

Pearson LCCI

Tuesday 3 September 2019

Time: 3 hours

Paper Reference **ASE20091**

Certificate in Bookkeeping (VRQ)

Level 1

Please check the examination details above before entering your learner information

Learner name

Centre/Learning Provider ID

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Learner National/Passport ID (if required)

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You must have:

Resource Booklet (enclosed)

Total Marks

Instructions

- Use **black** ink or ball-point pen
– pencil can only be used for graphs, charts, diagrams, etc.
- **Fill in the boxes** at the top of this page with your name, candidate number, centre code and your candidate ID number.
- Answer **all** questions.
- Answer the questions in the spaces provided
– there may be more space than you need.
- Answers should be given to an appropriate degree of accuracy.

Information

- The total mark for this paper is 100.
- The marks for **each** question are shown in brackets
– use this as a guide as to how much time to spend on each question.
- Calculators may be used.

Advice

- Read each question carefully before you start to answer it.
- Try to answer every question.
- You are advised to show your workings.
- Check your answers if you have time at the end.

Turn over ►

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Answer ALL questions. Write your answers in the spaces provided.

Some questions must be answered with a cross in a box ☒. If you change your mind about an answer, put a line through the box ☒ and then mark your new answer with a cross ☒.

- 1 On 1 July 2019 Nusrat was owed \$1 280 by Ged and \$2 315 by Rupa.

During July 2019 the following transactions took place.

July 2019	Transaction
8	Sold goods to Ged, \$470
19	Both amounts owed on 1 July were paid by cheque
20	Goods returned by Ged, \$195
21	Sold goods to Rupa, list price \$985 with a trade discount of \$30
23	Sold goods to Ged, \$292
24	The cheque received on 19 July from Ged was returned by the bank.

- (a) Prepare the sales day book for the month of July 2019.

(4)

Sales Day Book

July 2019	Customer	Total \$
	Total for the month	

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(b) Prepare the following accounts for the month of July 2019. Balance the accounts on 31 July 2019 and bring the balances down on 1 August 2019.

You may provide your answer in the table or lines below.

(i)

(7)

Ged Account

Date	Details	\$	Date	Details	\$

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(ii)

(4)

Rupa Account

Date	Details	\$	Date	Details	\$

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(c) Complete the statement of account for Ged.

(7)

Nusrat
278 Holborn Street, London WC1 2AS

Statement of Account

Ged
Minster Road
Hamilton
G70 0AW

Date 31 July 2019

Date	Reference	Debit \$	Credit \$	Balance \$
1 July	Balance			1 280
Amount due				
<i>Please make all cheques payable to Nusrat.</i>				

(Total for Question 1 = 22 marks)



You will need to use the data on **page 2** of the Resource Booklet to answer part (a).

2 (a) (i) Calculate the amount needed to restore the float on 26 July 2019. (1)

(ii) Complete the cheque to restore the float on 26 July 2019. (2)

MP Bank		60-00-00	
Westminster Street, London NM1A 4BN		Date	
Pay.....		\$ <input type="text"/>	
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Cheque number	Sort code	Account number	Bob
2212345	60-00-00	12345678	

(iii) Identify the word used to describe MP Bank. (1)

- A Drawee
- B Drawer
- C Drawings
- D Payee

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(iv) Prepare the petty cash vouchers for the three payments.

(3)

Petty cash voucher	
Date	
Voucher number	
Details	
Amount \$	

Petty cash voucher	
Date	
Voucher number	
Details	
Amount \$	

Petty cash voucher	
Date	
Voucher number	
Details	
Amount \$	



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(v) Prepare the petty cash book for the week ending 31 July 2019. Balance the petty cash book on that date and bring the balance down on 1 August 2019.

(8)

Petty Cash Book

Receipts \$	Date	Details	Voucher number	Total \$	Postage and stationery \$	Cleaning \$

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During the period 1 August 2018 to 23 July 2019 expenditure on postage and stationery was \$612.00

- (vi) Prepare the postage and stationery account for the year ended 31 July 2019. Balance the account on this date and show the transfer to the statement of profit or loss.

