



National Certificate of Educational Achievement
TAUMATA MĀTAURANGA Ā-MOTU KUA TAEA

Exemplar for Internal Achievement Standard

Accounting Level 2

This exemplar supports assessment against:

Achievement Standard 91175

Demonstrate understanding of accounting processing using accounting software

An annotated exemplar is an extract of student evidence, with a commentary, to explain key aspects of the standard. It assists teachers to make assessment judgements at the grade boundaries.

New Zealand Qualifications Authority

To support internal assessment

	Grade Boundary: Low Excellence
1.	<p>For Excellence, the student needs to demonstrate comprehensive understanding of accounting processing using accounting software.</p> <p>This involves:</p> <ul style="list-style-type: none"> • using an appropriate chart of accounts to set-up inventory, cost of goods sold and sales accounts for each item of inventory and classifying new accounts for each financial element except equity • processing frequent, infrequent and complex transactions, and using the bank function or equivalent to split one total (e.g. banking total or payment total) into more than one account. <p>The student has set up separate inventory, cost of goods sold and sales accounts for each item of inventory, classifying new accounts for assets, liabilities, income and expenses.</p> <p>The student has processed both frequent and infrequent entries, processed a complex entry for depreciation (1), processed a complex entry for disposal (2), processed a complex entry for correction of an error (3), and used the banking function to bank receipts (4).</p> <p>For a more secure Excellence, the student could accurately process the correction of the complex error with the correct GST treatment (3).</p>

Frequent and infrequent transactions all correct.

GJ	26/03/2014	Sold old desk				1
	GJ000004	1-5003	Depreciation- fixtures and fit	\$25.00		
	GJ000004	1-5002	Acc Deprec Furn & Fittings		\$25.00	
GJ	26/03/2014	sold old desk				
	GJ000005	1-5004	Disposal account- furn and fix	\$500.00		
	GJ000005	1-5001	Furniture and Fittings		\$500.00	
GJ	26/03/2014	sold old desk				
	GJ000006	1-5002	Acc Deprec Furn & Fittings	\$400.00		
	GJ000006	1-5004	Disposal account- furn and fix		\$400.00	
CR	26/03/2014	D Watson				2
	CR000008	1-1180	Undeposited Funds	\$69.00		
	CR000008	1-5004	Disposal account- furn and fix		\$60.00	
	CR000008	2-1200	GST Collected		\$9.00	
GJ	26/03/2014	sold old desk				
	GJ000007	6-7000	Loss on Sale PPE	\$40.00		
	GJ000007	1-5004	Disposal account- furn and fix		\$40.00	
GJ	27/03/2014	Correction of error travel expenses to drawings				3
	GJ000009	3-1001	Drawings	\$207.00		
	GJ000009	2-1200	GST Collected		\$31.05	
	GJ000009	6-3000	Travel Expenses		\$175.95	
CR	14/03/2014	Bank Deposit				4
	CR000006	1-1100	Westpac Cheque Account	\$988.00		
	CR000006	1-1180	Undeposited funds		\$144.00	
	CR000006	1-1180	Undeposited funds		\$92.00	
	CR000006	1-1180	Undeposited funds		\$200.00	
	CR000006	1-1180	Undeposited funds		\$460.00	
	CR000006	1-1180	Undeposited funds		\$92.00	

	Grade Boundary: High Merit
2.	<p>For Merit, the student needs to demonstrate in-depth understanding of accounting processing using accounting software.</p> <p>This involves:</p> <ul style="list-style-type: none"> • using an appropriate chart of accounts to set-up inventory, cost of goods sold and sales accounts for each item of inventory and classifying new accounts • processing frequent and infrequent transactions. <p>The student has set up separate inventory, cost of goods sold and sales accounts for each item of inventory, classifying new accounts for assets, liabilities, income and expenses.</p> <p>The student has prepared infrequent transactions correctly, including inventory returns (1), sundry charges (2), drawing of goods (3), inventory loss (4), purchase of property, plant and equipment (5), and correction of error (6).</p> <p>To reach Excellence, the student could use the banking function to bank the undeposited funds for the day (or specified time period) into the bank account, so that in future a bank reconciliation can be prepared.</p>

Frequent transactions all correct.

