



**BSBFIA401**

# Prepare financial reports

Assessment 3 of 3  
Project



## Assessment Instructions

### Task overview

This assessment requires you to complete five (5) tasks to test your knowledge and skills required of this unit. To be assessed as competent, you must complete all tasks required.

### Additional resources and supporting documents

To complete this assessment, you will need:

- Access to learning materials
- Access to a computer and the internet
- Access to Microsoft Word
- Access to Microsoft Excel

### Supporting Documents

- Excel Documents
  - BSBFIA401\_02\_Project\_Asset Register
  - BSBFIA401\_02\_Project\_Excel Workbook
- Policies and procedures
  - Bounce Fitness Accounting Policies and Procedures.pdf



## Assessment Information

### Submission

You are entitled to three (3) attempts to complete this assessment satisfactorily. Incomplete assessments will not be marked and will count as one of your three attempts.

All questions must be responded to correctly to be assessed as satisfactory for this assessment.

Answers must be typed into the space provided and submitted electronically via the LMS. Hand-written assessments will not be accepted unless previously arranged with your assessor.

### Reasonable adjustment

Students may request a reasonable adjustment for assessment tasks.

Reasonable adjustment usually involves varying:

- the processes for conducting the assessment (e.g. allowing additional time)
- the evidence gathering techniques (e.g. oral rather than written questioning, use of a scribe, modifications to equipment)

However, the evidence collected must allow the student to demonstrate all requirements of the unit.

Refer to the Student Handbook or contact your Trainer for further information.



Please consider the environment before printing this assessment.

Student name: <<Insert student name here>>  
Student number: <<Insert student number here>>

BSBFIA401 Prepare financial reports

## Assessment 3

### Assessment Summary

For this assessment, you must consult with Bounce Fitness's accountant, correct any errors and make any further adjustments before posting the journal entries to the general ledger and preparing the finalised financial reports.

#### Resources and Equipment Required:

- Access to learning materials on the learning portal
- Access to a computer, the internet and email
- Access to Microsoft Word
- Access to Microsoft Excel
- Bounce Fitness Accounting Policies and Procedures.pdf
- BSBFIA401\_02\_Project\_Asset Register
- BSBFIA401\_02\_Project\_Excel Workbook

#### Background Information

The following supporting documents are required to complete the assessment:

- Bounce Fitness Accounting Policies and Procedures.pdf
- BSBFIA401\_02\_Project\_Asset Register
- BSBFIA401\_02\_Project\_Excel Workbook

This assessment is divided into four (4) tasks:

- Task 1 – Role Play
- Task 2 - Posting
- Task 3 - Profit & Loss Statement
- Task 4 – Balance Sheet

### Task 1

#### Role Play Activity

For this task, you will assume the role of Jordan Weight, administrative assistant for Bounce Fitness. This role play will require you to speak to Bounce Fitnesses accountant, Benny Beancounter, to:

- explain each of the adjusting journal entries that you have processed for 30 June 2022
- identify and correct or refer any errors for resolution. When Benny Beancounter points out the error, you should propose that the adjustment would be to revert an amount of \$2,200.00 to the debtor's account
- after the error resolution, ask Benny to grant approval for the posting process and the preparation of financial reports.

During your meeting, you must explain issues clearly using appropriate industry terminology, recognise and address problems you recognise in your work, and seek advice from Benny as necessary.

#### Role play instructions

The role play must include at least two participants, not exceed 15 minutes duration, and address all elements of the Observation Checklist below.

In this task, you will participate in a role play with one other person who will play the role of Bounce Fitnesses accountant, Benny Beancounter. This person may be resourced using one of the following options:

1. A peer already working within the industry your qualification relates to.
2. A fellow student who will play the role of a team member. Please contact your fellow students via the Discussion Forum and directly coordinate your role play with them.

Student name: <<Insert student name here>>  
Student number: <<Insert student number here>>

BSBFIA401 Prepare financial reports

If you are unable to find a participant to play the role of Benny Beancounter, contact your assessor via the Discussion Forum, who will discuss options for pairing up with another student to complete this task.

