



GOVERNMENT OF SAMOA
MINISTRY OF EDUCATION, SPORTS AND CULTURE

STUDENT EDUCATION NUMBER									

Samoa School Certificate

ACCOUNTING

2022

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 paper to write your answers, 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.

STRANDS		Pages	Time (min)	Weighting
STRAND 1	ACCOUNTING APPLICATION	2-4	36	20
STRAND 2	FINANCIAL ACCOUNTING	5-13	90	50
STRAND 3	THE ACCOUNTING PROCESS	14-18	54	30
TOTAL			180	100

Check that this booklet contains pages 2-19 in the correct order.

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

Read the passage below to answer Questions 1 – 5.

Melissa Mani is the owner of 'Mani Bakery Store'. She prepares financial reports for her business. The business locates in Apia. She is planning to expand her business to Savai'i.

1. Which area of accounting does Melissa Mani specialize in?

SL 1

2. Name the Ministry that is interested in the profit or loss of her business.

SL 1

3. List **FOUR** source documents that Melissa issues to customers at her business every day.

SL 2

4. Describe the basic function of accounting that Melissa does in her role as an accountant.

SL 2

The information below was extracted from Mai Motors Ltd financial statements.

Mai Motors Ltd			
Statement of Financial Position as at 31 st July 2022			
Shareholders' Equity:			
Issued and Paid-Up Capital	190,000 \$1 shares	\$190,000	
Less: Uncalled capital @40sene			
Per share on 20,000 shares		<u>(\$ 8,000)</u>	\$182,000
Retained Earnings			<u>\$32,700</u>
Total Shareholders' Equity			<u>\$214,700</u>

13. Describe the term Retained Earnings.

SL 2

14. Explain the different accounts given in the extract above.

SL 3

15. What accounting concept that recognizes the existence of Mai Motors Ltd?

SL 1

Tima and Line are closest friends who co-own the T & L Car Rentals since 2010. Their vehicles are purchased from Mai Motors Ltd.

16. What type of business ownership did they establish?

SL 1

17. Name **ONE** way of financing their business ownership.

SL 1

18. Differentiate between T & L Car rentals and Mai Motors Ltd.

SL 3

19. Which business ownership has similar advantages to T & L Car Rentals?

SL 1

Jenny and Paul are planning to set up their homemade furniture business. Jenny wants to register as a sole trader while Paul opts for limited company.

21. Complete the table below to compare the two types of business ownership.

Ownership	Management	Capital	Liability	Auditing
Sole Trader				
Limited Company				

SL 3

22. List the accounting methods that Jenny and Paul can use to present their financial statements.

SL 2

23. Which business ownership has an unlimited life of existence?

SL 1

24. Name the accounting concept that allows Jenny and Paul to deduct their expenses incurred from the income recognized for the same period.

SL 1

The following information was shown in the Balance Sheet of Mani Bakery Store.

Sales	\$ 20,000	Owner's Equity at 1 st January 2021	\$ 34,000
Gross Profit	\$ 11,250	Owner's Equity at 31 st December 2021	\$ 31,750
Net Profit	\$ 6,000		

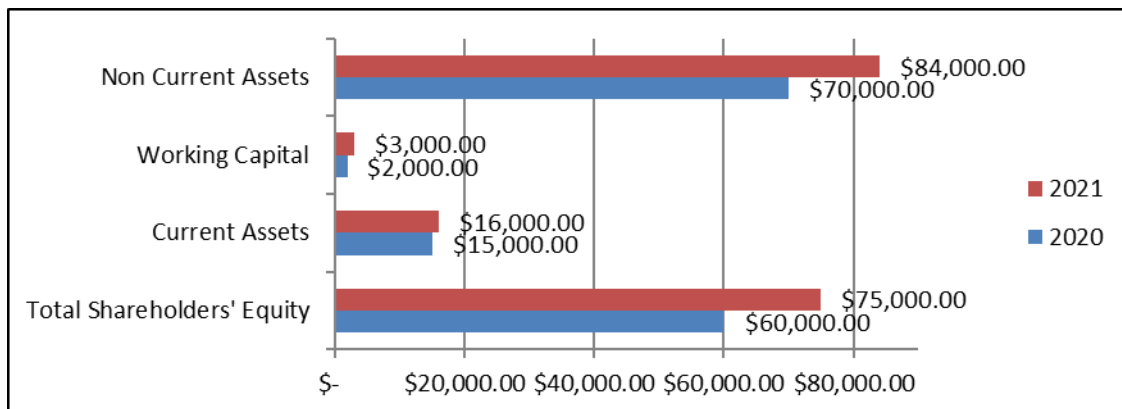
27. Give an explanation of what the net profit of \$6,000 indicates.

