

Pearson LCCI

Certificate in Bookkeeping and Accounting (VRQ)

Level 2

Friday 6 July 2018
Resource Booklet

Paper Reference

ASE20093

Do not return this Resource 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.

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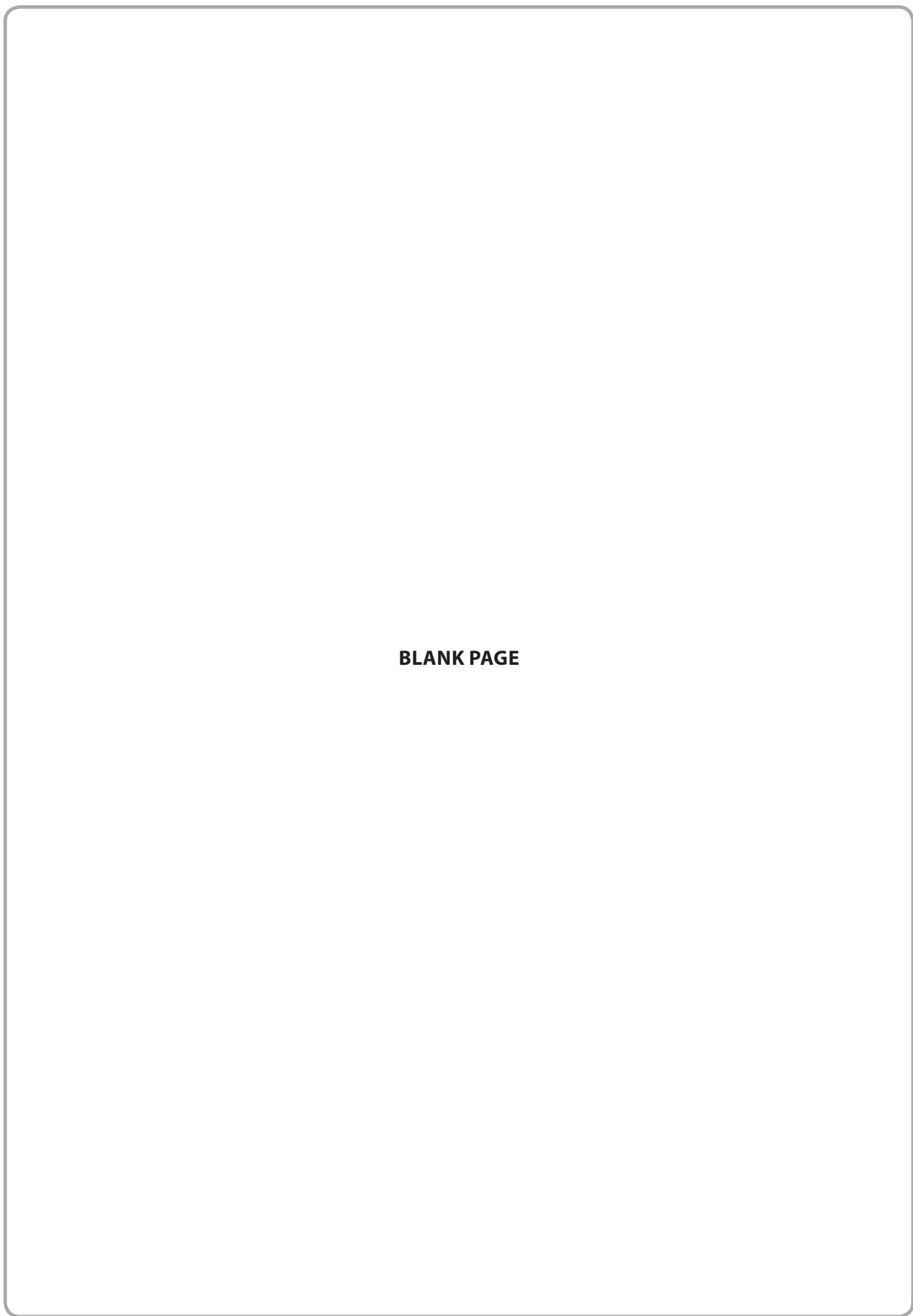
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Resource for Question 1 – Parts (a), (b), (c) and (d).

Antria provided the following information for the year ended 30 June 2018.

	1 July 2017 \$	30 June 2018 \$
Bank interest received		415
Light and heat paid		11 210
Wages paid		14 456
Other payables – wages	220	240
Other receivables: bank interest	35	27
light and heat	390	615
Trade receivables	25 000	23 000

Antria maintains an allowance for doubtful debts of 5% of trade receivables.

Resource for Question 2 – Parts (a) and (c).

Data for part (a)

Ming prepared an incorrect trade receivables ledger control account for the year ended 30 June 2018.

Trade Receivables Ledger Control Account

Date	Details	\$	Date	Details	\$
1 July 2017	Balance b/d	23 240	30 June 2018	Sales day book	162 945
30 June 2018	Cashbook	157 730		Sales returns day book	3 174
	Cashbook/discount allowed	162		Balance c/d	15 013
		181 132			181 132

Data for part (c)

After the preparation of the draft statement of profit or loss for the year ended 30 June 2018, Ming discovered the following errors.

- 1 A payment of \$500 for wages had not been entered in the books.
- 2 Rent received of \$625 had been entered in the cash book and rent received account as \$265
- 3 A payment of \$120 for repairs to a motor vehicle had been debited to the motor vehicles account.
- 4 Returns outwards of \$87 had been debited to the returns outwards account and credited to the trade payables ledger control account.

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

Sita and Toby were in partnership sharing profits and losses in the ratio of 7:3

They provided the following information at 30 April 2018.

	\$
Bank	16 693 Cr
Capital account – Sita	68 000
Toby	20 000
Current account – Sita	18 360
Toby	2 140
Inventory	19 250
Non-current assets – carrying value	116 510
Trade payables	18 327
Trade receivables	7 760

On 30 April 2018 they agreed to dissolve the partnership.

- All non-current assets were sold for \$110 000 except those taken over by Toby at an agreed value of \$500
- Trade payables were settled in full after taking discounts of \$1 250
- Trade receivables were paid in full except for a credit customer owing \$210 who was unable to pay.
- All inventory was sold for \$23 600
- Dissolution costs were \$3 200

All transactions were processed through the bank.

Resource for Question 4 – Parts (a), (b) and (c).

Monow Manufacturing provided the following information at 1 June 2017.

Machinery	– Cost	\$18 100
	– Accumulated depreciation	\$8 350

On 1 January 2018 a machine was sold for \$3 000 cash. The machine was purchased on 1 September 2015 for \$6 600

On 1 March 2018 a new machine costing \$9 900 was purchased.

Depreciation is charged for each month of ownership at 20% per annum on a straight line basis.

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

Data for parts (a), (b) and (c)

The directors of Mamxing Ltd provided the following information, in addition to the statement of changes in equity shown on page 12 of the question paper, at 31 May 2018.

	\$
8% Debentures (2018)	22 000
10% Debentures (2028)	25 000
Bank	350
Inventory	63 200
Property, plant and equipment (carrying value)	186 222
Trade payables	24 034
Trade receivables	16 322

During the year ended 31 May 2018:

- the profit for the year was \$78 200
- a full year's interest on both debentures had not been accounted for
- dividends of \$32 000 were paid.

Data for part (e)

	2017 Days	2018 Days
Accounts receivables collection period	30	27
Accounts payables payment period	20	15



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