

LUI

School code

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barcode ID label here

Book  of  books used

External assessment 2025

**Question and response book**

# Accounting

## Time allowed

- Planning time — 15 minutes
- Working time — 120 minutes

## General instructions

- Answer all questions in this question and response book.
- QCAA-approved calculator permitted.
- QCAA formula book provided.
- Planning paper will not be marked.

## Section 1 (10 marks)

- 10 multiple choice questions

## Section 2 (50 marks)

- 3 short response questions



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## Section 1

### Instructions

- This section has 10 questions and is worth 10 marks.
- Use a 2B pencil to fill in the A, B, C or D answer bubble completely.
- Choose the best answer for Questions 1–10.
- If you change your mind or make a mistake, use an eraser to remove your response and fill in the new answer bubble completely.

| Example: | A                                | B                     | C                     | D                     |
|----------|----------------------------------|-----------------------|-----------------------|-----------------------|
|          | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

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|     | A                     | B                     | C                     | D                     |
|-----|-----------------------|-----------------------|-----------------------|-----------------------|
| 1.  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 2.  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 3.  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 4.  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 5.  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 6.  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 7.  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 8.  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 9.  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 10. | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Ensure you have filled an answer bubble for each question.

Do not write outside this box.

## Section 2

### Instructions

- Write using black or blue pen.
- If you need more space for a response, use the additional pages at the back of this book.
  - On the additional pages, write the question number you are responding to.
  - Cancel any incorrect response by ruling a single diagonal line through your work.
  - Write the page number of your alternative/additional response, i.e. See page ...
  - If you do not do this, your original response will be marked.
- This section has three questions and is worth 50 marks.

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## QUESTION 11 (5 marks)

Read Case study 1 (Stimulus 1) in the stimulus book.

Record the relevant general ledger entries to reflect all necessary transactions as at 30 June 2025. Formal balancing of ledger accounts is not required.

| A Smith — General ledger (extract)  |             |    |      |             |    |
|-------------------------------------|-------------|----|------|-------------|----|
| Date                                | Particulars | \$ | Date | Particulars | \$ |
| <b>Bad and doubtful debts</b>       |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
| <b>Accounts receivable</b>          |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
| <b>Provision for doubtful debts</b> |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |
|                                     |             |    |      |             |    |

**Note:** If you make a mistake, cancel it by ruling a single diagonal line through your work and use the additional response space at the back of this book.

Do not write outside this box.

## QUESTION 12 (30 marks)

Read Case study 2 (Stimulus 2) in the stimulus book.

a) Record the relevant general ledger entries to reflect all transactions in the cash at bank account as at 30 June 2025. Formally balance the ledger account.

[5 marks]

## Bicycle business — General ledger

**Note:** If you make a mistake, cancel it by ruling a single diagonal line through your work and use the additional response space at the back of this book.

Do not write outside this box.

b) Using accrual accounting, prepare a fully classified Statement of Profit or Loss for the year ended 30 June 2025.

[10 marks]

**Bicycle business**  
**Statement of Profit or Loss for year ended 30 June 2025**

**Note:** If you make a mistake, cancel it by ruling a single diagonal line through your work and use the additional response space at the back of this book.

Do not write outside this box.

c) Using accrual accounting, prepare a fully classified Statement of Financial Position as at 30 June 2025.

[10 marks]

**Note:** If you make a mistake, cancel it by ruling a single diagonal line through your work and use the additional response space at the back of this book.

Do not write outside this box.

d) Using Case study 2 and your responses to Questions 12a), 12b) and 12c), identify whether the goal of a 7% return on owner's equity has been met. Advise the owner on the method of accounting that should be adopted in the next financial year. Justify your advice to the business owner using financial data and information.

[5 marks]

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### QUESTION 13 (15 marks)

Read Case study 3 (Stimulus 3–4) in the stimulus book.

a) Use horizontal analysis to analyse and interpret the profitability and liquidity of Y Co Ltd. Calculate and use one ratio from each area of performance to support your analysis.

[10 marks]

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Do not write outside this box.

b) Using Case study 3 and your response to Question 13a), provide a justified decision and recommendation to the board of directors regarding the proposed acquisition. [5 marks]

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END OF PAPER

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## **ADDITIONAL PAGE FOR STUDENT RESPONSES**

Write the question number you are responding to.

Do not write outside this box

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Write the question number you are responding to.

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## ADDITIONAL RESPONSE SPACE FOR QUESTION 11

If you want this response to be marked, rule a single diagonal line through your previous response.

| <b>A Smith — General ledger (extract)</b> |                    |           |             |                    |           |
|---|--------------------|-----------|-------------|--------------------|-----------|
| <b>Date</b>                               | <b>Particulars</b> | <b>\$</b> | <b>Date</b> | <b>Particulars</b> | <b>\$</b> |
| <b>Bad and doubtful debts</b>             |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
| <b>Accounts receivable</b>                |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
| <b>Provision for doubtful debts</b>       |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |
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|   |                    |           |             |                    |           |
|   |                    |           |             |                    |           |

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## ADDITIONAL RESPONSE SPACE FOR QUESTION 12a)

If you want this response to be marked, rule a single diagonal line through your previous response.

## Bicycle business — General ledger

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**ADDITIONAL RESPONSE SPACE FOR QUESTION 12b)**

If you want this response to be marked, rule a single diagonal line through your previous response.

**Bicycle business**  
**Statement of Profit or Loss for year ended 30 June 2025**

Do not write outside this box.

**ADDITIONAL RESPONSE SPACE FOR QUESTION 12c)**

If you want this response to be marked, rule a single diagonal line through your previous response.

**Bicycle business**  
**Statement of Financial Position as at 30 June 2025**

Do not write outside this box.



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