You may provide your answer in the table or lines below.

(4)

Postage and Stationery Account

Date	Details	\$	Date	Details	\$

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- (b) Identify the effect on the statement of profit or loss of the transfer of the postage and stationery expenditure.

(1)

- A Gross profit decreased
- B Gross profit increased
- C Profit for the year decreased
- D Profit for the year increased

(Total for Question 2 = 20 marks)



You will need to use the data on **page 3** of the Resource Booklet to answer parts (a) and (b).

- 3** (a) Prepare the trade receivables ledger control account for the year ended 30 June 2019. Balance the account on this date and bring the balance down on 1 July 2019.

You may provide your answer in the table or lines below.

(10)

Trade Receivables Ledger Control Account

Date	Details	\$	Date	Details	\$

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(b) Calculate the amount Huw will receive from trade receivables at 30 June 2019 if all of the customers:

(i) paid within 30 days (2)

(ii) paid after 30 days. (1)

(c) State **two** reasons why a customer's account could have a credit balance. (2)

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(d) Explain **one** reason why a trade discount may be given. (2)

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(e) Identify the book of original entry used to record transfers between ledgers. (1)

- A Cash book
- B Journal
- C Sales day book
- D Sales returns day book

(f) Identify which accounting concept is applied when writing off debts as irrecoverable. (1)

- A Business entity
- B Consistency
- C Materiality
- D Prudence

(Total for Question 3 = 19 marks)



4 Seema provided the following balances at 30 June 2019.

(a) Prepare the trial balance.

(10)

Trial balance at 30 June 2019			
Account	Balance \$	Debit \$	Credit \$
Bank	2 240		
Bank loan (2025)	48 000		
Carriage inwards	698		
Carriage outwards	2 980		
Cash	100		
Drawings	17 200		
Equity at 1 July 2018	98 700		
General expenses	16 755		
Interest paid	4 000		
Inventory at 1 July 2018	23 900		
Property, plant and equipment – cost	190 900		
– accumulated depreciation	28 650		
Purchases	53 980		
Returns inwards	650		
Returns outwards	721		
Revenue	148 140		
Trade payables ledger control	14 350		
Trade receivables ledger control	25 158		
Total			

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At 30 June 2019 closing inventory was valued at \$29 500

(b) Prepare an extract of the statement of profit or loss for the year ended 30 June 2019 showing **the trading** section only.

(9)

Seema
Statement of profit or loss for the year ended 30 June 2019

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(c) Identify which **one** of the following is the accounting equation.

(1)

- A** Assets – liabilities = equity
- B** Assets + liabilities = equity
- C** Liabilities – assets = equity
- D** Liabilities – equity = assets

(Total for Question 4 = 20 marks)

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You will need to use the data on **page 4** of the Resource Booklet to answer parts (a), (b) and (c).

- 5** (a) Prepare the machinery cost account for the year ended 30 April 2019. Balance the account on this date and bring the balance down on 1 May 2019.

You may provide your answer in the table or lines below.

(3)

Machinery – Cost Account

Date	Details	\$	Date	Details	\$

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- (b) Calculate, for the year ended 30 April 2019, the depreciation charge for:

(i) motor vehicles

(2)

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(ii) machinery.

(2)

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(c) Prepare an extract of the statement of financial position at 30 April 2019 showing the **non-current assets** section only.

(5)

Lucy
Statement of financial position at 30 April 2019

Assets

Non-current assets

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(d) Identify, indicating with a tick (✓), how a motor trader should classify each item.

(3)

	Capital expenditure	Revenue expenditure	Drawings
Motor vehicle for resale			
Motor vehicle for business use			
Motor vehicle for private use			

(e) Explain why the purchase of computer software for \$10 is charged as revenue expenditure.

(2)

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(f) Explain **one** reason why it is necessary to classify expenditure as capital expenditure or revenue expenditure.

(2)

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(Total for Question 5 = 19 marks)

TOTAL FOR PAPER = 100 MARKS



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