

MARKER CODE


 Pacific  
Community  
Communauté  
du Pacifique


Student Personal Identification Number

# South Pacific Form Seven Certificate

## ACCOUNTING

### 2017

#### QUESTION and ANSWER BOOKLET

Time allowed: Three hours

(An extra 10 minutes is allowed for reading this paper.)

#### INSTRUCTIONS

Write your **Student Personal Identification Number (SPIN)** in the space provided on the top right hand corner of this page.

Answer **ALL QUESTIONS**. Write your answers in the spaces provided in this booklet.

If you need more space for answers, ask the Supervisor for extra paper. Write your SPIN on all extra sheets used and clearly number the questions. Attach the extra sheets at the appropriate places in this booklet.

Major Learning Outcomes (Achievement Standards)	Skill Level & Number of Questions				Weight/ Time
	Level 1 <i>Uni- structural</i>	Level 2 <i>Multi- structural</i>	Level 3 <i>Relational</i>	Level 4 <i>Extended Abstract</i>	
<b>Strand 1: The conceptual basis of accounting</b> Understand foundations on which accounting is based and apply concepts and assumptions of accounting in context.	7	4	-	-	15% 38 min
<b>Strand 2: Financial information for partnerships and companies</b> Understand financial transactions of a partnership and a company.	-	-	2	1	10% 26 min
<b>Strand 3: Financial information for a manufacturing job-costing subsystem</b> Record and process financial transactions of a manufacturing enterprise and evaluate a job cost system.	4	4	1	-	15% 38 min
<b>Strand 4: Reporting of financial information</b> Understand financial reports of a partnership and a company.	-	2	2	-	10% 26 min
<b>Strand 5: Evaluation of a company's financial information</b> Analyse and interpret financial and non-financial information for reporting and decision making.	2	2	-	1	10% 26 min
<b>Strand 6: Information for management decision making</b> Understand information for management decision making.	6	2	-	-	10% 26 min
<b>TOTAL</b>	<b>19</b>	<b>14</b>	<b>5</b>	<b>2</b>	<b>70% 180 min</b>

Check that this booklet contains pages 2-16 in the correct order and that none of these pages is blank.

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

**STRAND 1: THE CONCEPTUAL BASIS OF ACCOUNTING***Assessor's use only*

1.1a	<p>State the role of the Institute of Chartered Accountants in your country.</p> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR			
Unistructural												
1												
0												
NR												
1.1b	<p>The International Accounting Standards Board (IASB) is working closely with Financial Accounting Standards Board (FASB) in revising the Conceptual Accounting Framework.</p> <p>Describe the role of the International Accounting Standards Board.</p> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Multistructural</th> </tr> </thead> <tbody> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Multistructural		2		1		0		NR	
Multistructural												
2												
1												
0												
NR												
1.1c	<p>State the purpose of the International Financial Reporting Standards (IFRS).</p> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR			
Unistructural												
1												
0												
NR												
1.1d	<p>State the purpose of the Conceptual Accounting Framework.</p> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR			
Unistructural												
1												
0												
NR												

*Assessor's use only*

1.1e	Describe the features of Generally Accepted Accounting Practice (GAAP). <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>		
		<b>Multistructural</b>	
		2	
		1	
		0	
		NR	

1.2a	<p>There are various forms of business ownerships such as sole proprietor, partnerships and companies.</p> <p>Define <b>sole proprietorship</b>.</p> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR			
Unistructural												
1												
0												
NR												
1.2b	<p>Describe the legal requirements of sole proprietorship.</p> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Multistructural</th> </tr> </thead> <tbody> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Multistructural		2		1		0		NR	
Multistructural												
2												
1												
0												
NR												
1.2c	<p>A villager wants to grow his business from sole proprietorship to partnerships.</p> <p>Describe the legal requirements you can suggest to him to enable this process.</p> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Multistructural</th> </tr> </thead> <tbody> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Multistructural		2		1		0		NR	
Multistructural												
2												
1												
0												
NR												
1.2d	<p>One of the fundamental characteristics of financial information is relevance.</p> <p>Define <b>relevance</b>.</p> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR			
Unistructural												
1												
0												
NR												

