

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

RAND 1:	ACCOUNTING APPLICATION	Weighting 20
State ONE purpo	ose of accounting.	
		SL 1
Define the term a	auditing.	
		SL 1
her business operevenue. You stu	s a retail store in Apia. She is not interested in keeping erations because she says it's just a small business wiudied accounting in school and she has asked for your ance of accounting in a firm.	th very little
		SL 1
Luana is conside	ering a career in accounting and has recently asked for	r vour help
	nt areas of specialization in Accounting that she can c	
		SL 2

Suggest TMO wove to again and at	ore personal accounting decrements that	
Suggest 1 WO ways to organize and st will help him.	ore personal accounting documents that	
		SL
		-
Explain the importance of an EPC invo by families.	ice as a source document used everyday	
		SL
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discussion with another friend who said that "Non-financial information is also an important area of research if setting up a business".	
Explain the importance of competition in the market, a non-financial information in a business set up.	
	SI
Families in Samoa are consumers, producers or providers of goods and services whilst some are owners of firms.	
Explain any ONE user of accounting information in a firm.	
	SI
	

9.	Discuss the importance of accounting to the Samoan society with specific	
	reference to organisations like the Samoan Victim Support Group.	SL 4

R	AND 2: FINANCIAL ACCOUNTING	Weighting 50
•	Eliana, a trader in Upolu always uses the diminishing balance method of depreciation for machinery.	
	Which accounting concept is being applied?	
		SL 1
	Name the type of business ownership where you can keep your share of profits after tax, be responsible for paying your own tax and personally lia your business debts.	
		SL 1
	Identify the following component that is included in the Owner's Equity set 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
	Depreciation expense is used in accounting to allocate the cost of a tangent asset over its useful life. List any TWO types of depreciation methods use	
		SL 2

	SL
Your uncle is an owner of a private limited liability business.	
Name ONE characteristic of this type of business in relation to the liability of the	e
shareholders.	
	SL
State TWO accounting concents that are relevant to the calculation of	
State TWO accounting concepts that are relevant to the calculation of depreciation.	

Use the statement provided below to answer question 17.

17.

J & K PRODUCER MARKET		
Statement of Financial Position as at 1 st January 2020		
Owner's Equity		
Capital – Joe Nu'usila	25,000	
Capital – Kiera Nu'usila	75,000	
Retained earnings (reserves)	5,000	
	105,000	

			SL
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SL 1
SL 3

Use the extract below to answer questions 20 – 22.

TOSUA CONSERVATION SOCIETY			
30 th April 2020 (Extract)			
75,000			
7,500			
82,500			

	m the contents of the extract above, opared.	determine the financial statem	ient been
P. 01			
			SL 3
			
-			
Des	scribe the term Accumulated Fund.		
			SL 2

22.	The Vailele Cricket Club has 500 members and each member pays \$20 as monthly subscription. Five members paid advance subscription for the financial year 2019-20 and 15 members failed to pay subscription for the same year. The treasurer said that the club had excess income over Expenditure.	
	Explain the term "Excess Income over Expenditure".	
		SL 3
		32.3
23.	Explain the advantages of a sole proprietorship.	
		SL 3

4.	List the TWO accounting methods and presentations which are commonly used in preparing financial statements on balance day.	
		SL 2
-	Identify the accounting concept being used when business and personal records are kept separate.	
		SL 1
	Identify the component which is added to the Total accumulated Fund section of the Statement of Financial Position of Clubs & Societies.	
		SL 1

27.	Peniamina is an accountant for Stevenson's Hotel. He advises the owner of the hotel that the life of his hotel business is divided into equal time periods.	
	Identify the accounting concept being used, when accountants advise the business owner's to assume that the life of the business is divided into equal time period.	
		SL 1
28.	Name ONE characteristic of a sole proprietor type of business ownership.	
		SL 1
	<u> </u>	
29.	Discuss the source of finance for incorporated societies.	
		SL 4

				SI
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The financial records for years. In Year One and \text{the one used in Year Two	Year Three, a diffe			
Explain the accounting c	oncept being viola	ted in the scenar	io above.	
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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.

	SL 4
Describe the matching concept of accounting.	
	 SL

34. Lanni losefa 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

			П
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?

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		l l

SL 1

SL 2

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

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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
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major st	nty has recently received ore in the City. She was s component and was strug	surprised to see that t	the invoice include	ed a	
Explain	the different methods for	accounting for and re	cording of VAGS1	Γ.	
					SL 3
	te the table below by plac e entered on the debit sid			item	
				item	SL 2
		le or credit side of a c	ash book.	item	SL 2
	e entered on the debit sid	le or credit side of a c	ash book.	item	SL 2
Your frie food. Sh asked fo	Bank charges Interest earned end Ernestina is starting and edecides to employ two or your input in setting up a feature of internal contr	Debit Side Debit Side a small business retail people to help with the a good cash control side	Credit Side ling various locally ne cash sales. She system.	/ grown e has	SL 2
Your frie food. Sh asked fo	Bank charges Interest earned end Ernestina is starting and edecides to employ two or your input in setting up a feature of internal contr	Debit Side Debit Side a small business retail people to help with the a good cash control side	Credit Side ling various locally ne cash sales. She system.	/ grown e has	SL 2

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elega Sto	owers, a sole trader, provides	the following informa	ation from his	
elega Sto	owers, a sole trader, provides balance sheet as at	the following informa 30 th June 2020.	ation from his	
elega Sto	owers, a sole trader, provides balance sheet as at		ation from his	
elega Sto		\$	ation from his	
elega Sto	Cash at bank	\$ 3,600 (Dr)	ation from his	
elega Sto	Cash at bank Cash in hand	\$ 3,600 (Dr) 259	ation from his	
elega Sto	Cash at bank Cash in hand Creditors	\$ 3,600 (Dr) 259 41,200	ation from his	
elega Sto	Cash at bank Cash in hand Creditors Debtors	\$ 3,600 (Dr) 259 41,200 35,751	ation from his	
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Use the Trial Balance extract below o 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

STUDENT EDUCATION NUMBER									

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			