

COMMONWEALTH OF AUSTRALIA

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Family Name	
Given Names	
Student Number	
Teaching Period	Semester 1, 2016

FINAL EXAMINATION	DURATION
ACT204 – Financial Accounting	Reading Time: 10 minutes
	Writing Time: 180 minutes

INSTRUCTIONS TO CANDIDATES

1. INSTRUCTIONS TO CANDIDATES:

1.1 The examination has 2 sections

Section A:

Suggested Time: 2 hours 30 mins Multiple Choice Questions: Answer ALL questions

Total Marks 83

Section B:

Suggested Time: 30 mins Answer the question

Total Marks 17

Section A must be answered on the Answer sheet provided and must be handed in with your answer booklet. Please ensure that your name and student number are clearly indicated on your Answer Sheet and at the top of this examination paper.

Section B is to be answered in separate booklet.

Please ensure that your Name and Student Number are written clearly in the space provided at the top of this page.

1.2 Note that questions ARE NOT of equal value.

1.3 Read ALL questions carefully.

1.4 Do not commence writing until instructed to do so.

EXAM CONDITIONS

You may begin writing from the commencement of the examination session. The reading time indicated above is provided as a guide only.

This is a RESTRICTED OPEN BOOK examination

Any non-programmable calculator is permitted

No handwritten notes are permitted

Hard copy, unannotated English translation dictionary only

ADDITIONAL AUTHORISED MATERIALS	EXAMINATION MATERIALS TO BE SUPPLIED
Relevant Legislation (Unannotated)	1 x 16 Page Book 1 x 4-Multiple Choice Answer Sheet

A

Multiple Choice Questions

Total No of Marks for this section: 83

This section should be answered on the Answer Sheet provided. Please ensure that your name and student number have been written on the Answer sheet and place in the completed answer Booklet.

Marks for each question are indicated. Suggested Time allocation for Section A: 150 mins

Section B

Short Answer Questions

Total No of Marks for this section: 17

This section should be answered in the Answer Booklet provided.

Marks for each question are indicated. Suggested Time allocation for Section B: 30 mins

Question 31

Peters Retailers Pty
Income Statement compared with Industry Average
For the year ended 30th June 2016

	Peters	Industry Average
Net sales	\$972,500	100.0%
Cost of sales	<u>653,520</u>	<u>65.8</u>
Gross profit	318,980	34.2
Selling and general expenses	201,308	19.7
Other expenses	<u>5,835</u>	<u>0.4</u>
Profit	<u>111,837</u>	<u>14.1%</u>

Peters Retailers Pty
Statement of financial Position compared with Industry Average
as at 30th June 2016

	Peters	Industry Average
Current assets	\$406,800	70.9%
Property, plant and equipment, net	151,200	23.6
Intangible assets, net	10,800	0.8
Other assets	<u>31,200</u>	<u>4.7</u>
Total assets	<u>\$600,000</u>	<u>100.00%</u>
Current liabilities	278,400	48.1
Non-current liabilities	134,400	16.6
Shareholders' equity	<u>187,200</u>	<u>35.3</u>
Total liabilities and shareholders' equity	<u>\$600,000</u>	<u>100.0%</u>

1. Prepare a common-size income statement and statement of financial position for Peters. The first column of each statement should present Peters' common-size statement and the second column the industry averages.
2. Compare Peters' gross profit percentage and rate of return on net sales with the industry averages. Is Peters' performance better or worse than the industry average?
3. Compare Peters' current ratio and debt to equity ratios with the industry averages. Is Peters' performance better or worse than the industry average?

(Marks: 17)