1.2e	Define the term ' <b>limited liability companies</b> '.  <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR	
Unistructural										
1										
0										
NR										
1.2f	One of the concepts in accounting is called Historical Cost Concept.  Define <b>Historical Cost Concept</b> .  <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR	
Unistructural										
1										
0										
NR										

**STRAND 2: FINANCIAL INFORMATION FOR PARTNERSHIPS AND COMPANIES**  
**PARTNERSHIPS**

Use the information below to answer Questions 2.1a - 2.1c

On 31/12/2016, Soko and Meli agreed to form a partnership. Meli was to contribute cash of \$40 000 while Soko was to contribute an existing business at an agreed price of \$40 000. The assets and liabilities of Soko were as follows:

**Soko : Statement of Financial Position as at 31/12/2016**

<b>Assets</b>	<b>\$</b>	<b>\$</b>	<b>Liabilities</b>	<b>\$</b>
Cash at Bank		5 000	Accounts Payable Control	5 000
Accounts Receivable Control	2 000			
Less Prov. for d/debts	100	1 900		
Inventories		8 000		
Machine	20 000		<b>Owner's Equity</b>	
Less Accumulated Dep.	5 000	15 000	Capital	36 900
Land		12 000		
		<b>\$41 900</b>		<b>\$41 900</b>

The partnership agreed to take over all the assets and liabilities at the following values: land was to be re-valued to \$17 000; inventories at \$5 000, accounts receivable at \$1 800 and machine at \$14 000.

*Assessor's use only*

2.1a

Prepare the General Journal entries to record the agreed value of Soko's contribution.

**General Journal**

<b>Date</b>	<b>Particulars</b>	<b>Dr</b>	<b>Cr</b>
	(To record Soko's contribution of assets and liabilities to the partnership)		

**Extended Abstract**

4

3

2

1

0

NR

2.1b	<p>Explain accounting entries for the distribution of partnership profit and drawings by partners.</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Relational</th> </tr> </thead> <tbody> <tr> <td>3</td> <td></td> </tr> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Relational		3		2		1		0		NR	
Relational														
3														
2														
1														
0														
NR														
2.1c	<p>Interpret the prospective items that may be documented in the Partnership Agreement above (page 6) and its relation to the operation of a partnership.</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Relational</th> </tr> </thead> <tbody> <tr> <td>3</td> <td></td> </tr> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Relational		3		2		1		0		NR	
Relational														
3														
2														
1														
0														
NR														

**STRAND 3: FINANCIAL INFORMATION FOR A MANUFACTURING JOB-COSTING SUBSYSTEM**

Use the information below to answer Questions 3.1a - 3.1e

Joan's Manufacturing Enterprise produces coconut oil using the job order costing system. The following information for March, 2017 was obtained from its records:

1. Materials and supplies were purchased on credit for \$54 000.
2. Materials requisitioned for jobs during March were:

	\$
Indirect Materials	3 000
Job No. 16	27 000
17	21 000

3. The payroll register for the month were as follows:

	\$
Indirect Labour	2 000
Job No. 16	52 000
17	26 000

4. Factory overhead is applied at 80% percent of direct-labour costs
5. Other Factory overhead costs include Depreciation on Factory \$20 800, Telephone \$10 000, and Factory maintenance \$29 000.

*Assessor's use only*

- 3.1a By applying the overhead rate using appropriate cost drivers, determine the predetermined overhead cost.

Working

Predetermined Overhead Cost \$ \_\_\_\_\_

**Relational**

3	
2	
1	
0	
NR	





**Use the information below to answer Questions 3.2a - 3.2d**

Fine Furniture Ltd, which specialises in the manufacture of custom-built furniture, uses job cost system. This system is appropriate for this type of operation.

With reference to job cost system, answer the following questions.

