

STUDENT EDUCATION NUMBER



GOVERNMENT OF SAMOA
MINISTRY OF EDUCATION, SPORTS AND CULTURE

Samoa School Certificate

ACCOUNTING

2020

QUESTION and ANSWER BOOKLET

Time allowed: 3 Hours & 10 minutes

INSTRUCTIONS

1. You have 10 minutes to read **before** you start the exam.
2. Write your **Student Education Number (SEN)** in the space provided on the top right hand corner of this page.
3. **Answer ALL QUESTIONS.** Write your answers in the spaces provided in this booklet.
4. If you need more space, ask the Supervisor for extra paper. Write your SEN on all extra sheets used and clearly number the questions. Attach the extra sheets at the appropriate places in this booklet.

CURRICULUM STRANDS		Page	Time (min)	Weighting
STRAND 1:	ACCOUNTING APPLICATION	2	36	20
STRAND 2:	FINANCIAL ACCOUNTING	6	90	50
STRAND 3:	THE ACCOUNTING PROCESS	16	54	30
TOTAL			180	100

Check that this booklet contains pages 2-22 in the correct order and that none of these pages are blank.

HAND THIS BOOKLET TO THE SUPERVISOR AT THE END OF THE EXAMINATION

1. State ONE purpose of accounting.

SL 1

2. Define the term auditing.

SL 1

3. Diana C.K. owns a retail store in Apia. She is not interested in keeping records for her business operations because she says it's just a small business with very little revenue. You studied accounting in school and she has asked for your advice.

State the importance of accounting in a firm.

SL 1

4. Luana is considering a career in accounting and has recently asked for your help. List TWO different areas of specialization in Accounting that she can consider for her future career.

SL 2

9. Discuss the importance of accounting to the Samoan society with specific reference to organisations like the Samoan Victim Support Group.

SL 4

10. Eliana, a trader in Upolu always uses the diminishing balance method of depreciation for machinery.

Which accounting concept is being applied?

SL 1

11. Name the type of business ownership where you can keep your share of the profits after tax, be responsible for paying your own tax and personally liable for your business debts.

SL 1

12. Identify the following component that is included in the Owner's Equity section of the Statement of Financial Position for a business entity.

“the portion of a business's profits that are not distributed as dividends to shareholders but instead, reserved for reinvestment back into the business.”

SL 1

13. Depreciation expense is used in accounting to allocate the cost of a tangible asset over its useful life. List any TWO types of depreciation methods used.

SL 2

24. List the TWO accounting methods and presentations which are commonly used in preparing financial statements on balance day.

SL 2

25. Identify the accounting concept being used when business and personal records are kept separate.

SL 1

26. Identify the component which is added to the Total accumulated Fund section of the Statement of Financial Position of Clubs & Societies.

SL 1

32. Karoline Tupa'i a sole trader, provided the following information for the year ended 30 June 2020.

	1 st July 2019	30 th June 2020
	\$	\$
Stock	1,200	1,400
Debtors	4,500	8,700
Creditors	3,678	4,321

An analysis of her cash book revealed that Karoline had received payments of \$97,800 from her debtors and paid \$36,890 to her creditors. The creditors had allowed her cash discount of \$1,667. All purchases and sales are on credit.

Calculate the sales for the year.

SL 4

33. Describe the matching concept of accounting.

SL 2

- 34.** Lanni Iosefa a sole trader, presented the following extracts from her books on 31st December, 2019. She also presented additional information that should be taken into account; *Business rates, \$500, were accrued and insurance of \$150, was prepaid.*

Prepare journal entries by providing which accounts to Debit and Credit, to record the insurance.

General Journal

Date	Particulars	Debit	Credit

SL 1

- 35.** At the year end of 30 June 2019, the trial balance of Vai, a sole trader, balanced. During the following month some errors were discovered. A cheque received from Panina Solo, a debtor, had been entered in the accounts as \$165, instead of the correct figure of \$156.

What type of error is this?

SL 1

- 36.** Describe the different stages of accounting process in the computerized system for non-profit entities.

SL 2

The Laumosooi Mountaineering Club had the following assets and liabilities on 1st April 2019.

	WST(\$)
Bank overdraft	841
Cash in hand	216
Climbing equipment at valuation	5,000
Clubhouse rent in advance	230
Stock of refreshments	1,560
Subscriptions in advance	240
Subscriptions in arrears	75

37. During the year ended 31 March 2020, the club received subscriptions totaling \$3,560. All subscriptions owing on 1 August 2014 were paid during the year. On 31 March 2020, subscriptions owing were \$85. There were no subscriptions paid in advance on that date.

Prepare the club's Subscriptions account for the year ended 31 March 2020. Balance the account on that date and bring the balance down on 1 April 2020.

Subscriptions Account

Date	Particulars	Amount (\$)	Date	Particulars	Amount (\$)

SL 3

38. Your aunty has recently received a receipt from her recent shopping spree at a major store in the City. She was surprised to see that the invoice included a VAGST component and was struggling to understand what VAGST was about.

Explain the different methods for accounting for and recording of VAGST.

SL 3

39. Complete the table below by placing a cross (X) to indicate whether the item would be entered on the debit side or credit side of a cash book.

	Debit Side	Credit Side
Bank charges		
Interest earned		

SL 2

40. Your friend Ernestina is starting a small business retailing various locally grown food. She decides to employ two people to help with the cash sales. She has asked for your input in setting up a good cash control system.

Provide a feature of internal control systems for cash receipts to help Ernestina in her efforts.

SL 1

41. Discuss the importance of internal control system as a means for managing resources of any organisation.

SL 4

Pelega Stowers, a sole trader, provides the following information from his balance sheet as at 30th June 2020.

	\$
Cash at bank	3,600 (Dr)
Cash in hand	259
Creditors	41,200
Debtors	35,751
Expenses accrued	800
Expenses prepaid	990
Stock	35,000

42. Use the above data to calculate the working capital.

SL 3

43. Describe ONE method of accounting for depreciation.

SL 2

44. Discuss the nature and features of community organisations.

SL 3

Use the Trial Balance extract below to answer questions 45 – 47.

Iosefo Felise General Store
Trial Balance as at 31st October 2020

Advertising	150	
Creditors		1050
Debtors	1300	
Discount allowed	42	
Freight inwards	700	
Insurance	520	
Purchases	1080	
Return outwards		57
Return inwards	25	
Sales		5000
Salesperson wages	240	
Shop license	200	
Stock (1.10.2018)	2260	

45. Name any ONE account from the trial balance above that would appear in a Trading account.

SL 1

46. Name any ONE account from the trial balance above that would appear in a Profit & Loss account.

SL 1

47. Name any ONE account from the trial balance above that would appear in a Balance Sheet.

SL 1

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ACCOUNTING

2020

(For Scorers only)

CURRICULUM STRANDS	Weighting	Scores	Check Scorer	Double Entry (AED)
STRAND 1: ACCOUNTING APPLICATIONS	20			
STRAND 2: FINANCIAL ACCOUNTING	50			
STRAND 3: THE ACCOUNTING PROCESS	30			
TOTAL	100			