### Option 1: Peer participant

Should you complete this task with your peer, you must fully brief the participant, providing them with the context of the meeting, a role outline to play, and a copy of the observation checklist so that they can prepare for the recording.

The peer will need to state their name and job title at the start of the recording to inform consent.

### Option 2: Fellow student participant

The fellow student participating in the recording must be provided context to their role and responsibilities in the session and have reviewed the assessment activity and observation checklist to prepare for the recording.

The student will need to state their name and that they are a student [as their job title] at the start of the recording to inform consent.

### Recording instructions

Your role play must be recorded with all participants captured in a virtual room using a system such as Zoom, Skype or Teams.

Consent to participate in the recording must be captured for all participants at the start of the meeting. This is achieved by the student reading the following statement at the start of the recording, with all participants replying their name and job title to inform consent.

*"This session/presentation is being recorded for assessment purposes for my course with Swinburne Open Education. This session will be recorded and submitted through my course online learning platform to my Assessor for grading. All participant/s in this session indicate their consent to be included in this recording by stating their name and job title."*

The time taken to capture consent at the start of the recording does not count towards the recording time limit.

Include this recording as part of your assessment submission.

**Please note:** This recording is your submission for this assessment task (Task 1). Save this recording under the following naming convention before submitting it.

**yyyy\_mm\_dd\_yourname\_BSBFIA401\_Recording**

## Assessor Instructions

### Purpose of the Task

The candidate must demonstrate that they can:

- explain each of the adjusting journal entries they have processed for 30 June 2022
- identify and correct or refer any errors for resolution in accordance with organisational policy and procedures
- elicit Benny Beancounters' approval to complete the posting process and prepare the financial reports.

### Guidance to Assessors About this Task

This role play must be completed in an environment where the conditions are typical of those working in the bookkeeping industry.

Student name: <<Insert student name here>>  
Student number: <<Insert student number here>>

BSBFIA401 Prepare financial reports



In this role play, the student is to meet with Benny Beancounter (role played by a Peer/Student) to discuss finalising the end of year accounts for Bounce Fitness.

The candidate must cover all the criteria in the Observational Checklist below.

| Role Play Observation Checklist   |                          |                  |
|---|--------------------------|------------------|
| The student being assessed must....   |                          | Assessor Comment |
| <p>Explain each of the adjusting journal entries that have been processed for 30 June 2022</p> <p>The candidate must explain each of the adjusting journal entries they processed on 30 June 2022.</p> <p>A2T4a - Expired Prepaid Insurance for June 2022</p> <p>A2T4b - Eastland Bad Debt Writtten off</p> <p>A2T4c - Wages Earned but not yet due for Payment</p> <p>A2T4d - Interest Accrued but not yet due for Payment</p> <p>A2T4e - Adjustment for Obsolete and Damaged Stock</p> <p>A2T4f - Estimated Debtors that will be Uncollectable</p> <p>A2T4g - Revenue Received in Advance</p> <p>A2T4h - MV Depreciation Expense Aug 2021-June 2022</p> <p>A2T4h - Disposal of MV - Loss on Sale - Removal from Balance Sheet</p> <p>A2T4i - Office Equipment Depreciation Expense 2022</p> | <input type="checkbox"/> |                  |
| <p>Identify and correct or refer any errors for resolution in accordance with organisational policy and procedures</p> <p>The accountant advises during the meeting that new information about the Eastland case has just been made available, and the write off of Eastland's debt amounting to \$4,400.00 should have been \$2,200.00 only, given that Eastland can pay half of the amount.</p> <p>The candidate must identify what general journal entry needs to be made to the debtor's account on 30 June 2022 to reflect the correct amount that should have been written off.</p> <p>The accountant will then ask the student to process this transaction.</p>  | <input type="checkbox"/> |                  |
| <p>Obtain approval to post the journal entries to the ledger accounts and prepare the financial reports.</p> <p>The candidate must ask for approval to proceed with posting the general journals to the general ledger and preparing financial reports, which the accountant will grant.</p>  | <input type="checkbox"/> |                  |

