

BA SANGAM COLLEGE
YEAR 12 ACCOUNTING
WORKSHEET ONE - REVISION QUESTIONS

Reminder

1. Write the solutions at the back of accounting book.

QUESTION 1

PERSONAL ACCOUNTING

(10 MARKS)

1. List **two** advantages of being able to access accounts online?
(1 mark)
2. List **one** advantage and **one** disadvantage of credit card.
(2 marks)
3. What does the abbreviation EFTPOS stand for?
(1 mark)
4. Mr. Nand a resident of Fiji, owns a house in Lami and he plans to sell it to Mr. Chand on 2nd May 2016 for \$230 000. Mr. Nand acquired the house on 1st January 2011 for \$135 000. Calculate the gain or loss on disposal of asset? If there is a gain then calculate the Capital Gains Tax.(Assume this was Mr. Nand's principal place of residence)
(2 marks)
5. Differentiate between Capital gains tax and Service turnover Tax.
(2 marks)
- 6.

Resource

<i>BANK STATEMENT</i>			
Miss Jokapeci 72 Nadi Road Nasinu		Fiji Bank Kadavu Road Suva Telephone: 0800 3562561	
28 th February 2016 Statement number 53			
Your statement for account number: 06 8362 1539 00			
Transactions this month			
1 February 2016	Balance forward		\$154.44
5 February	Deposit	\$211.64	\$366.08
8 February	AP-Gas Account Company	\$45.83	\$320.25
16 February	ATM Withdrawal	\$100.00	\$220.25
24 February	EFTPOS-Fuel4Less	\$53.47	\$166.78

- a) How much money is left in the bank in the Resource?
(1mark)
- b) What does the abbreviation ATM stand for in the Resource?
(½ mark)
- c) Whose bank statement is given in the resource?
(½ mark)

QUESTION 2

NATURE OF ACCOUNTING

1. Differentiate between **Accounting Entity** and **Legal Entity**.
(1 mark)

2. Explain the term conceptual framework. (1 mark)
3. Explain why an investor will be interested in the accounting information (1 mark)

QUESTION 3 **FINANCIAL ACCOUNTING** **(15 MARKS)**

Part A **VAT and Source Documents** **(5 marks)**

1. In Fiji, Value added tax is charged on most goods and services at 9 %. The VAT Inclusive Price of an item is \$1150, and then what would be the VAT Exclusive Price of the same item? (2 marks)
2. Use the source document to answer the questions that follow:

Hometown Enterprises 8 Hill Road, Seaqaqa		CREDIT NOTE Phone: 18823 000 No. 3398	
Credit: <u>Ram Prasad</u>		Date: 02/01/2016	
Customer Order No. <u>11695</u>			
Qty	Description	Unit Price \$	Amount \$
5	Packets of Potato Chips	2.79	13.95
Tax Invoice No. 579 286		Total VIP	
		13.95	

- a. Who is the seller in the above document? (½ mark)
- b. Why is the tax invoice number shown in the credit note? (½ mark)
- c. List down **two** reasons why customers return goods. (1 mark)
- d. Which journal is used to record the above transaction? (½ mark)
- e. Write the possible transaction reflected in the above source document? (½ mark)

Part B **Journals**
(5 marks)

2015	
July 2	Issued invoice to Meena \$70.
4	Paid \$500 cash less \$30 discount to Momo Ltd.
	Cash purchases \$200
8	Bought goods from Sala \$300

12	Cash drawings\$420
14	Paid Tima \$270 and discount received \$30
15	Meena paid \$50.
17	Sold goods to Tina \$100
25	Bought goods from Peter \$20
28	Issued invoice to Melia \$200
31	Received invoice from Jhon \$50

Prepare the following journals:

(i) Sales Journal

(2 marks)

(ii) Cash Payments Journal

(3 marks)

Part D

Ledger posting.

(5 marks)

Albert Singh operates a grocery business. The following information is given for the month of June 2016:

General Journal			
Date	Particulars	Debit (\$)	Credit (\$)
June 1	Cash at Bank	620	
	Inventory	6 500	
	Equipment	1 520	
	Accounts Receivable: Tomasi	153	
	: Anthony	65	
	Accounts Payable: Gonac Ltd		800
	: Taniela		880
	Loan		3 000
	Capital		4 178
		(To record assets and liabilities.)	8 858
7	Drawings	88	
	Purchases		88
	(To record goods taken by owner for own use.)		
18	Equipment	750	
	Supplies Ltd		750
	(To record purchase of equipment.)		

Cash Payments Journal							
Date	Particulars	Discount Received \$	Detail \$	Bank \$	Purchases \$	Accounts Payable \$	Other Payments \$
June 3	Purchases		85		85		
	Wages		<u>280</u>	365			280
8	Gonac Ltd	20		720		740	
24	Purchases			105	105		
		<u>20</u>		<u>1 190</u>	<u>190</u>	<u>740</u>	<u>280</u>

Purchases Journal			
Date	Particulars	Debit (\$)	Credit (\$)
June 6	Manasa		140
15	Gonac Ltd		175
	Purchases A/c Dr	<u>315</u>	

Purchases Returns Journal			
Date	Particulars	Debit (\$)	Credit (\$)
June 17	Gonac Ltd	25	
	Purchases Returns A/C Cr		<u>25</u>

Required

Prepare the following ledger accounts from the journals given above. **(Do not balance the accounts)**

- Cash at Bank Account
- Purchases Account
- Manasa's Account
- Capital Account

QUESTION 4

ACCOUNTING REPORTS

(20 MARKS)

Part A

Financial Performance

The following is the Trial Balance of Jonas Traders as at 30th September 2020.

Ledger Balances	Debit \$	Credit \$
Sales		100 000
Purchases Returns		1 000
Interest on Mortgage	2 500	
Office –Wages	20 000	
Insurance	2 400	
Goodwill	15 000	
Land and Buildings	50 000	
Equipment	20 000	
Accumulated Depreciation-Equipment		6 000

Office Furniture	5 000	
Cash at Bank	26 000	
Sales Returns	3 000	
Drawings	15 000	
Capital		120 020
Office Expenses	4 430	
Interest received		1 260
Debtors	14 500	
Creditors		14 520
Inventories-(1 October,2019)	22 000	
Purchases	60 000	
Advertising	5 000	
Provision for doubtful debts		1 500
Mortgage		30 000
Stationery	2 650	
Lighting	5 620	
Customs Duty	1 200	
	\$274 300	\$274 300

Additional Information:

- a. Interest payment on mortgage was at 10 % per annum. Some interest were due but were not paid out on balance day.
- b. Insurance premium is \$200 per month.
Two months insurance premiums were paid in advance.
- c. Increase the Provision for doubtful debts to \$2 000.
- d. Inventories (30th September 2020) \$20 000.

REQUIRED:

Prepare a fully classified Financial Performance of Jonas Traders for the year ended 30th September 2020.