*Assessor's use only*

3.2a	<p>Describe the objectives of a job cost system.</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <tr> <th colspan="2">Multistructural</th> </tr> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </table>	Multistructural		2		1		0		NR	
Multistructural												
2												
1												
0												
NR												
3.2b	<p>List the source documents appropriate to a job cost system.</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <tr> <th colspan="2">Multistructural</th> </tr> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </table>	Multistructural		2		1		0		NR	
Multistructural												
2												
1												
0												
NR												
3.2c	<p>State the process of a job cost system.</p> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <tr> <th colspan="2">Unistructural</th> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </table>	Unistructural		1		0		NR			
Unistructural												
1												
0												
NR												
3.2d	<p>Identify <b>one</b> input element of a job cost system.</p> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <tr> <th colspan="2">Unistructural</th> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </table>	Unistructural		1		0		NR			
Unistructural												
1												
0												
NR												

**STRAND 4: REPORTING OF FINANCIAL INFORMATION**

**Use the information below to answer Questions 4.1a - 4.1d**

Tom and Ron formed a partnership on 1<sup>st</sup> January, 2017 as ‘**Tom & Ron Associates**’ providing accountancy services. The following information relates to the partnership for the year ended 31/12/2017:

1. Capital: Tom     \$50 000                      Ron     \$45 000  
           Current: Tom     \$5 000                      Ron     (\$7 000)
2. Net profit for the period was \$40 000.
3. Tom is entitled to salary of \$15 000 and Ron is entitled to salary of \$20 000. Both are non-working partners.
4. Tom and Ron withdrew \$5 000 and \$6 000 respectively.
5. Both partners are entitled to a 5% interest on capital.
6. Both partners are also charged 5% interest on drawings.
7. Profit and losses are shared equally.

*Assessor’s use only*

4.1a	<p>Use the above information to prepare the Profit Distribution Account of Tom &amp; Ron Associates.</p> <p style="text-align: center;"><b>Tom &amp; Ron Associates Profit Distribution Account</b></p> <table border="1" style="width: 100%; margin: 10px auto; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 10%; text-align: center;">\$</th> <th style="width: 30%;"></th> <th style="width: 10%; text-align: center;">\$</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>		\$		\$																																					<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Relational</th> </tr> </thead> <tbody> <tr><td style="text-align: center;">3</td><td> </td></tr> <tr><td style="text-align: center;">2</td><td> </td></tr> <tr><td style="text-align: center;">1</td><td> </td></tr> <tr><td style="text-align: center;">0</td><td> </td></tr> <tr><td style="text-align: center;">NR</td><td> </td></tr> </tbody> </table>	Relational		3		2		1		0		NR	
	\$		\$																																																			
Relational																																																						
3																																																						
2																																																						
1																																																						
0																																																						
NR																																																						
4.1b	<p>Allocate the residual profit using the ratio in the Profit Distribution Account given in <b>Q4.1a</b>.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Relational</th> </tr> </thead> <tbody> <tr><td style="text-align: center;">3</td><td> </td></tr> <tr><td style="text-align: center;">2</td><td> </td></tr> <tr><td style="text-align: center;">1</td><td> </td></tr> <tr><td style="text-align: center;">0</td><td> </td></tr> <tr><td style="text-align: center;">NR</td><td> </td></tr> </tbody> </table>	Relational		3		2		1		0		NR																																									
Relational																																																						
3																																																						
2																																																						
1																																																						
0																																																						
NR																																																						

4.1c	<p>Describe the purpose of a Profit Distribution Account.</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Multistructural</th> </tr> </thead> <tbody> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Multistructural		2		1		0		NR	
Multistructural												
2												
1												
0												
NR												
4.1d	<p>Outline the process of preparing partnership financial report.</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Multistructural</th> </tr> </thead> <tbody> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Multistructural		2		1		0		NR	
Multistructural												
2												
1												
0												
NR												

**STRAND 5: EVALUATION OF A COMPANY'S FINANCIAL INFORMATION**

Use the information below to answer Questions 5.1a and 5.2a

The following information refers to Lucky Stars Ltd financial ratios for the financial years ending 30 June 2015 and 30 June 2016.

