

# ACCOUNTING AC2009Y1

## INTERNAL ASSESSMENT ACTIVITY

### ACHIEVEMENT STANDARD 91175 (VERSION 2) ACCOUNTING 2.2

Demonstrate understanding of accounting processing using accounting software

Level 2, Internal assessment

4 credits

## STUDENT INSTRUCTIONS

### Overview:

In this activity you will be:

- processing financial information for accounting systems for a company called Dolls House.

### Conditions:

- This assessment is open book.
- You may use your notes or manuals as required.

### You will need:

- MYOB software
- printer and paper
- the resources supplied.

### Supervisor requirements

You and the supervisor (if applicable) must sign the cover sheet at the back of the assessment to verify that the work is your own.



# ASSESSMENT CRITERIA

## ACHIEVEMENT STANDARD AS91175 (VERSION 2) ACCOUNTING 2.2

Demonstrate understanding of accounting processing using accounting software

Achievement	Achievement with Merit	Achievement with Excellence
Demonstrate understanding of accounting processing using accounting software.	Demonstrate in-depth understanding of accounting processing using accounting software.	Demonstrate comprehensive understanding of accounting processing using accounting software.

NZQA

# ASSESSMENT ACTIVITY

## ACCOUNTING

### INSTRUCTIONS

- Set up the business in MYOB.
- Create a chart of accounts using the Trial Balance as a reference.
- Set up suppliers, inventory and customers.
- Process each transaction for the month of October.

Your supervisor must be present to observe you and complete the supervisor sheet.

### TASK 1

This activity involves a sole proprietor business called **Dolls House**, owned by Moana Townsend. **Dolls House** specialises in selling dolls to retail stores around the North Island. Moana purchases all her stock of dolls from local manufacturers and operates a perpetual inventory system to keep track of her stock.

To date she has mainly sold the 'Classic' doll, however, she is expanding and diversifying her range. She records her sales, cost of sales and inventory separately for each line of stock.

The business is registered for GST on the invoice basis.

Use the information in Student Resource A to:

- Use a chart of accounts provided by MYOB.
- Add additional information to establish customer, supplier and inventory information.
- Record all October transactions. You may need to create new accounts as required, in addition to those required of you.

After completing all transactions:

- Print a transaction journal summary that shows all your transactions for the period
- Print a final Trial Balance.



#### Reminder:

You and your supervisor must sign the cover sheet at the back of the assessment to verify that the work is your own.

# ASSESSMENT RESOURCES

## SET UP INFORMATION

The trial balance figures at 1 October 2011.

**Dolls House Trial Balance as at 1 October**

Bank cheque account (your name)	5,326	
Accounts Receivable	200	
<b>Inventory:</b> Inventory D401	300	
Furniture and Fittings	18,000	
Accounts payable		400
GST Collected		688
Owner's Capital		30,050
Accumulated Depreciation – Furniture & Fittings		3,000
Drawings	7,000	
Advertising	1,700	
Rent	4,300	
<b>Cost of Goods Sold:</b> COGS D401	42,000	
Delivery Expenses	4,468	
Wages	12,844	
<b>Sales:</b> Sales D401		60,000
Loan (8% due 2015)		7,000
Shares – Homecare Wholesale Ltd	5,000	
	<b>101,138</b>	<b>101,138</b>

Depreciation is charged on all items of Plant, Property and Equipment at a rate of 25%.

**Dolls House business details are:**

Name Address  GST No Current Financial Year Last Month of Financial Year <b>Conversion month: October 2011</b>	<i>Dolls House – [student's name]</i> 80 Islington Road Napier 13 579 24 2012 March
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Note: don't forget to click **Change** to save your files to your computer.

**Existing customers, suppliers and products**

Customer name	Address	Balance owing
Dolls for All	40 Devon Street TAURANGA	\$200

Supplier name	Address	Balance owing
Wholesale Supplies	52 Mangorei Road WHANGANUI	\$400

Product name	Product code	Selling price (incl. GST)	Unit cost price (excl. GST)	Quantity in stock
Classic	D401	48	20	15

**GST reminder**

You need to select the correct GST code (15%).

Go to the *Lists* menu (on the top of the toolbar) select *GST codes*, then highlight **\$15** or use the drop down menu in Inventory.

Create the following accounts for Dolls House:

1. Inventory Loss
2. Interest on Loans
3. Gain on Sale on Fittings
4. Computer Equipment
5. Telephone and Tolls
6. Overdue Fees Expense
7. Depreciation – Furniture & Fitting
8. Term Deposit
9. Travel Expenses.

**STUDENT RESOURCE A**

## 1. New suppliers, inventory and customers

Supplier name	Address
Top of the Line Supplies Children's Retail	285 Victoria Road, DUNEDIN 18 Jasmine Road, MASTERTON

	Harrison Doll	Madonna Doll
Item number	D500	D600
Selling price (incl. GST)	\$52	\$42
Selling unit	One	One
Unit cost (excl. GST)	\$25	\$22

Customer name	Address
Granny Dolls General Store Gifts for All	20 Hanson Street, NELSON 123 Ashton Road, NAPIER 54 Parr Street, AUCKLAND

## 2. During the month of October, Dolls House had the following transactions. (Dolls House is registered for GST on the invoice basis.)

**All figures INCLUDE GST where appropriate.**

Before you click **Record** for any transaction, you can check the journal entry for the transaction by clicking on **Control and R**.

