

Pearson LCCI

Certificate in Bookkeeping and Accounting (VRQ) Level 2

Friday 6 July 2018
Time: 3 hours

Paper Reference
ASE20093

Complete the details below in block capitals.

Candidate name

Centre Code

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Candidate Number

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Candidate ID Number

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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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(c) Calculate the charge to the statement of profit or loss for the year ended 30 June 2018 for:

(i) light and heat (3)

(ii) wages (3)

(iii) allowance for doubtful debts. (1)

(d) Prepare an extract of the statement of financial position at 30 June 2018 showing the trade and other receivables and other payables only. (4)

Antria
Statement of financial position at 30 June 2018

(Total for Question 1 = 18 marks)



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

- 2** (a) Prepare a corrected trade receivables ledger control account for the year ended 30 June 2018. Balance the account on that date and bring the balance down on 1 July 2018.

(5)

Trade Receivables Ledger Control Account

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- (b) (i) Identify the section of the statement of financial position where the balance of the trade receivables ledger control account is normally shown.

(1)

- A** Current assets
- B** Current liabilities
- C** Non-current assets
- D** Non-current liabilities

- (ii) Identify the section of the statement of financial position where the balance of the trade payables ledger control account is normally shown.

(1)

- A** Current assets
- B** Current liabilities
- C** Non-current assets
- D** Non-current liabilities

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(c) Complete the table to show the type of error made and the effect the correction of the error has on the profit for the year.

(12)

	Type of error	Increase \$	Decrease \$
1			
2			
3			
4			

(d) State **two** purposes of a suspense account.

(2)

- 1
- 2

(Total for Question 2 = 21 marks)



You will need to use the data on **page 6** of the Resource Booklet to answer parts (a), (b) and (c).

4 (a) Calculate for the machine disposed of:

(i) the total amount of depreciation charged

(1)

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(ii) the profit or loss on disposal.

(4)

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(b) Calculate the total depreciation charge on machinery for the year ended 31 May 2018.

(3)

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(c) Prepare an extract of the statement of financial position at 31 May 2018 showing machinery only.

(4)

Monow Manufacturing
Statement of financial position at 31 May 2018

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(d) Explain, referring to an appropriate accounting concept, why Monow Manufacturing may not change the method of depreciation of machinery.

(3)

Concept

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Explanation

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(e) State, indicating with a tick (✓), the effect on the working capital of the following transactions.

(3)

	Increase	Decrease	No effect
Sale of machinery for cash			
Purchase of machinery on credit			
Purchase of inventory on credit			



(f) Explain the effect on the liquid (acid test) ratio of the purchase of inventory on credit.

(2)

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(Total for Question 4 = 20 marks)

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You will need to use the data on **page 7** of the Resource Booklet to answer parts (a), (b), (c) and (e).

- 5 (a) Complete the statement of changes in equity for the year ended 31 May 2018. (4)

Mamxing Ltd
Statement of changes in equity for the year ended 31 May 2018

	Ordinary share capital \$	Share premium \$	Retained earnings \$	Total \$
Balance at 1 June 2017	50 000	25 000	69 600	
Profit for the year				
Dividend				
Balance at 31 May 2018				

- (b) Calculate the total amount of debenture interest owing. (1)

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(c) Prepare the statement of financial position at 31 May 2018.

(8)

Mamxing Ltd
Statement of financial position at 31 May 2018

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