SJ	19/03/2014	Sale; Auckland Sports		
	00000008	1-2000	Trade Debtors	\$80.00
	00000008	1-2000	Trade Debtors	\$12.00
	00000008	4-3000	Sales S600	\$80.00
	00000008	2-1200	GST Collected	\$12.00
	00000008	5-3000	COGS S600	\$40.00
	00000008	1-3003	Inventory S600	\$40.00

SJ	19/03/2014	Auckland Sports: Credit from 00000008		
	SJ000001	1-2000	Trade Debtors	\$92.00
	SJ000001	1-2000	Trade Debtors	\$92.00

PJ	21/03/2014	Purchase; Nelson Sport Supplies		
	00000006	2-1001	Trade Creditors	\$40.00
	00000006	2-1001	Trade Creditors	\$6.00
	00000006	1-3001	Inventory H400	\$40.00
	00000006	2-1300	GST Paid	\$6.00

PJ	21/03/2014	Nelson Sport Supplies: Debit from 00000006		
	PJ000001	2-1001	Trade Creditors	\$46.00
	PJ000001	2-1001	Trade Creditors	\$46.00

PJ	26/03/2014	Purchase; Hank's Sport Supplies		
	00000007	2-1001	Trade Creditors	\$40.00
	00000007	2-1001	Trade Creditors	\$6.00
	00000007	6-9999	Freight Charged- cost	\$40.00
	00000007	2-1300	GST Paid	\$6.00

IJ	26/03/2014	Drawing of goods		
	IJ000002	3-1001	Drawings	\$40.00
	IJ000002	1-3003	Inventory S600	\$40.00

GJ	26/03/2014	GST on Drawings		
	GJ000002	3-1001	Drawings	\$6.00
	GJ000002	2-1300	GST Paid	\$6.00

IJ	26/03/2014			
	IJ000003	6-8888	Inventory losses	\$60.00
	IJ000003	1-3003	Inventory S600	\$20.00
	IJ000003	1-3001	Inventory H400	\$40.00

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GJ	24/03/2014	Purchased New Delivery Van				
	GJ000001	1-1502	Delivery Van	\$4,000.00		
	GJ000001	2-2102	Accounts Payable		\$4,600.00	5
	GJ000001	2-1300	GST Paid	\$600.00		

GJ	27/03/2014	Incorrectly posted wrong account				
	GJ000003	6-3000	Travel Expenses	\$69.00		
	GJ000003	6-2000	Rent		\$69.00	6

Complex transactions correct. However no evidence of using the banking function was evident.

	Grade Boundary: Low Merit
3.	<p>For Merit, the student needs to demonstrate in-depth understanding of accounting processing using accounting software.</p> <p>This involves:</p> <ul style="list-style-type: none">• using an appropriate chart of accounts to set-up inventory, cost of goods sold and sales accounts for each item of inventory and classifying new accounts• processing frequent and infrequent transactions. <p>The student has processed infrequent transactions for: inventory returns (1), sundry charges (2), stock drawings (3), inventory loss (4), purchase of PPE (5) and correction of an error (6).</p> <p>For a more secure Merit the student could:</p> <ul style="list-style-type: none">• use correct dates for the inventory return (1)• correctly adjust GST for the drawing of the inventory (3).

Frequent transactions all correct.

PJ	17/03/2014	Purchase; Nelson Sport Supplies			
	0000007	2-1001 Trade Creditors	\$40.00		
	0000007	2-1001 Trade Creditors	\$6.00		
	0000007	1-3001 Inventory H400		\$40.00	
	0000007	2-1300 GST Paid		\$6.00	1
PJ	21/03/2014	Nelson Sport Supplies: Debit from 0000007			
	PJ000001	2-1001 Trade Creditors		\$46.00	
	PJ000001	2-1001 Trade Creditors	\$46.00		
PJ	26/03/2014	Purchase; Hank's Sport Supplies			
	0000008	2-1001 Trade Creditors		\$40.00	
	0000008	2-1001 Trade Creditors		\$6.00	2
	0000008	6-5003 Freight Charged	\$40.00		
	0000008	2-1300 GST Paid	\$6.00		
IJ	26/03/2014	Drawings of Goods			
	IJ000002	3-1001 Drawings	\$40.00		
	IJ000002	1-3003 Inventory S600		\$40.00	3
IJ	26/03/2014	Inventory Loss			
	IJ000003	6-4700 Inventory Loss	\$60.00		
	IJ000003	1-3003 Inventory S600		\$20.00	4
	IJ000003	1-3001 Inventory H400		\$40.00	
GJ	24/03/2014	New delivery van			
	GJ000001	1-5666 Delivery Van	\$4,000.00		
	GJ000001	2-2222 Accounts Payable – Paul Kelly		\$4,600.00	5
	GJ000001	2-1300 GST Paid	\$600.00		
GJ	27/03/2014	travel expenses incorrectly posted			
	GJ000003	6-3000 Travel Expenses	\$69.00		
	GJ000003	6-2000 Rent		\$69.00	6