Date	Transaction
October 2	Wrote cheques for the following monthly expenses: <ul style="list-style-type: none"> <li>Chq no 481 Napier District Council – \$240 for rent.</li> <li>Chq no 482 Wages – \$1350.</li> <li>Chq no 483 The Napier Daily – \$160 for advertising.</li> </ul>
3	<ul style="list-style-type: none"> <li>Purchased 20 Harrison dolls from Wholesale Supplies (Invoice 23).</li> <li>Purchased 16 Madonna dolls from Top of the Line Supplies (Invoice 54).</li> </ul>
4	<ul style="list-style-type: none"> <li>Sold 8 Classic dolls (Order 64) to Dolls for All.</li> <li>Sold 5 Harrison dolls (Order 182) to Granny Dolls.</li> <li>Sold 3 Madonna dolls (Order 91) to General Store.</li> <li>Sold 3 Classic dolls for Cash.</li> <li>Sold 2 Madonna dolls for EFTPOS.</li> </ul>
6	<ul style="list-style-type: none"> <li>Dolls for All returned 2 Classic dolls that were damaged.</li> <li>General Store returned 1 Madonna doll.</li> </ul>

8	<p>Sent cheques to the following suppliers:</p> <ul style="list-style-type: none"> <li>• Chq no 484 Wholesale Supplies – \$200.</li> <li>• Chq no 485 Top of the Line Supplies – \$352.</li> </ul>
10	<ul style="list-style-type: none"> <li>• Moana returned 1 Madonna doll to Top of the Line Supplies</li> </ul>
11	<p>Received cheques from the following customers:</p> <ul style="list-style-type: none"> <li>• Dolls for All – \$200</li> <li>• Granny Dolls – \$260</li> <li>• General Store – \$84.</li> </ul>
12	<ul style="list-style-type: none"> <li>• Paid loan instalment of \$500 principal and \$450 interest by automatic payment.</li> </ul>
15	<ul style="list-style-type: none"> <li>• Sold 6 Madonna dolls and sold 4 Harrison dolls (order 78) to Gifts for All</li> <li>• Banked all cash for the fortnight.</li> </ul>
20	<p>Paid the following via online banking:</p> <ul style="list-style-type: none"> <li>• Telvodacom for telephone and tolls – \$270</li> <li>• Paid Business Safe Insurance for 6 months insurance premium – \$450</li> <li>• Paid Gifts R Us for gift wrapping supplies – \$180.</li> </ul>
21	<ul style="list-style-type: none"> <li>• Purchased 6 Classic dolls from Children's Retail (Invoice 67).</li> <li>• Purchased 5 Harrison dolls from Dolland (Invoice 89) 42 Tory St Wellington.</li> </ul>
22	<ul style="list-style-type: none"> <li>• Purchased new computer for \$3,600 from Laptop Heaven (Invoice 124) on credit.</li> </ul>
23	<ul style="list-style-type: none"> <li>• Wholesale Supplies charged Moana \$20 freight for an urgent delivery.</li> </ul>
24	<ul style="list-style-type: none"> <li>• Last month Moana had paid for a personal flight to Wellington out of her business account. The flight cost \$180. Correct this.</li> <li>• Charged by Wholesale Supplies \$12 overdue fees on September's outstanding balance.</li> </ul>
26	<ul style="list-style-type: none"> <li>• Moana took 2 Harrison dolls from stock for gifts for a friend who had twins</li> <li>• Delivery Expenses of \$45 were incorrectly posted to the Advertising account last month.</li> </ul>
28	<ul style="list-style-type: none"> <li>• The monthly stocktake showed one Madonna doll and 2 Classic dolls unaccounted for – they are assumed to have been stolen and are to be written off.</li> </ul>
29	<ul style="list-style-type: none"> <li>• Dolls House is selling a bookshelf that has to have \$250 of depreciation closed off to the Accumulated Depreciation – Furniture &amp; Fittings account. The bookshelf cost \$2,000 and had a carrying value of \$500 prior to the adjustment above. The bookshelf sells for \$500 cash.</li> <li>• As part of her month end review Moana realises that \$300 of Drawings has been incorrectly entered as Advertising and you need to correct this.</li> <li>• Bank all cash received for the fortnight.</li> </ul>

## ASSESSMENT RESOURCES

Now print off:

- a full transaction report for October 2011
- Trial Balance for the month of October

and send these to your teacher.



# ACKNOWLEDGEMENTS

Every effort has been made to acknowledge and contact copyright holders. Te Aho o Te Kura Pounamu apologises for any omissions and welcomes more accurate information.

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# ASSESSMENT FEEDBACK

## ACHIEVEMENT STANDARD AS91175 (VERSION 2) ACCOUNTING 2.2

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Fill in your name and ID number. Your teacher will complete the rest.

Student name: \_\_\_\_\_ Student ID: \_\_\_\_\_

	Not Attempted	Not Achieved	Achieved	Merit	Excellence
Set up new accounts in Chart of Accounts and new inventory items.					
Process transactions.					
Process complex transactions.					
Undeposited cash receipts are banked.					

## GRADE ALLOCATION

Not Attempted	
Not Achieved (N)	
Achieved (A)	
Merit (M)	
Excellence (E)	

<b>Resubmission</b> (If appropriate, please indicate.)	<b>Yes /No</b>
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<b>Further assessment opportunity</b>	
Is not available	
Is available, please contact your teacher	
Is attached	

Teacher comments (or see attached)

☐**NOW**

- Record your achievement on your record sheet in the Course and assessment guide.
- Read your teacher's comments to get feedback on your assessment.
- We strongly encourage you to take advantage of a further assessment opportunity, if it is available and you wish to improve your grade.



*Contact your teacher if you want to talk about any of this work or query the result you have been given.*