**YEAR 12**

**ACCOUNTING**

**WORKSHEETS**

**WEEK 2**

 **NATURE, PURPOSE, SCOPE AND [17 marks]**

 **ENVIRONMENT OF ACCOUNTING**

1. Which  of  the  following  is  regarded  as  non-financial  information  in  a  business organization?

A.  Value of Delivery vehicles.

B.   Land and building.

C.   Quality of Staff.

            D.  Cash at bank.

1. Under which fundamental qualitative characteristics of accounting data, the information presented is complete, without bias or undue error and neutral.

A.  Relevance.

B.   Comparability.

C.   Faithful representation.

D.  Verifiability.

1. There are a number of authorities in Fiji that register and ensure that professional standards of accounting are maintained all the time. Outline a role of each of the following:

 (i) Fiji Institute of Accountants

 (ii) Fiji Revenue and Customs services **(2 marks)**

1. Differentiate between Accounting Entity and Legal Entity. **(1 mark)**
2. Identify two users of accounting information. **(1 mark)**
3. Differentiate Management Accounting and Financial Accounting using the table given in the answer booklet:

|  |  |  |
| --- | --- | --- |
|  | Financial Accounting | Management Accounting |
| Users of reports |  |  |
| Types of reports prepared |  |  |
| Frequency of reports |  |  |
| Content and format of reports |  |  |
| Verification |  |  |

                     **(5 marks)**

1. Differentiate between Conceptual framework and Accounting standards.             **(2 marks)**
2. Identify the accounting body responsible to implement accounting standards in Fiji.  **(1mark)**
3. Identify the accounting standards followed in Fiji.               **(1 mark)**
4. Explain the purpose of providing accounting data to the following users.

(i) Human Resource (HR) Department

(ii) Investors       **(2 marks)**

**THE END**

**WEEK 3**

 **PERSONAL FINANCE                               [11 marks]**

**PART A                                        PERSONAL INCOME TAX                                 (7 marks)**

1. Fringe benefit tax can be recovered from the
2. the employer.
3. the employee.
4. the financial accountant.
5. the management accountant.
6. Explain the difference between Fringe benefit tax and Service turnover tax.     **( 2 marks)**
7. Mr. Singh a resident of Fiji, owns a house in Suva and he plans to sell it to Mr Williams on 2nd July 2017 for $250 000. Mr. Singh acquired the house on 1st January 2015 for $235 000.

 (i)  Calculate the gain or loss on disposal of asset?                    **(1 mark)**

(ii) If there is a gain then calculate the Capital Gains Tax. (Assume this was Mr. Singh’s principal place of residences.   **(1 mark)**

4.Mrs. Manisha Chand a resident of Fiji, bought a yacht for $100,000 on 2nd May 2017. The yacht is destroyed in a fire on 5th August 2017. Insurance proceeds received on 10th November 2017 are $110000. Calculate the Capital Gains tax.                                                       **(1 mark)**

1. Define Capital Gain.  **(1 mark)**
	1. List two categories of fringe benefits received by employees.                              **(1 mark)**

**PART B                                         STATEMENT OF AFFAIRS                               (4 marks)**

1. The  statement of affairs is similar to
2. a bank account
3. an appropriation account
4. a statement of financial performance
5. a statement of financial position.
6. Mr Bakini is considering to buy a Viti Mini business, which is on sale at the price of $60 000. He has arranged to see his bank manager at BSP for the possibility of getting a loan to purchase the business. He has been asked to bring to the meeting his most recent financial records. Bakini is not sure what the bank requires and has asked for your help.

 The following information is available.

1. He owns a house with the recent government valuation of $88 000, however he has a mortgage of $25 000 due on his house.

2. Household contents are valued at $29000.

3. Mini Van which he bought 3 months ago costing $12 000, but he still owes $3 400 on it.

4. Unpaid monthly Expenses total to $9000.

5. His bank account balances are:

-Fixed deposit                             $8500

-Savings account                         $1500

**Required:**

 Compute the value of Mr Bakini’s Net Worth. (**3 marks)**

**THE END**