SL 2

28. Make a comment on the change in Owner's Equity.

SL 2

Jenny and Paul commenced their company named 'Home Furniture Ltd'. They presented their business financial records for the first two years of operation.



29. Calculate the Current and Equity Ratios using the graphic information on page 11.

Formula	Current Ratio 2020	Current Ratio 2021
Formula	Equity Ratio 2020	Equity Ratio 2021

SL 3

30. Comment on the Current Ratios calculated above.

SL 3

Keri Sio owns a private home valued at \$136,000 and has invested \$10,000 cash in her business. Keri lists her additional contributions in the business as \$146,000.

31. Identify the accounting concept being violated by Keri Sio.

SL 1

Melissa expanded her bakery business to Salelologa in Savai'i. She showed to Rita, her new shop assistant, the filling of her record keeping books.

March 1	Deposit Slip	Melissa deposited cash at ANZ Bank Ltd of \$3,500.
	Chq #3001	Melissa purchased a delivery van for \$15,000 cash.
3	Chq #3002	Issued cheque for repairing cash register machine \$300.
5	Chq #3003	Purchased goods for \$8,100.
	Rct #045-1	Sold goods for cash \$3,000.
7	Chq #3004	Paid for the shop's cash power \$360 and Telephone connection \$270.00.

34. Record the transactions above and apply the 15% VAGST into the Cash Payment Journal below.

SL 4

Cash Payments Journal

Date	Particulars	Details	Bank	VAGST	Electricity	Telephone	Sundries
			\$	\$	\$	\$	\$

35. Use the transactions above to post relevant information into the General Ledger Account below.

General Ledger: Cash Account

Date	Particulars	Debit	Credit	Balance
March 1	Balance			\$20,000 Cr

SL 2

Due to COVID-19 Lockdown, MOBA Cultural Club's Treasurer held zoom meetings to present the club's financial statements to the members.

Item 1: Overview

Year of establishment: 2015
 Registered Members: 125
 Type of Organization:
 Non-Profit Organization

Item 3: Accounts Balances

Sales	\$2,140
Purchases	\$ 620
Delivery Expenses	\$ 37
Stock at 1 st November 2021	\$ 304
Stock at 31 st October 2022	\$ 388

Item 2: Membership

Subscription in arrears at 31 st October 2022	\$ 480
Subscriptions in advance at 31 st October 2022	\$1,250
Cash received during the year	\$5,500
Subscriptions refunded to members	\$ 275

39. Identify the nature of a Non-Profit Organization.

	SL 1

40. Show the information given in Item 2 in the Account below.

SUBSCRIPTIONS ACCOUNT			
Particulars	Amount	Particulars	Amount

SL 2

41. Which financial statement to report in the Subscriptions in arrears?

	SL 1

45. Prepare the General Journal entry for **Item 2** (page 17). No narration required.

Date	Particulars	Debit	Credit

SL 1

46. Calculate the depreciation expense as stated in **Item 3** (page 17) for its first 3 years.

Years	Calculation	Depreciation Value
2021		
2022		
2023		

SL 3

47. Show the effect of Item 3 in the financial statement given below.

MOBA Cultural Club Statement of Financial Position (extract) as at 31 st October 2022		

SL 2

STUDENT EDUCATION NUMBER									

ACCOUNTING

2022

(For Scorer only)

STRANDS		Weighting	Scores	Check Scorer	AED check
SECTION 1:	ACCOUNTING APPLICATION	20			
SECTION 2:	FINANCIAL ACCOUNTING	50			
SECTION 3:	THE ACCOUNTING PROCESS	30			
TOTAL		100			