Student name: <<Insert student name here>>  
 Student number: <<Insert student number here>>

BSBFIA401 Prepare financial reports



|  |                          |  |
|--|--------------------------|--|
| <p>Recognises and addresses problems in the context of own work and seeks advice from others as necessary</p> <p>During the meeting, the candidate must identify any incorrect errors they have made when creating the journal entries and determine how to correct these.</p>   | <input type="checkbox"/> |  |
| <p>Explains issues clearly using appropriate industry terminology and asks questions, and listens to responses to clarify understanding</p> <p>This may include:</p> <ul style="list-style-type: none"> <li>Using business-appropriate language and terminology throughout.</li> <li>Using body language such as smiling and nodding to encourage participation and contribution.</li> <li>Using active listening techniques, paraphrasing, and open and follow-up questions to encourage discussion.</li> </ul> | <input type="checkbox"/> |  |

### Reassessment Arrangements

Candidate who do not correctly or adequately demonstrate the skills and knowledge required for this task will need to be given feedback. Depending on the level of their performance and the types of areas in which they did not show competence, you may:

- let them redo the task immediately after considering the feedback
- request that they undertake further learning and redo the task at a later date – in this case, provide the student with a new date for the role play to be undertaken.

Discuss timeframes for reassessment with the student when you tell them about the outcome of this role play.

### Role play context for the participant

To prepare for this meeting, give the following role play context to the meeting participant. This will allow them to prepare and contribute to the meeting.

#### Role play context

In this role play, you will assume the role of Benny Beancounter, the accountant for Bounce Fitness.

You have information that must be communicated to Jordan Weight, administrative assistant for Bounce Fitness, played by the learner.

In the meeting:

- When asked to identify and correct or refer errors for resolution in accordance with organisational policy and procedures, you will point out that recent information on the Eastland

Student name: <<Insert student name here>>  
 Student number: <<Insert student number here>>

BSBFIA401 Prepare financial reports

case has become available and that the write off of Eastland's debt amounting to \$4,400.00 should have been \$2,200.00 only, given that Eastland can pay half of the amount.

- Ask Jordan Weight what journal entry she would propose to adjust to correct the debtor's account to reflect the correct amount. Ask her to process this entry. Other than this, there are no other errors that need resolution.
- When asked for approval, you will say that you approve Jordan Weight (the learner) to proceed with the posting process and the preparation of financial reports.

As a participant in this meeting, you must ensure the student addresses all the demonstrated tasks listed in the **Observation Checklist**.

**Please note:** The student being assessed will be recording this meeting and submitting the recording for Task 1 of this assessment.

## Task 2

### Posting

Review Bounce Fitness Accounting Policies and Procedures before attempting this task. Access the BSBFIA401\_02\_Project\_Excel Workbook that you used in Assessment 2.

- In Tab 3 – General Journal A3T2a prepare the journal entry for Eastland's write off adjustment for \$2,200.00 based on the meeting with Benny Beancounter (Task 1). Use the date 30 June 2022.

### Assessor Guide

Candidates must submit their updated BSBFIA401\_02\_Project\_Excel Workbook with Tab 3 - General Journal Task A3T2a completed. The journal entry must have a double red line under the journal, not extend across the debit and credit columns to indicate the end of the journal entry as per Bounce Fitness's Accounting Policies and Procedures.

The Task A3T2a general journal entry must correspond with the benchmark answer below.

