What type of account is it?

1 mark

Question 10

On 1 November 2006 a cash register costing \$4565 incl. GST was purchased on credit from Smith Cash Registers Ltd. (Invoice no. A45621)

Post this transaction to the General Journal – include a narration.

General Journal

GJ

Date	Details	Debit \$	Credit \$

4 marks

Question 11

The Purchases Journal below requires **posting** to the appropriate ledgers using either the T-format or the columnar format on the following pages.

4 marks

Purchases Journal						PJ
Date	Creditor	Folio	Inv. No.	Purchases \$	GST paid \$	Creditors control \$
2006						
Oct 1	X Jones		Z1232	2 150	215	2 365
	K Black		65456	3 090	309	3 399
2	B West		R8877	4 670	467	5 137
3	N Apples		Q8787	2 810	281	3 091
4	K Gregg		P3433	1 190	119	1 309
	X Jones		Z2323	990	99	1 089
5	K Black		66223	3 770	377	4 147
				18 670	1 867	20 537

The following accounts do not need to be balanced.

T-FORMAT

L1: Creditors Control Account

Date	Details	Amount \$	Date	Details	Amount \$
			2006 Oct 1	Balance	3 440

A3 GST Paid Account

Date	Details	Amount \$	Date	Details	Amount \$
2006 Oct 1	Balance	520			

COGS1: Stock Control Account

Date	Details	Amount \$	Date	Details	Amount \$
2006 Oct 1	Balance	8 800			

Creditor's Subsidiary Ledger**C1: X Jones Account**

Date	Details	Amount \$	Date	Details	Amount \$
			2006 Oct 1	Balance	180

OR

COLUMNAR FORMAT

L1: Creditors Control Account

Date	Particulars	Folio	Debit \$	Credit \$	Balance \$
1 Oct	Balance				3 440 CR

A3 GST Paid Account

Date	Particulars	Folio	Debit \$	Credit \$	Balance \$
1 Oct	Balance				520 DR

COGS1: Stock Control Account

Date	Particulars	Folio	Debit \$	Credit \$	Balance \$
1 Oct	Balance				8 800 DR

Creditor's Subsidiary Ledger**C1: X Jones Account**

Date	Particulars	Folio	Debit \$	Credit \$	Balance \$
1 Oct	Balance				180 CR

TURN OVER

BSAFIN304A – PROCESS PAYROLL**Question 12**

- a. Define and provide an example of an **employee payroll deduction**.

Definition _____

Example _____

2 marks

- b. Define and provide an example of an **employee payroll entitlement**.

Definition _____

Example _____

2 marks

- c. Define and provide an example of a **fringe benefit tax item**.

Definition _____

Example _____

2 marks

- d. What do the letters 'PAYG' represent?

1 mark

- e. What is a casual employee?

1 mark

- f. Explain how the Medicare levy is calculated and what it is used for.

Explanation _____

Use _____

2 marks

- g. What is a part-time employee?

1 mark

- h. Define the term **superannuation**.

1 mark

- i. What is a permanent employee?

1 mark

- j. Define the term **net pay**.

2 marks

TURN OVER

FNBFIN68A – PREPARE REPORTS FOR MANAGEMENT

Question 13

- a. Plenty Ltd purchased a new delivery motor cycle on 1 October 2006 for \$15 000. It is planned to keep the motor cycle for three years and then trade it in for a new model. The estimated trade-in value is expected to be \$3 000. Plenty Ltd uses the straight-line method of depreciation.

Prepare an extract of Plenty Ltd Statement of Financial Position to show how the motor cycle would be reported as at 31 December 2006.

Plenty Ltd Statement of Financial Position (extract) as at 31 December 2006

	\$	\$

2 marks

- b. Provide two disadvantages of buying stock in bulk.

Disadvantage 1

Disadvantage 2

2 marks

Question 14

The following information relates to the wholesale business of J Thomas.

	2006
Stock losses	300
Capital – J Thomas	25 000
Drawings – J Thomas	15 000
Trade debtors	4 200
Trade creditors	8 300
Stock – 1 Jan 2006	52 700
Purchases	475 000
Sales	600 000
Sales returns	2 500
Purchase returns	1 800
Office stationery	800
Cartage inwards	2 500
Cartage outwards	4 000
Discount revenue	300
Discount expense	400
Office insurance	1 500
Office salaries	16 800
Office furniture	10 000
Duty & wharfage	2 500
Bad debts	200
Long term loan from Sunrise Investments None is repayable within the next 12 months	50 000
Bank (debit balance)	45 000
Motor vehicles	45 000
Rent expense	2 500
Interest expense	4 500

Additional information

Stock on hand at 31 December 2006 was \$35 000.

Depreciation on Office furniture is at 10% per annum on cost.

- a. Prepare a report showing the administration expense section of the Statement of Financial Performance report for the year ended 31 December 2006.

Administration expenses	\$

4 marks

Question 14 – continued
TURN OVER

b. Prepare a Classified Trading Statement for the year ending 31 December 2006.

Trading statement	\$	\$	\$

9 marks

c. Prepare a report to show the Working Capital as at 31 December 2006.

Working capital	\$	\$

4 marks

d. What percentage of trade debtors are bad debts?

%

2 marks