

# Learning Assessment Guide

## Unit Standard 11612 – Version 4

### Demonstrate general ledger preparation skills

### Level 5 – 4 Credits

<b>Assessment Summary</b>			
<b>Learner to complete</b>			
Learner's name:			
Employer:			
NSN no. (ROL):		DOB:	
Signed:		Date:	
<b>Assessor to complete</b>			
<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.

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:

- Maintain a general ledger chart of accounts.
- Create and record general ledger transactions in an accounting system.
- Reconcile general ledger transactions to other ledgers.
- Report general ledger transactions.

## Assessment Task One – Element 1

The questions in this task are designed to address your ability to:

- Document recommendations for amendments in the chart of accounts.
- Identify Omissions and adjustments in chart of accounts
- Provide remedial action for them.
- Carry out the above tasks according to the organization policies and standards which include accounting standards, accuracy, authorization, confidentiality, security.

### Task Instructions

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 1 question:

The following are the accounts of a company G.R. limited over a few years.

a) Identify any changes or amendments required in the following general ledger account or provide workplace evidence if relevant.

<b>Dr</b>			<b>cr</b>
Balance	105000	Finished product	760000
Inventory	210000		
Direct labor	115000		
Overhead	410000		

b) Identify any omissions or adjustments in this general ledger and correct them or provide workplace evidence if relevant.

Utilities	14000	Applied overhead	
Insurance	9000		
Maintenance		Over applied overhead	8000
Indirect materials	7000		
Indirect labor	65000		
Depreciation	40000		
<b>Total actual overhead</b>	<b>168000</b>		

c) Identify any adjustments required in the general ledger and correct them or provide workplace evidence if relevant.

Direct materials	530000	Finished product	755000
Direct labor	85000		
Overhead	150000		

## Assessment Two – Elements 1 and 2

The questions in this task are designed to address the learner's ability to:

- record general ledger transactions in an accounting system
- match general ledger transaction details with source documents
- ensure general ledger transactions achieve specified accounting objectives
- Carry out the above tasks and document general ledger transactions according to the organizational standards and policies.

### Task Instructions

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 2 question:

The following relates to *Balloons Limited*, a public relations consulting business. The company prepares its financial statements and closes its temporary accounts at the end of each month.

*Balloons Limited* Trial Balance at 28 February 2005 is as follows:

	DR	CR
Revenue		\$1,865
Advertising Expense	\$ 125	
Rent Expense	200	
Wages Expense	250	
Accounts Receivable – <i>JT Ltd</i>	225	
Bank	2,235	
Prepaid Rent ( <i>for March</i> )	280	
Office Equipment	1,620	
Accounts Payable – <i>Radio Ltd</i>		570
Owners Equity – Share Capital		2,000
Retained Earnings 1/2/05.		500
Total	\$4,935	\$4,935

Transactions in March 2005 are as follows:

- March 1 Paid rent for April of \$310.
- March 1 Purchased office equipment for \$500 cash.
- March 3 *JT Ltd* paid account of \$225.
- March 8 Paid \$200 for advertising brochures.
- March 12 Billed *JT Ltd* for professional services \$450.
- March 13 Received consultancy fees of \$900.

March 16 Received account for advertising from *Radio Ltd* for \$2,500.  
March 30 Paid Wages \$1,200.

Required:

- (a) Prepare the adjusting entry for prepaid rent (including dates and narrations) or provide workplace evidence if relevant.
- (b) Prepare journal entries for March or provide workplace evidence if relevant.
- (c). Post the March journal entries to ledger accounts in three column format or provide workplace evidence if relevant. (Include, where appropriate, opening balances.)

## Assessment Three – Elements 1, 2 and 3

The questions in this task are designed to address the learner's ability to:

- Reconcile general ledger with other ledger.
- Compare totals of general ledger with other subsidiary ledgers.
- Resolve any discrepancies arising in the process of reconciliation.
- Carry out the above tasks in accordance with the organization's policies and standards.

### Task Instructions

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

### Task 3 question:

March 1 Owners set up a music tuition business placing the following in the business:

	Opened bank account with	\$12,000
	Musical Instruments	\$10,000
	Paid rent on space for business	\$600
March 2.	Paid cash for advertising	\$100
	Purchased office supplies on credit from <i>Office Stuff Ltd</i>	\$250
March 4.	Paid insurance	\$450
March 7.	Received payments for classes	\$300
	Two customers did not pay this week's fee	
	Smith	\$50
	Jones	\$75
March 8	Purchased consumables for instruments for cash	\$250
March 10	Business going so well decided to buy new instruments	
March 14	Received payments for this week's classes	\$300
March 14	the following customers did not pay this week:	
	Smith	\$50
	Jones	\$50
	Brown	\$100
March 15	Jones paid	\$125
	Brown paid	\$100
March 18	Purchased new musical equipment from <i>Lilburn Ltd</i> for paying half now and the remainder on credit.	\$3,000
March 19	Paid <i>Office Stuff Ltd</i> on account	\$250
March 21	Received payments for this weeks class	\$450
	Smith did not pay this week's fee	\$50
March 23	Smith paid on account	\$100
March 25	Purchased musical consumables for cash	\$250

March 26	Purchased office supplies on credit from <i>Office Stuff Ltd</i>	\$75
March 28	Purchase music stands from <i>Dobbyn Ltd</i> on credit	\$120
	Received payments for this weeks class	\$450
	The following did not pay	
	Smith	\$50
	Jones	\$75
March 30	Paid helpers	\$300
March 31	End of Reporting Period	
	Have not received electricity account yet, but estimate account to be	\$75
	The Rent paid at start of month was in advance for three months.	

