

Pearson LCCI

**Monday 14 January 2019**

Time: 3 hours

Paper Reference **ASE 20091**

**Certificate in Bookkeeping (VRQ)**

**Level 1**

**Resource Booklet**

**Do not return this booklet with the question paper.**

### Instructions

- All workings and answers **must** be given in the question paper.
- Please note that any workings and answers written in the Resource Booklet will **not** be marked.

Turn over ►

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**Resource for Question 1 – parts (b), (c) and (d).**

**Data for parts (b) and (c).**

Donald sells goods on credit to Barack and allows him a 6% trade discount on orders over \$100 and a 5% early payment discount if Barack pays within 10 days.

<b>November 2018</b>	<b>Activity on Barack's account</b>
1	Balance on account \$350
7	Bought 10 electric fans at \$25 each.
14	Returned two electric fans bought on 7 November.
15	Full payment made.

**Data for part (d).**

On 1 December 2017 the trade receivables ledger control account had a balance of \$10 650

The following information was provided for the year ended 30 November 2018.

	<b>\$</b>
Cash sales	860
Credit sales	5 900
Payments received	3 600
Returns inwards	895

**Resource for Question 2 – Parts (a) and (b).**

**Data for part (a).**

On 1 December 2018 Herbert's payables ledger showed the following balances.

<b>Supplier</b>	<b>\$</b>
Rialto Supplies	146.50
Clean-It	15.00 Dr
Mayor Parts	87.50

During the month of December 2018:

**Purchases Day Book**

<b>December</b>	<b>Supplier</b>	<b>\$</b>
5	Rialto Supplies	485.00
8	Clean-It	200.00
15	Mayor Parts	62.75
28	Rialto Supplies	824.50
31	Total for month	<u>1 572.25</u>

**Returns Outwards Day Book**

<b>December</b>	<b>Supplier</b>	<b>\$</b>
10	Mayor Parts	35.00
31	Total for month	<u>35.00</u>

**Cash Book Extract**

<b>December</b>	<b>Supplier</b>	<b>\$</b>
19	Mayor Parts	40.00
23	Clean-It	185.00
27	Rialto Supplies	631.50
31	Total for month	<u>856.50</u>

**Data for part (b).**

On 1 January 2019 Herbert agrees with a new supplier, Ern, to purchase goods on credit. Ern agrees to provide a discount of 5% for payment within 10 days of the invoice date.

On 2 January 2019 Herbert purchases from Ern goods valued at \$500 and pays for these on 4 January.

### Resource for Question 3 – Parts (a) and (b).

Aarifa is responsible for the completion of both the main cash book and the petty cash book for her employer, Harrun Trading.

<b>Balance at 1 November 2018</b>	<b>\$</b>
Cash at bank	3200 Cr
Cash in hand	540
Petty cash	350

#### Expenditure Policy

- Items of expenditure under \$25 are recorded in the petty cash book.
- The petty cash float of \$350 is restored at the end of each month.
- Petty cash can only be paid on production of a valid receipt to support the claim.
- All petty cash claims must be authorised by Harrun.
- All cheques must be signed by Harrun.

During November 2018 the following transactions took place.

<b>November</b>	<b>Transaction</b>
3	Sold goods for cash, \$1 500
7	Transferred \$1 000 from the cash account into the bank account.
10	Received a cheque for \$840 from Tong, a credit customer, in full settlement of his account of \$850
12	Paid \$20 cash to Green, a supplier.
15	Paid a cheque for \$230 to Hana, a credit supplier.
21	Paid \$15 cash for cleaner's wages.
25	Cash sales of \$2 790 were paid directly into the bank.
27	The cheque received from Tong on November 10 was returned by the bank as 'dishonoured'.
29	Paid \$3 600 by cheque for staff wages.

**There is no resource for Question 4.**

**Resource for Question 5 – Parts (a), (b) and (c).**

Giorgio provided the following information.

	\$
<b>Non-current assets at 1 November 2017</b>	
Motor vehicles	
– cost	40 000
– accumulated depreciation	26 280
Office equipment	
– cost	20 000
– accumulated depreciation	6 000
<b>For the year ended 31 October 2018</b>	
Cost of sales	41 350
General expenses	12 580
Rental income	19 500
Revenue	86 100
Wages and salaries	26 340

- During the year ended 31 October 2018 new office equipment was purchased costing \$15 000
- Depreciation is charged on office equipment at the rate of 10% per annum on a straight line basis and on motor vehicles at the rate of 30% per annum on a reducing balance basis.
- On 31 October 2018 a tenant had paid \$1 500 in advance, wages and salaries owing were \$400 and general expenses paid in advance were \$550



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