	Grade Boundary: High Achieved
4.	<p>For Achieved, the student needs to demonstrate understanding of accounting processing using accounting software.</p> <p>This involves:</p> <ul style="list-style-type: none">• using an appropriate chart of accounts• processing frequent transactions. <p>The student has processed frequent transactions for: cash receipts (1), cash payments (2), credit sales for three different types of inventory (3) and credit purchases for each item of inventory (4).</p> <p>To reach Merit the student could have processed infrequent transactions.</p>

CR	8/03/2014	Payment; Just Hockey		
	CR000003	1-1180	Undeposited Funds	\$200.00
	CR000003	1-2000	Trade Debtors	\$200.00

CR	8/03/2014	Payment; Dunedin Sportspower		
	CR000004	1-1180	Undeposited Funds	\$460.00
	CR000004	1-2000	Trade Debtors	\$460.00

1

CR	8/03/2014	Payment; Hamilton Sports Retailers		
	CR000005	1-1180	Undeposited Funds	\$92.00
	CR000005	1-2000	Trade Debtors	\$92.00

CD	2/03/2014	Harcourts Rental		
	1	1-1100	Westpac Cheque Account	\$230.00
	1	6-2000	Rent	\$200.00
	1	2-1300	GST Paid	\$30.00

CD	2/03/2014	The Star		
	2	1-1100	Westpac Cheque Account	\$115.00
	2	6-1000	Advertising	\$100.00
	2	2-1300	GST Paid	\$15.00

2

CD	2/03/2014			
	3	1-1100	Westpac Cheque Account	\$1,242.00
	3	6-5000	Sales Wages	\$1,242.00

SJ	11/03/2014	Sale; Auckland Sports		
	00000007	1-2000	Trade Debtors	\$560.00
	00000007	1-2000	Trade Debtors	\$84.00
	00000007	4-2222	Sales S600	\$240.00
	00000007	4-1111	Sales R500	\$320.00
	00000007	2-1200	GST Collected	\$84.00
	00000007	5-2222	COGS S600	\$120.00
	00000007	1-3222	Inventory S600	\$120.00
	00000007	5-1111	COGS R500	\$160.00
	00000007	1-3111	Inventory R500	\$160.00

3

SJ	4/03/2014	Sale; Just Hockey		
	00000002	1-2000	Trade Debtors	\$333.91
	00000002	1-2000	Trade Debtors	\$50.09
	00000002	4-1000	Sales H400	\$333.91
	00000002	2-1200	GST Collected	\$50.09
	00000002	5-1000	COGS H400	\$160.00
	00000002	1-3001	Inventory H400	\$160.00

SJ	4/03/2014	Sale; Dunedin Sportspower		
00000003	1-2000	Trade Debtors	\$400.00	
00000003	1-2000	Trade Debtors	\$60.00	
00000003	4-1111	Sales R500		\$400.00
00000003	2-1200	GST Collected		\$60.00
00000003	5-1111	COGS R500	\$200.00	
00000003	1-3111	Inventory R500		\$200.00

SJ	4/03/2014	Sale; Hamilton Sports Retailers		
00000004	1-2000	Trade Debtors	\$120.00	
00000004	1-2000	Trade Debtors	\$18.00	
00000004	4-2222	Sales S600		\$120.00
00000004	2-1200	GST Collected		\$18.00
00000004	5-2222	COGS S600	\$60.00	
00000004	1-3222	Inventory S600		\$60.00

3

PJ	3/03/2014	Purchase; Hank's Sport Supplies		
00000023	2-1001	Trade Creditors		\$800.00
00000023	2-1001	Trade Creditors		\$120.00
00000023	1-3002	Inventory R500	\$800.00	
00000023	2-1300	GST Paid	\$120.00	

