

# Learning Assessment Guide

## Unit Standard 11610 – Version 4

### Perform the accounting functions for accounts receivable

#### Level 4 – 5 Credits

Assessment Summary			
Learner to complete			
Learner's name:			
Employer:			
NSN no. (ROL):		DOB:	
Signed:		Date:	
Assessor to complete			
<input type="checkbox"/> Meets requirements <input type="checkbox"/> More training required <input type="checkbox"/> More evidence required			
Assessor's name:		Assessor's No.	
Signed:		Date:	

## Before you begin...

- As well as this Learning Assessment Guide, you may also want to refer to the unit standard from the NZQA website (<http://www.nzqa.govt.nz>).
- Read the Trainee Information Kit. The kit contains important information and guidelines for Learners and can be found on the Learning State website (<http://www.learningstate.govt.nz>) under Learners, then Learning Assessment Guides.
- Check the learning resources available for this unit standard on the Learning State website (<http://www.learningstate.govt.nz>) under Learners, then Learning Assessment Guides.
- Organisation policies, standards, procedures and/or requirements may cover: quality assurance, documentation, security, communication, health and safety, and personal behaviour. These should reflect the standards found in ISO 9000 certified organisations.
- Performance of all elements is to be completed within the timeframe that would usually be expected in a commercial organisation.
- Competence in this unit standard requires knowledge of: Generally Accepted Accounting Practice (GAAP), defined in the Financial Reporting Act 1993; and the Privacy Act 1993; and subsequent amendments.

This Learning Assessment Guide is made up of:

- Tasks for you to complete
- A verification form for your manager to complete
- Assessment results that the assessor will use to assess your competence.

The tasks in this assessment are designed to show your assessor that you can:

- Create and record accounts receivable transactions in an accounting system
- Reconcile records of accounts receivable transactions
- Report accounts receivable transaction
- Maintain a debtors master file

## Assessment Task One – Elements 1 and 2

The questions in task one are designed to address:

- Your ability to record debtor's transactions in the accounting system
- Your ability to use a chart of accounts to analyse and classify debtor's transactions in the accounting system
- Your understanding of the relationship between the debtor sub-ledgers and the control ledger
- Your ability to identify and resolve discrepancies in the reporting process

### ***Before you begin***

If you have workplace evidence of your ability in the areas addressed by assessment task one you may submit examples of your work to your assessor in place of completion of the questions in assessment task one. Please contact your assessor if you intend to submit workplace evidence to make arrangements for the submission.

### ***Task one case study***

Pearson's Office Supplies Limited was recently purchased by Mr. and Mrs. Jones. Neither of the Jones' has any accounting experience, so they have approached you to help them complete the debtors ledger for January 2001. They have provided you with the following information.

#### *Debtors names:*

Mr. K. Smith  
Mrs. J. Young  
Miss. D. Roberts

#### *Chart of Accounts for Pearson's Office Supplies Limited:*

1000 Bank  
2000 Sales  
3000 Debtors  
4000 Creditors  
5000 Discounts Given  
6000 Discounts Received  
7000 Refunds  
8000 Bad Debts

#### *Transactions for Pearson's Office Supplies Limited:*

10 Jan 2001 Mr. K. Smith purchases \$50.00 of stationery on account  
11 Jan 2001 Mrs. J. Young is invoiced for photocopying services to the value of \$85.00. A discount of 10% is offered for payment within 30 days.  
15 Jan 2001 Mr. K. Smith returns \$10.00 of stationery for a refund

- 17 Jan 2001 Mrs. J. Young pays off her outstanding account in full. As this payment is received within 30 days a 10% discount is applied to her total outstanding balance.
- 20 Jan 2001 Miss. D. Roberts' account has been outstanding for 180 days. It is determined that this account is unlikely to be settled and should therefore be written-off.
- 22 Jan 2001 Mr. K. Smith is declared bankrupt and 25 cents for every dollar of Mr. K. Smith's outstanding debt is received from the official assignee.

**Task one questions**

1. Complete the individual debtor's sub-ledgers with the details of the transactions above. Ensure the transaction is classified to the appropriate account from the *Chart of Accounts* for Pearson's Office Supplies Limited.

**Mr. K. Smith**

Date	Details of Transaction	Reference	Dr	Cr	Balance
1 Jan 2001	Opening Balance				170.00

**Mrs. J. Young**

Date	Details of Transaction	Reference	Dr	Cr	Balance
1 Jan 2001	Opening Balance				55.50

**Miss. D. Roberts**

Date	Details of Transaction	Reference	Dr	Cr	Balance
1 Jan 2001	Opening Balance				213.00

2. Complete the debtor's control ledger for the individual debtor's sub-ledgers.

Debtor's Control Ledger

Date	Details of Transaction	Reference	Dr	Cr	Balance
1 Jan 2001	Opening Balance				438.50

## Assessment Task Two – Element 3

The questions in task two are designed to address:

- Your ability to report accounts receivable transactions
- Your ability to identify exceptions in accounts receivable reports

### Before you begin

If you have workplace evidence of your ability in the areas addressed by assessment task two you may submit examples of your work to your assessor in place of completion of the questions in assessment task two. Please contact your assessor if you intend to submit workplace evidence to make arrangements for the submission.

