

Pearson LCCI

Tuesday 9 July 2019

Time: 3 hours

Paper Reference **ASE20091**

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) and (c).

Franklin buys and sells goods on credit. He provided the following information.

Price list	
Product	\$
Camcorder	1 345
Digital camera	1 690
Drone	3 780
All customers receive a 5% trade discount on orders over \$8 000	

On 1 May 2019 Franklin had the following balances in his receivables ledger.

Customer	\$
Lex	25 137
Prince	6 175

During May 2019 the following transactions took place.

May 2019	Transaction
5	Cheque received from Prince, \$5 900, in full settlement of his account balance.
17	Sold to Prince, 4 camcorders and 2 digital cameras.
22	Returned by Lex, 3 drones.

Resource for Question 2 – Parts (d), (e) and (f).

Rector is responsible for making cheque and petty cash payments for his employer, Broad.

On 1 May 2019

Account	\$	Terms of trade
Petty cash	250	N/A
Bryant – credit supplier	940	A 10% early payment discount if payment is made within 14 days.
Lincoln – credit supplier	186	A 5% trade discount for orders over \$500

Expenditure policy

- Expenditure under \$30 is recorded as petty cash.
- Petty cash float of \$250 is restored at the end of each month.
- Petty cash claims must be authorised by Rector.
- All cheques must be signed by Broad.

During May 2019 the following transactions took place.

May 2019	Transaction
1	Paid \$16 cash for postage stamps.
3	Bought goods from Lincoln, list price \$720
10	Bought goods from Bryant, list price \$1 100
19	Paid \$10 cash for staff travel.
20	Paid Bryant, by cheque, the total amount owed.
21	Sold postage stamps to an employee for \$2 cash.
24	Paid Lincoln, by cheque, the total amount owed.
31	Petty cash restored.

There is no resource for Question 3.

There is no resource for Question 4.

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

Spring provided the following information.

Non-current asset	At 1 July 2018		Depreciation method
	Cost \$	Accumulated depreciation \$	
Fixtures and fittings	40 500	14 200	15% per annum straight line
Motor vehicles	36 590	22 190	20% per annum reducing (diminishing) balance

At 30 June 2019	\$
Bank	852 Cr
Bank loan (2024)	18 000
Drawings	17 605
Inventory	15 752
Opening equity	53 500
Trade payables	8 870
Trade receivables	8 230