Pearson LCCI Tuesday 19 November 2019 Time: 3 hours Paper Reference ASE20093 Certificate in Bookkeeping and Accounting (VRQ) Level 2 Please check the examination details above before entering your learner information Learner name Centre/Learning Provider ID L P Pearson Learner ID Learner National/Passport ID (if required) You must have: Resource Booklet (enclosed)

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, Pearson learner ID, centre/learning provider ID and your learner national/passport ID (if required).
- 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 \boxtimes . If you change your mind about an answer, put a line through the box \boxtimes and then mark your new answer with a cross \boxtimes .

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

1	(a)	Prepa	re th	ne suspense account.	(6)
				Suspense Account	
	(b)	Ident	ify w	hich one of the following is an error of principle.	(1)
		×	A	Payment for motor expenses entered in general expenses	
		X	В	Payment for motor expenses entered in motor vehicles	
		×	C	Payment for motor expenses not entered in the cash book	
		×	D	Payment for motor expenses entered in the cash book twice	
	(c)	ldent	ify th	ne book of original entry used to record goods returned to a supplier.	(1)
		×	A	Purchases day book	
		×	В	Returns inwards day book	
		×	C	Returns outwards day book	
		×	D	Sales day book	



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(d) Prepare the statement of financial position at 31 October 2019.	(10)
Manu Statement of financial position at 31 October 2019	
(Total for Question 1 =	= 18 marks)



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	u will need d (d).	d to u	use the data on page 3 of the Resource Booklet to answer parts (b), (c)	
2			which one of the following would be entered on the credit side of a current account.	(1)
	×	Α	Drawings	(1)
	×	В	Interest on capital	
	×	C	Interest on drawings	
	\times	D	Share of loss	
	(b) Prepa	re th	ne realisation account.	(4.0)
			Dealisation Assessed	(12)
			Realisation Account	

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(c) Prepare the capital account for Tori.	(6)
Capital Account – Tori	
(d) Calculate the amount due to Usoa on the dissolution of the partnership.	(3)
(Total for Question 2 = 22	! marks)



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(a) Prepare a journal entry to record the irrecoverable debts to be written off for the year ended 30 September 2019.						
A narrative is required	d.		(3)			
Journal						
Date Account Debit \$						
30 September 2019						
(i) Calculate the allow	wance for doubtful debts at		(2)			
-	ance for doubtful debts account on the account of t	•				
	Allowance for Doubtful [Pebts Account				
(iii) Identify the effect	on profit of an increase in the	ne allowance for doubt	ful debts. (1)			



X

X

X

Gross profit increase

Profit for the year decrease

D Profit for the year increase

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(c) Calculate the amount received from credit customers for the year ended 30 September 2019.	(3)
(d) Explain one way how a trade receivables ledger control account can reduce the risk of fraud.	(2)
(e) Prepare an extract of the statement of profit or loss for the year ended 30 September 2019 showing the trading section only. Aya Statement of profit or loss for the year ended 30 September 2019	(5)
(Total for Question 3 = 20 ma	arks)



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You will need to use the data on pages 5 and 6 of the Resource Booklet to answer parts (a), (b) and (c).	
4 (a) Calculate the charge to the statement of profit or loss for the year ended 30 September 2019 for:	
(i) profit or loss on disposal of office equipment	(1)
(ii) depreciation charge – office equipment	(2)
(iii) office wages.	(2)

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(b) Prepare the statement of profit or loss for the year ended 30 September 2019.	(13)				
Akos Statement of profit or loss for the year ended 30 September 2019					



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		the value of inventory to be shown in the statement of financial position	
at	:30 Sep	tember 2019.	(3)
		which one of the following non-current assets would be more ate to be depreciated using the revaluation method.	(1)
ар	opropri		(1)
ар	opropri	ate to be depreciated using the revaluation method.	(1)
ap	opropria A B	computer equipment	(1)
ap	opropria A B C	Computer equipment Delivery vehicle	(1)

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(b) Comple	ete the table for t	he year ended 31 October 2019.	(6)
	plain how the goir sing down.	ng concern concept is applied when a b	usiness is
\boxtimes	D Realisation		
\times	C Materiality		
\boxtimes	B Confidential	ity	
\boxtimes	A Business ent	ity	
(a) (i) Ide	ntify which one o	of the following is not an accounting cor	ncept.
ou will need t nd (e).	to use the data or	n page 7 of the Resource Booklet to ans	wer parts (b), (d)

Ratio	Formula	Answer (correct to 2 decimal places)
Gross profit as a percentage of cost of sales (mark-up)		
Profit for the year as a percentage of revenue		
Rate of inventory turnover		

		Capital	Revenue	Provision	
		reserve	reserve		
	Allowance for doubtful debts				
	Retained earnings				
	Share premium				
	one reason why Birdnom Ltd has profit for the year.	a bank overc	draft even the	ough it has	(2)
(e) Assess t	he change in liquidity over the p	ast year.			(4)