**Required:**

- 1) Prepare journal entries for the above transactions or provide workplace evidence if relevant.
- 2) Post journal entries to the Ledger accounts (three column format) and prepare trial balance or provide workplace evidence if relevant.

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

The questions in this task are designed to address the learner's ability to:

- Report general ledger transactions.
- Produce and distribute general ledger transactions according to organization standards.
- Identify exceptions and initiate remedial action according to organization policies and standards.
- Identify variances and initiate remedial action according to organization policies and standards.

Questions are similar to those in task two and task three.

### Task Instructions

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

### Task 4 question:

<b>April 1</b> opening balances:	\$
Bank	10725
Instruments	13000
Debtor- smith	100
Debtor – Jones	75
Creditor - Lilburn Ltd	1500
Creditor - Office Stuff Ltd	75
Creditor - Dobbyn Ltd	120
Equipment	120
Prepaid Rent	400
Electricity	75
Share capital	22600
Retained earnings	50
Received a long term loan from the bank	\$10,000
<b>April 2</b> Paid cash for advertising	\$75
Received account from <i>Electricity Supplier Ltd</i>	\$75
Purchased office supplies for cash from <i>Office Stuff Ltd</i>	\$300
<b>April 3</b> paid insurance	\$450
<b>April 4</b> Purchased new musical instruments for cash	\$5,000
<b>April 8</b> Purchased consumables for instruments for cash	\$250
<b>April 10</b> Paid <i>Electricity Supplier Ltd</i>	\$75
<b>April 14</b> Received payments for last fortnight's classes	\$300

<b>April 14</b> the following customers did not pay:	
Smith	\$50
Jones	\$50
Brown	\$100
<b>April 15</b> Brown paid	\$100
<b>April 18</b> Paid <i>Creditor - Lilburn Ltd</i> full account.	
<b>April 23</b> Smith paid on account	\$50
<b>April 25</b> Purchased musical consumables for cash	\$250
<b>April 26</b> Purchased office supplies on credit from <i>Office Stuff Ltd</i>	\$75
<b>April 28</b> Purchase equipment (not instruments) from <i>Dobbyn Ltd</i> on credit	\$320
Received payments for last fortnight's class	\$1500
The following did not pay	
Smith	\$150
Jones	\$50
<b>April 29</b> Paid Wages	\$600
<b>April 30 End of Reporting Period</b>	

This question is in continuation from the question in task 3. The transactions are from the month of April.

Adjust for Rent. Presume that the adjusting entry on March 31 was reversed on April 1.

Have not received electricity account yet, but estimate account to be \$125

No interest was paid on loan, but interest rate is 12% p.a.

Payments received on April 28 included \$500 for tuition to be provided in May.

**Required:**

- Prepare journal entries for the above transactions, including the end of period transactions (April 30) or provide workplace evidence if relevant.
- Post journal entries to the Ledger accounts and prepare trial balance or provide workplace evidence if relevant.
- Prepare Statement of Financial Performance and Statement of Financial Position or provide workplace evidence if relevant.
- Prepare closing journal entries on April 30 or provide workplace evidence if relevant.
- Prepare reversing journal entries on May 1 or provide workplace evidence if relevant.

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

Task four involves verification from your manager of:

- Your understanding of general ledgers
- Your ability to appropriately identify exceptions and any necessary remedial actions for the general ledger
- Your compliance with organisation, regulatory specifications and standards

This task addresses multiple elements.

### Task five 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 form is given to your assessor.

## Manager Verification Form: Unit Standard 11612

Name of learner:	
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This learner is currently being assessed toward unit standard 11612 - Perform the accounting functions for general ledger transactions. Your knowledge of the learner is sought to verify whether or not the learner demonstrates an understanding of accounting functions for general ledger transactions in the workplace.

Please complete this form and arrange for it to be passed on to the 11612 assessor.

Learner shows an understanding of how to maintain a general ledger.	Yes	No
Learner shows an understanding of organization's policies and standards.	Yes	No
Learner shows the ability to identify and rectify errors in chart of accounts.	Yes	No
Learner shows an understanding of how to create a general ledger.	Yes	No
Learner shows an understanding of how to record general ledger transactions.	Yes	No
Learner shows an understanding of how to record adjusting and general journal entries.	Yes	No
Learner shows an understanding of how to reconcile general ledger transactions with other subsidiary ledgers.	Yes	No
Learner shows an understanding of how to record and maintain subsidiary ledgers accounts and trial balance and reconciling them.	Yes	No
Learner shows an understanding of how to report general ledger transactions in the form of statement of financial performance and position as well as trial balance.	Yes	No
Learner shows an understanding of how to identify exceptions like in the case of reversing journal entries	Yes	No
Learner shows an understanding of how to identify variances like in the form of adjusting journal entry.	Yes	No

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Comments:

Name:		Phone:	
Position:		Date:	
Email:			

## Assessment Results:

These are the judgments that the assessor will use to assess you:

Does the learner's answer demonstrate an ability to prepare and modify adjustments to chart of accounts?	Yes	No
Does the learner's answer demonstrate an understanding of the principles of ledger transactions?	Yes	No
Does the learners answer demonstrate an understanding of how to record and match general ledger transactions?	Yes	No
Are the learners answers provided and the tasks completed carried out in accordance with the organizational standards?	Yes	No
Does the learners answer demonstrate an ability to reconcile and compare general ledger transactions with other ledgers?	Yes	No
Does the learners answer demonstrate an ability to resolve discrepancies if any arose in the process of reconciliation?	Yes	No
Does the learners answer show an ability to report ledger transactions while identifying variances and exceptions and providing remedial action.	Yes	No
Was manager verification obtained confirming the learners' understanding of general ledger preparation?	Yes	No