Answers have been entered in purple to differentiate them from Assessment 2 answers.

|  |            | Bounce Fitness General Journal |   |          |          |
|---|------------|--------------------------------|---|----------|----------|
| Task  | Date       | Folio                          | Particulars                                 | Debit    | Credit   |
| A3T2a   | 30/06/2022 | 1-1200                         | Debtors                                     | 2,200.00 |          |
|   |            | 6-6300                         | Bad Debts                                   |          | 2,000.00 |
|   |            | 2-1310                         | GST Collected                               |          | 200.00   |
|   |            |                                | <i>Reversing the Write off for Eastland</i> |          |          |

- Post the special Journal totals (Tab 2- June Special Journals) and the adjusting journal entries (Tab 3 – General Journal) to the general ledger (Tab 1 – General Ledger).

Candidates must post the totals from the following:

- Cash Receipts Journal – June 2022
- Cash Payments Journal – June 2022
- Sales Journal – June 2022

Student name: <<Insert student name here>>

Student number: <<Insert student number here>>

BSBFIA401 Prepare financial reports



- Purchases Journal – June 2022

and the adjusting journal entries (Tab 3 – General Journal) to the general ledger (Tab 1 – General Ledger).

The answers provided by the candidate must match the exemplar answer provided in BSBFIA401\_02\_Project\_Excel Workbook Tab 1 – General Ledger.

Answers have been entered in purple to differentiate them from Assessment 2 answers.

- c. Once you have posted all entries to the ledger, generate an adjusted trial balance (Tab 4 – Trial Balance Adjusted).

Candidates must use the balances from the individual ledger accounts in the general ledger (Tab 1 – General Ledger) to generate an adjusted trial balance (Tab 4 – Trial Balance Adjusted).

The Adjusted Trial Balance must correspond with the benchmark answer below.

Student name: <<Insert student name here>>

Student number: <<Insert student number here>>

BSBFIA401 Prepare financial reports



## Bounce Fitness Trial Balance – 30 June 2022

| Acct#  | Account Name                                    | Debit      | Credit     |
|--------|---|------------|------------|
| 1-1100 | Suncorp Bank                                    | 20,948.00  |            |
| 1-1150 | Undeposited Cheques                             | 27,500.00  |            |
| 1-1200 | Debtors (Accounts Receivable)                   | 52,021.00  |            |
| 1-1250 | Provision for Doubtful Debts                    |            | 4,200.00   |
| 1-1300 | Prepaid Expense                                 | 1,231.00   |            |
| 1-1400 | Stock on Hand                                   | 84,000.00  |            |
| 1-1500 | Office Equipment at Cost                        | 23,410.00  |            |
| 1-1550 | Office Equipment - Accumulated Depreciation     |            | 12,077.00  |
| 1-1800 | Low-Value Asset Pool                            | 900.00     |            |
| 1-1850 | Low-Value Asset Pool - Accumulated Depreciation |            | 542.00     |
| 2-1200 | Creditors (Accounts Payable)                    |            | 47,117.30  |
| 2-1310 | GST Collected                                   |            | 9,414.00   |
| 2-1330 | GST Paid  | 6,824.30   |            |
| 2-2500 | Accrued Expense                                 |            | 3,400.20   |
| 2-2700 | Bank Loan                                       |            | 45,010.00  |
| 2-2800 | Revenue Received in Advance                     |            | 3,585.00   |
| 3-3100 | Capital   |            | 95,408.00  |
| 3-3200 | Drawings  | 5,755.00   |            |
| 4-4100 | Sales   |            | 268,505.00 |
| 4-4200 | Discounts Given                                 | 50.00      |            |
| 5-5100 | Stock Adjustment                                | 1,000.00   |            |
| 5-5200 | Purchases                                       | 119,783.00 |            |
| 5-5250 | Discount Taken                                  |            | 40.00      |
| 6-6100 | Advertising                                     | 15,000.00  |            |
| 6-6200 | Accounting Fees                                 | 6,000.00   |            |
| 6-6300 | Bad Debts                                       | 6,200.00   |            |
| 6-6400 | Bank Charges                                    | 835.00     |            |
| 6-6500 | Depreciation                                    | 6,975.62   |            |
| 6-6550 | Interest Expense                                | 900.20     |            |
| 6-6600 | Lease of Premises                               | 13,500.00  |            |
| 6-6700 | Motor Vehicles Expenses                         | 5,500.00   |            |
| 6-6800 | Superannuation                                  | 7,200.00   |            |
| 6-6900 | Wages   | 72,500.00  |            |
| 6-6970 | Loss on Sale of Asset                           | 11,164.38  |            |
| 6-6980 | Insurance                                       | 101.00     |            |
|        |   | 489,298.50 | 489,298.50 |