PJ	3/03/2014	Purchase; Ross's Sports Wholesalers		
00000054	2-1001	Trade Creditors		\$320.00
00000054	2-1001	Trade Creditors		\$48.00
00000054	1-3003	Inventory S600	\$320.00	
00000054	2-1300	GST Paid	\$48.00	

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PJ	16/03/2014	Purchase; Nelson Sport Supplies		
00000003	2-1001	Trade Creditors		\$120.00
00000003	2-1001	Trade Creditors		\$18.00
00000003	1-3001	Inventory H400	\$120.00	
00000003	2-1300	GST Paid	\$18.00	

	Grade Boundary: Low Achieved
5.	<p>For Achieved, the student needs to demonstrate understanding of accounting processing using accounting software.</p> <p>This involves:</p> <ul style="list-style-type: none">• using an appropriate chart of accounts• processing frequent transactions. <p>The student has processed the credit sales (1) (2) (3).</p> <p>For a more secure Achieved, the student could demonstrate understanding that the three sales are for different types of inventory, by either naming the transaction or naming one of the accounts differently.</p>

Purchases, cash receipts and cash payments processed correctly.

SJ	4/03/2014	Sale; Just Hockey			
00000002	1-1200	Trade Debtors	\$333.91		
00000002	1-1200	Trade Debtors	\$50.09		
00000002	4-1100	Sales		\$333.91	
00000002	2-1310	GST Collected		\$50.09	
00000002	5-1000	Purchases	\$160.00		
00000002	1-1300	Inventory H400		\$160.00	

1

SJ	4/03/2014	Sale; Dunedin Sportspower			
00000003	1-1200	Trade Debtors	\$208.70		
00000003	1-1200	Trade Debtors	\$31.30		
00000003	4-1100	Sales		\$208.70	
00000003	2-1310	GST Collected		\$31.30	
00000003	5-1000	Purchases	\$200.00		
00000003	1-1300	Inventory H400		\$200.00	

2

SJ	4/03/2014	Sale; Hamilton Sports Retailers			
00000004	1-1200	Trade Debtors	\$120.00		
00000004	1-1200	Trade Debtors	\$18.00		
00000004	4-1100	Sales		\$120.00	
00000004	2-1310	GST Collected		\$18.00	
00000004	5-1000	Purchases	\$60.00		
00000004	1-1300	Inventory H400		\$60.00	

3

	Grade Boundary: High Not Achieved
6.	<p>For Achieved, the student needs to demonstrate understanding of accounting processing using accounting software.</p> <p>This involves:</p> <ul style="list-style-type: none">• using an appropriate chart of accounts• processing frequent transactions. <p>The student has processed entries for sales and purchases (1) (2).</p> <p>To reach Achieved the student could ensure the processing of purchases includes entries for GST.</p>

Cash receipts and cash payments processed correctly.

SJ	3/06/2014	Sale; Just Hockey		
	00000002	1-1200 Trade Debtors	\$333.91	
	00000002	1-1200 Trade Debtors	\$50.09	
	00000002	4-1000 Sales H400		\$333.91
	00000002	2-1310 GST Collected		\$50.09
	00000002	5-1000 COG H400	\$160.00	
	00000002	1-1800 Inventory H400		\$160.00

SJ	3/06/2014	Sale; Dunedin Sportspower		
	00000003	1-1200 Trade Debtors	\$400.00	
	00000003	1-1200 Trade Debtors	\$60.00	
	00000003	4-2000 Sales R500		\$400.00
	00000003	2-1310 GST Collected		\$60.00
	00000003	5-2000 COGS R500	\$200.00	
	00000003	1-1801 Inventory R500		\$200.00

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SJ	3/06/2014	Sale; Hamilton Sports Retailers		
	00000004	1-1200 Trade Debtors	\$120.00	
	00000004	1-1200 Trade Debtors	\$18.00	
	00000004	4-2001 Sales S600		\$120.00
	00000004	2-1310 GST Collected		\$18.00
	00000004	5-3000 COGS S600	\$60.00	
	00000004	1-1802 Inventory S600		\$60.00

PJ	10/06/2014	Purchase; Hank's Sport Supplies		
	00000004	2-1200 Trade Creditors		\$800.00
	00000004	1-1801 Inventory R500	\$800.00	

2

PJ	10/06/2014	Purchase; Ross's Sport Wholesalers		
	00000005	2-1200 Trade Creditors		\$320.00
	00000005	1-1802 Inventory S600	\$320.00	