### Task two case study

Mr. and Mrs. Jones were impressed with the assistance you provided in preparing their accounts receivable ledgers for Pearson's Office Supplies Limited. They have asked to you demonstrate some reporting procedures they would like to use in relation to their accounts receivable. They have asked you to generate an invoice, prepare a debtor's statement and an aged debtor's report.

### Task two questions

1     6 March 2001     Purchase on account of Mrs. M. Donald.

Items purchased were:

5 x Pens @ \$5.00 each

10 x A4 Refill Paper @ 6.50 each

2 x Calculator @ \$29.95 each

All prices include GST. The terms of payment were agreed to be on the 20<sup>th</sup> of the month following the invoice.

You are required to generate an invoice for Mrs. M. Donald.

<b>PEARSON OFFICE SUPPLIES LIMITED</b>	
111 Office Rd Wellington	
<b>Invoice to:</b>	
<b>TAX INVOICE</b>	GST No.
<b>Invoice No. 10578</b>	12-34-567
<b>Date:</b>	
Invoice Details:	\$
<b>Total</b>	
<b>Terms of Payment:</b>	

- 2 Pearson's Office Supplies Limited would like to send a statement of outstanding invoices to those debtors that have not paid their accounts at the end of each month. Mr. Jones has asked you to create a statement for Mr. H. Peters. The ledger for Mr. H. Peters is shown below.

1 March 2001		Balance carried forward	125.60
10 March 2001	Inv. 10503	Purchase: books	40.50
12 March 2001		Payment Received	25.60
17 March 2001	Inv. 10534	Purchase: stationery	61.40
22 March 2001	Inv. 10561	Purchase: printing	27.15

You are required to prepare the end of month debtor's statement for Mr. H. Peters.

**PEARSON OFFICE SUPPLIES LIMITED**111 Office Rd  
Wellington**Statement to:****INVOICE STATEMENT****Date:**

Invoice Statement Details:

\$

**Total**

Prompt Payment is Appreciated

- 3 Mr. Jones wants to gain more control over the payments of debtor's outstanding accounts. He asks you to generate a report that will provide him with information regarding the length of time an account has been outstanding for. Mr. Jones has provided the following information.

			Amount	Amount Outstanding
31 November 2000	Inv. 10208	J. Pepper	200.00	200.00
12 December 2000	Inv. 10267	H. Dean	132.80	0.00
15 December 2000	Inv. 10271	G. Goodman	101.50	0.00
27 December 2000	Inv. 10293	F. Fredrick	48.70	48.70
1 January 2001	Inv. 10309	H. Dean	134.45	134.45
14 January 2001	Inv. 10366	S. Smith	222.20	0.00
30 January 2001	Inv. 10402	G. Goodman	191.90	191.90
7 February 2001	Inv. 10455	R. Richards	100.00	0.00
28 February 2001	Inv. 10490	E. Lane	27.50	27.50
3 March 2001	Inv. 10500	S. Smith	51.25	51.25
17 March 2001	Inv. 10534	K. Smith	61.40	61.40
22 March 2001	Inv. 10561	K. Smith	27.15	27.15

You are required to generate an aged debtors report.

**PEARSON OFFICE SUPPLIES LIMITED**

111 Office Rd  
Wellington

**Aged Debtors Report  
31 March 2001**

Details	Invoice	Current \$	1 Month \$	2 Months \$	3+ Months \$
	Totals				

## Assessment Task Three – Element 4

The questions in task three are designed to address:

- Your ability to maintain a debtor's master file
- Your ability to ensure details in the master file match source documents advising changes
- Your ability to identify and remedy errors in the debtor's master file
- Your ability to ensure the integrity of the master file is maintained. The range of integrity includes, but is not limited to: accuracy, confidentiality, security, and relevance to purpose.

### Before you begin

If you have workplace evidence of your ability in the areas addressed by assessment task one you may submit examples of your work to your assessor in place of completion of the questions in assessment task one. Please contact your assessor if you intend to submit workplace evidence to make arrangements for the submission.

### Task three case study

Mr. Jones has presented a debtor's master file for Pearson's Office Supplies Limited that he does not understand. He said that he cannot get the total of the details in the file to add up to the total of the file. The file is from before the Jones' purchased the business and Mr. Jones is worried that other accounts may have errors in them. He asks you to review the file details to make sure it is correct.

### Task three questions

- 1 Mr. Jones has provided you with the following debtor's master file and source documents.