**Financial Ratios**

Measure	30/06/15	30/06/16	Industrial Average
Gross Profit Ratio	18%	20.4%	21%
Net Profit Ratio	2.6%	3.1%	5%
Rate of Return on Owner's Equity	4.8%	8.8%	10%
Rate of Return on Total Assets	5.6%	10.3%	11%
Working Capital Ratio	2.62:1	2.10:1	2:1
Quick Asset Ratio	1.1:1	0.82:1	1:1
Proprietary Ratio	50%	39.5%	55%
Debt Ratio	50%	60.5%	45%
Rate of Turnover of Inventories	5.4 times	7.1 times	6 times
Turnover of Accounts Receivable in days	80 days	75 days	60 days

*Assessor's use only*

5.1a	Identify <b>one</b> weakness seen in Lucky Stars Ltd financial ratios.  _____ _____ _____ _____ _____	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR	
Unistructural										
1										
0										
NR										
5.1b	State the use of liquidity ratios.  _____ _____ _____ _____	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR	
Unistructural										
1										
0										
NR										

*Assessor's use only*

<p>5.1c</p>	<p>Describe the strengths of the company.</p> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <tr> <th colspan="2">Multistructural</th> </tr> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </table>	Multistructural		2		1		0		NR	
Multistructural												
2												
1												
0												
NR												
<p>5.1d</p>	<p>Outline the process for analysing and interpreting financial information.</p> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <tr> <th colspan="2">Multistructural</th> </tr> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </table>	Multistructural		2		1		0		NR	
Multistructural												
2												
1												
0												
NR												

Using the **financial ratios of Lucky Stars Ltd provided on page 13**, suggest remedial measures for negative trends and weaknesses of the company by writing a report to the management of Lucky Stars Ltd.

*Assessor's use only*

<p>5.2a</p>	<hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <tr> <th colspan="2">Extended Abstract</th> </tr> <tr> <td>4</td> <td></td> </tr> <tr> <td>3</td> <td></td> </tr> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </table>	Extended Abstract		4		3		2		1		0		NR	
Extended Abstract																
4																
3																
2																
1																
0																
NR																

**STRAND 6: INFORMATION FOR MANAGEMENT DECISION MAKING**

Use the extract below to answer Questions 6.1a – 6.1f

Max Marketing is considering employing another marketing consultant to help with managing its clients. The Human Resources Manager of the firm is weighing up whether to employ a Marketing Graduate or a Marketing Manager with at least 5 years' experience.

*Assessor's use only*

6.1a	State <b>one</b> decision that the Human Resource Manager will need to make.  _____  _____  _____	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR	
Unistructural										
1										
0										
NR										
6.1b	State the objective of the decision to be made.  _____  _____  _____	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR	
Unistructural										
1										
0										
NR										
6.1c	State <b>one</b> financial information needed to make the decision.  _____  _____	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR	
Unistructural										
1										
0										
NR										
6.1d	State <b>one</b> non-financial information needed to make the decision.  _____  _____	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR	
Unistructural										
1										
0										
NR										
6.1e	State <b>one</b> routine decision for the Human Resource Manager.  _____  _____  _____	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR	
Unistructural										
1										
0										
NR										
6.1f	State <b>one</b> strategic decision for the Human Resource Manager.  _____  _____  _____	<table border="1"> <thead> <tr> <th colspan="2">Unistructural</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Unistructural		1		0		NR	
Unistructural										
1										
0										
NR										

**Use the extract below to answer Questions 6.2a and 6.2b**

You are newly employed by Lata Global Ltd to be the management accountant. As part of your role, you are required to prepare the master budget for the company. With your expertise, you propose that each department submit a budget for the new financial year detailing their financial plans. In doing so, you conducted a workshop to clarify how this is carried out. Two of the clarifications made include the process of preparing a budget and the components of a cash budget.

*Assessor's use only*

6.2a	<p>Outline the process for preparing a budget.</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Multistructural</th> </tr> </thead> <tbody> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Multistructural		2		1		0		NR	
Multistructural												
2												
1												
0												
NR												
6.2b	<p>List the components of a cash budget.</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	<table border="1"> <thead> <tr> <th colspan="2">Multistructural</th> </tr> </thead> <tbody> <tr> <td>2</td> <td></td> </tr> <tr> <td>1</td> <td></td> </tr> <tr> <td>0</td> <td></td> </tr> <tr> <td>NR</td> <td></td> </tr> </tbody> </table>	Multistructural		2		1		0		NR	
Multistructural												
2												
1												
0												
NR												

**THE END**