



Government of **Western Australia**
School Curriculum and Standards Authority



ACCOUNTING AND FINANCE

GENERAL COURSE

Externally set task

Sample 2016

Note: This Externally set task sample is based on the following content from Unit 3 of the General Year 12 syllabus.

- financial institutions and systems
- double-entry accounting
- GST
- internal control
- manual preparation of financial information

In future years, this information will be provided late in Term 3 of the year prior to the conduct of the Externally set task. This will enable teachers to tailor their teaching and learning program to ensure that the content is delivered prior to the students undertaking the task in Term 2 of Year 12.

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Accounting and Finance

Externally set task

Working time for the task: 60 minutes

Total marks: 44 marks

Weighting: 15% of the school mark

1. RXST, a business which is registered for GST, was planning to commence business on 31 May 2015 and has started to prepare for this. During the month of May 2015, the following transactions occurred:

- 3 May Owner deposited \$30,000 cash into the business bank account.
- 6 May Purchased a motor vehicle on credit for \$33,000 including GST from Roche Ford, invoice 53.
- 11 May Owner withdrew \$500 from the business, cheque 7730.
- 16 May Purchased office equipment for \$900 plus \$90 GST for cash, cheque 7731.
- 21 May Purchased inventory on credit from Black and White Traders for \$1,500 plus \$150 GST, invoice L825.
- 23 May Paid Roche Ford \$3,000 as part payment of the motor vehicle, cheque 7732.
- 26 May Cash sales of \$2,200 including GST. Cost of sales \$1,000.
- 29 May Sold goods on credit to M. Jackson for \$1,100 including GST. Cost of sales \$500.

- (a) Enter the transactions into the General journal below. Narrations are required. (18 marks)

RXST			
General journal			
Date	Particulars	Debit \$	Credit \$

Date	Particulars	Debit \$	Credit \$

- (b) Prepare the following General ledger accounts only. Balance General ledger accounts at 31 May 2015. (9 marks)
Students can answer the question in either a statement form or T-form.

RXST

General ledger (extract)

Bank account

GST credits account

Accounts payable – Roche Ford account

Office equipment account

(c) Distinguish between the GST terms 'input taxed supply' and 'GST free supply'. (4 marks)

- (d) RXST plans to use one employee in control of the ordering and recording of inventory. In a typical day, the employee will be:
- making orders
 - recording inventory into the accounting system once it has arrived
 - preparing cheques from invoices received.

Identify and explain **two (2)** potential problems with this proposed process and suggest **three (3)** ways of improving the internal control over inventory. (5 marks)

Problem 1:

Problem 2:

Suggested improvements:

2. Financial institutions are often criticised for mainly considering only security when providing finance for the purchase of non-current assets. **(8 marks)**

(a) Discuss **two (2)** types of finance, other than equity, that are available to small businesses. **(4 marks)**

Type of finance: _____

Type of finance: _____

(b) Explain **two (2)** factors, one related to risk and one related to return, considered by financial institutions when approving types of finance for purchasing non-current assets. **(4 marks)**

Factor 1: _____

Factor 2: _____
