

Pearson LCCI

Wednesday 16 January 2019

Time: 3 hours

Paper Reference **ASE20093**

**Certificate in Bookkeeping and
Accounting (VRQ)**

Level 2

Resource Booklet

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.

Turn over ►

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

On 31 July 2018 Amy's trial balance did not balance. The difference of \$32 164 was debited to a suspense account.

She identified the following errors.

- A standing order for insurance, \$164, had been entered in the cash book correctly. No other entries had been made.
- Rental income of \$2 450 had been debited to the rent expenditure account.
- The balance on the motor vehicles account, \$84 300, had been shown in the trial balance as \$48 300
- The purchase of machinery on credit, \$13 200, from Hugh had been entered on the debit side of Hugh's account as \$12 300 and credited to the machinery account as \$13 200

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

Wai, a manufacturer, provided the following information for the year ended 30 November 2018.

	1 December 2017 \$	30 November 2018 \$
Inventory		
Raw material	27 090	28 145
Work in progress	30 900	23 770
Finished goods	8 120	7 490
Other receivables – general expenses	695	375
Other payables – rent	3 500	3 800

	\$
Carriage inwards	768
Carriage outwards	1 961
Depreciation charge – factory machinery	12 390
General expenses paid	26 980
Purchases of raw material	132 305
Rent expenditure	36 500
Returns inwards	5 333
Returns outwards	3 420
Revenue	349 200
Royalties	12 400
Wages	72 100

Expense	Factory	Administration
Rent	75%	25%
General expenses	75%	25%
Wages	80%	20%

Factory wages are apportioned 70% to direct labour, 10% to overheads.

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

Mahn and Nai were in partnership sharing profits and losses in the ratio 4:3

Their partnership agreement also provided for an annual salary of \$17 500 for Nai.

At 1 July 2017

Partner	Current Account \$	Capital Account \$
Mahn	21 000	50 000
Nai	22 300	50 000

During the year ended 30 June 2018:

- the profit for the year was \$125 300
- both partners had drawings of \$62 000

At 30 June 2018

	\$
Bank	7 861 Cr
Cash	400
Inventory	21 900
Loan (2022)	15 000
Property, plant and equipment – cost	232 600
– accumulated depreciation	107 190
Motor vehicles: – cost	18 945
– accumulated depreciation	5 395
Trade payables	16 932
Trade receivables	23 133

Resource for Question 4 – Parts (b) and (d).

Sixovers Cricket Club provided the following information.

	1 January 2018 \$	31 December 2018 \$
Cash at bank	100	400
Non-current assets	18 900	22 755
Subscriptions in advance	900	640
Subscriptions in arrears	300	450
Trade payables	1 970	1 815

During the year ended 31 December 2018 \$12 190 was received, by cheque, for subscriptions.

There is no resource for Question 5.

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