Debtor's Master File

Date	Details of Transaction	Reference	Dr	Cr	Balance
1 July 2000	Opening Balance				1560.00
2 July 2000	Mr. K. Smith: Refund	10001		175.00	1735.00
5 July 2000	Mr. K. Smith: Refund	10030		55.00	1790.00
15 July 2000	Mr. K. Smith: Purchase	10058	180.00		1534.50
22 July 2000	Mr. D. Donald: Purchase	10074	430.00		1964.50
30 July 2000	Ms. A. Jackson: Interest	10089		11.00	1975.50

Pearson's  
Office  
Supplies  
Limited

Purchase:  
Mr. K. Smith  
\$175.00

2 July 2000

Pearson's  
Office  
Supplies  
Limited

Refund:  
Mr. K. Smith  
\$55.00

5 July 2000

Pearson's  
Office  
Supplies  
Limited

Purchase:  
Ms. A. Jackson  
\$250.00

10 July 2000

Pearson's  
Office  
Supplies  
Limited

Payment:  
Mr. K. Smith  
\$180.00

15 July 2000

Pearson's  
Office  
Supplies  
Limited

Purchase:  
Mr. D. Donald  
\$430.00

22 July 2000

Pearson's  
Office  
Supplies  
Limited

Interest charged:  
Ms. A. Jackson  
\$11.00

30 July 2000

**Required:**

You are required to identify any errors or omissions in the master file Mr. Jones has provided. Provide the corrected file in the space below.

**Debtor's Master File**

Date	Details of Transaction	Reference	Dr	Cr	Balance
	Opening Balance				

## Assessment Task Four – Elements 1, 2, 3 and 4

Task four involves verification from your manager of:

- Your debtor account transaction compliance
- Your ability to appropriately identify exceptions and any necessary remedial actions for transactions in debtor accounts
- Your compliance with organisation, client, and regulatory specifications and standards when performing debtor account transactions.

This task addresses multiple elements.

### ***Task four questions***

Find out from your assessor whether they require oral verification (through direct contact with your manager), or written verification.

If written verification is required:

- 1 Brief your manager on the content of this unit standard.  
(Your manager has been asked to provide examples of your work performance and will need to know the focus of this assessment).
- 2 Ask your manager to complete the following verification form.
- 3 Ensure that the completed forms are given to your assessor.

### Manager Verification Form – Unit Standard 11610

<b>Name of learner:</b>	
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This learner is currently being assessed toward unit standard 11610 – Perform the accounting functions for accounts receivable. Your knowledge of the learner is sought to verify whether or not the learner demonstrates a good understanding and application of accounting principles in debtors' accounts in the workplace.

Please complete this form and arrange for it to be passed on to the 11610 assessor.

Does the learner resolve debtor queries according to organisation policies and procedures?	<b>Yes</b>	<b>No</b>
Does the learner enter the total of the debtor's control ledger to the general ledger control?	<b>Yes</b>	<b>No</b>
Does the learner resolve any discrepancies identified in the debtor's reconciliation process according to organisation standards?	<b>Yes</b>	<b>No</b>
Do debtor's reconciliation reports prepared by the learner meet organisation standards?	<b>Yes</b>	<b>No</b>
Does the learner identify exceptions in the debtor invoices, period end debtor statements and the aged debtors report according to organisation policies and standards?	<b>Yes</b>	<b>No</b>
Does the learner maintain the integrity of the debtor's master file in accordance with organisation policies and statutory requirements? Integrity refers to accuracy, confidentiality, security and relevance to purpose.	<b>Yes</b>	<b>No</b>
Comments:		

<b>Verifier Name:</b>		<b>Phone:</b>	
<b>Position:</b>		<b>Date:</b>	
<b>Email:</b>			

## Assessment Results

These are the judgements that your assessor will use to assess you.

Does the learner ensure that accounting system transaction details match source documents?	<b>Yes</b>	<b>No</b>
Does the learner allocate transactions to the correct debtor identified on the source document?	<b>Yes</b>	<b>No</b>
Do the learner's answers demonstrate an understanding of how to classify transactions using a chart of accounts?	<b>Yes</b>	<b>No</b>
Learner demonstrates an understanding of the relationship between the totals in the debtor's sub-ledgers and the debtor's control ledger?	<b>Yes</b>	<b>No</b>
Does the learner resolve debtor queries according to organisation policies and procedures?	<b>Yes</b>	<b>No</b>
Do the learner's answers show an ability to identify errors and omissions then initiate required changes?	<b>Yes</b>	<b>No</b>
Does the learner demonstrate the ability to reconcile records of debtors transactions and identify any discrepancies?	<b>Yes</b>	<b>No</b>
Does the learner demonstrate an understanding of the reports that are produced in relation to debtor account transactions?	<b>Yes</b>	<b>No</b>
Can the learner generate reports for a debtor transaction or account?	<b>Yes</b>	<b>No</b>
Does the learner enter details in the master file that match evidence on source documents?	<b>Yes</b>	<b>No</b>
Does the learner maintain the integrity of the debtor's master file according to organisation policies and statutory requirements?	<b>Yes</b>	<b>No</b>