### Task 3

#### Profit & Loss Statement

Access the BSBFIA401\_02\_Project\_Excel Workbook that you used in Task 2.

Using the balances in Tab 4 -Trial Balance Adjusted, create a Profit & Loss Statement for the period 01/07/2021 – 30/06/2022.

#### Assessor Guide


Student name: <<Insert student name here>>

Student number: <<Insert student number here>>

BSBFIA401 Prepare financial reports



Candidates must use the balances in Tab 4 - Trial Balance Adjusted to create a Profit & Loss Statement for Bounce Fitness for the period 01/07/2021 – 30/06/2022. The Profit & Loss Statement must correspond with the benchmark answer below.

|             |            |            |                   |
|--|------------|------------|-------------------|
| <b>Bounce Fitness</b><br><b>Profit &amp; Loss Statement</b><br><b>July 2021 To June 2022</b> |            |            |                   |
|  | \$         | \$         | \$                |
| <b>Income</b>  |            |            |                   |
| <b>Sales Income</b>  |            | 268,505.00 |                   |
| less Discount Given  |            | 50.00      |                   |
| <b>Total Income</b>  |            | 268,455.00 |                   |
| <b>Cost Of Sales (COGS)</b>  |            |            |                   |
| Purchases  | 119,783.00 |            |                   |
| Less Discount Taken  | 40.00      | 119,743.00 |                   |
| Add Stock Loss   |            | 1,000.00   |                   |
| <b>Total COGS</b>  |            | 120,743.00 |                   |
| <b>Gross Profit</b>  |            |            | <b>147,712.00</b> |
| <b>Expenses</b>  |            |            |                   |
| Advertising  |            | 15,000.00  |                   |
| Accounting Fees  |            | 6,000.00   |                   |
| Bad Debts  |            | 6,200.00   |                   |
| Bank Charges   |            | 835.00     |                   |
| Depreciation   |            | 6,975.62   |                   |
| Interest Expense   |            | 900.20     |                   |
| Lease of Premises  |            | 13,500.00  |                   |
| Motor Vehicles Expenses  |            | 5,500.00   |                   |
| Superannuation   |            | 7,200.00   |                   |
| Wages  |            | 72,500.00  |                   |
| Loss on Sale of Asset  |            | 11,164.38  |                   |
| Insurance  |            | 101.00     |                   |
| <b>Total Expenses</b>  |            |            | <b>145,876.20</b> |
| <b>Net Profit</b>  |            |            | <b>1,835.80</b>   |

#### Task 4

#### Balance Sheet

Access the BSBFIA401\_02\_Project\_Excel Workbook that you used in Task 3.

Student name: <<Insert student name here>>  
 Student number: <<Insert student number here>>

BSBFIA401 Prepare financial reports

Using the balances in Tab 4 -Trial Balance Adjusted, create a Balance Sheet for 30/06/2022. Ensure that the balance sheet balances by tracing and reconciling errors systematically. Contact your assessor if you cannot identify why your balance sheet does not balance.

Once you have finished this task, review all tabs in the BSBFIA401\_02\_Project\_Excel Workbook, save a copy to your computer and upload the video recording from Task 1 and the BSBFIA401\_02\_Project\_Excel Workbook to the LMS for marking.

### **Assessor Guide**

Candidates must use the balances in Tab 4 -Trial Balance Adjusted to create a balance sheet for Bounce Fitness dated 30/06/2022. The balance sheet must correspond with the benchmark answer below.

Student name: <<Insert student name here>>  
Student number: <<Insert student number here>>

BSBFIA401 Prepare financial reports





**Bounce Fitness**  
Balance Sheet  
As of June 2022

|   | \$        | \$        | \$         | \$         |
|---|-----------|-----------|------------|------------|
| <b>Assets</b>                                   |           |           |            |            |
| <b>Current Assets</b>                           |           |           |            |            |
| Suncorp Bank                                    | 20,948.00 |           |            |            |
| Undeposited Cheques                             | 27,500.00 | 48,448.00 |            |            |
| Debtors (Accounts Receivable)                   | 52,021.00 |           |            |            |
| Less Provision for Doubtful Debts               | 4,200.00  | 47,821.00 |            |            |
| Prepaid Expense                                 |           | 1,231.00  |            |            |
| Stock on Hand                                   |           | 84,000.00 |            |            |
| <b>Total Current Assets</b>                     |           |           | 181,500.00 |            |
| <b>Non-Current Assets</b>                       |           |           |            |            |
| Equipment                                       |           |           |            |            |
| Office Equipment at Cost                        | 23,410.00 |           |            |            |
| Less Depreciation Office Equipment              | 12,077.00 | 11,333.00 |            |            |
| Low-Value Asset Pool                            | 900.00    |           |            |            |
| Low-Value Asset Pool - Accumulated Depreciation | 542.00    | 358.00    |            |            |
| <b>Total Non-Current Assets</b>                 |           |           | 11,691.00  |            |
| <b>Total Assets</b>                             |           |           |            | 193,191.00 |
| <b>Liabilities</b>                              |           |           |            |            |
| <b>Current Liabilities</b>                      |           |           |            |            |
| Creditors (Accounts Payable)                    |           | 47,117.30 |            |            |
| GST Collected                                   | 9,414.00  |           |            |            |
| GST Paid  | 6,824.30  | 2,589.70  |            |            |
| Accrued Expense                                 |           | 3,400.20  |            |            |
| Revenue Received in Advance                     |           | 3,585.00  |            |            |
| <b>Total Current Liabilities</b>                |           |           | 56,692.20  |            |
| <b>Non Current Liabilities</b>                  |           |           |            |            |
| Bank Loan                                       |           |           | 45,010.00  |            |
| <b>Total Liabilities</b>                        |           |           |            | 101,702.20 |
| <b>Net Assets</b>                               |           |           |            | 91,488.80  |
| <b>Equity</b>                                   |           |           |            |            |
| Capital   |           | 95,408.00 |            |            |
| Less Drawings                                   |           | 5,755.00  | 89,653.00  |            |
| Net Profit                                      |           |           | 1,835.80   |            |
| <b>Total Liabilities and Equity</b>             |           |           |            | 91,488.80  |

Student name: <<Insert student name here>>  
Student number: <<Insert student number here>>

BSBFIA401 Prepare financial reports

**Assessment checklist:**

Students must have completed all activities within this assessment before submitting it. This includes:

| Assessment Checklist |  |  |
|----------------------|--|--|
| Task 1               | Video recording of role play   | <input type="checkbox"/>   |
| Task 2               | a. BSBFIA401_02_Project_Excel Workbook - Tab 3 - General Journal<br>b. BSBFIA401_02_Project_Excel Workbook - Tab 1 – General Ledger<br>c. BSBFIA401_02_Project_Excel Workbook - Tab 4 – Trial Balance Adjusted | <input type="checkbox"/><br><input type="checkbox"/><br><input type="checkbox"/> |
| Task 3               | BSBFIA401_02_Project_Excel Workbook - Tab 5 – Profit & Loss  | <input type="checkbox"/>   |
| Task 4               | BSBFIA401_02_Project_Excel Workbook – Tab 6 – Balance Sheet  | <input type="checkbox"/>   |



**Congratulations you have reached the end of Assessment 3!**

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Student name: <<Insert student name here>>  
Student number: <<Insert student number here>>