<b>Pearson LCCI</b>	
Wednesday 9 Dec	ember 2020
Time: 3 hours	Paper Reference <b>ASE20093</b>
Certificate in Book Accounting (VRQ) Level 2	keeping and
Please check the examination detail	s above before entering your learner information
Learner name	
Centre/Learning Provider ID	
L P -	
Pearson Learner ID	
L -	
Learner National/Passport ID (if required)	
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, 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), (b) and (c).

1 (a) Prepare journal entries to correct the **four** errors. Narratives are **not** required.

(9)

### **Journal**

Date	Account	Debit \$	Credit \$
31 October 2020			
	·		

2



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		(4)
	Suspense Account	
	1 October 2020 before adjusting for	r the errors was
6633 Cr. c) (i) Explain <b>one</b> reason wh	y the bank account had a credit bala	ance on
31 October 2020.	y the bank account had a create bank	(2)
		(2)
(ii) Calculate the adjusted	bank account balance at 31 Octobe	r 2020
(ii) calculate the adjusted	barik decodiri balarice de 31 octobe	(3)
	(Total for C	Question 1 = 18 marks)



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

- 2 (a) Prepare journal entries including narratives:
  - (i) to record the irrecoverable debt to be written off

(3)

### **Journal**

Date	Account	Debit \$	Credit \$
31 May 2020			

(ii) to record the year-end transfer to the financial statements.

(3)

## **Journal**

Date	Account	Debit \$	Credit \$
31 May 2020			



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(c) Prepare the allowance for doubtful debts account for the year ended 31 May 2020. Balance the account on this date and bring the balance down on 1 June 2020.  Allowance for Doubtful Debts Account  (d) Calculate the total purchases for the year ended 31 May 2020.	owance for doubtful debts at:	
(c) Prepare the allowance for doubtful debts account for the year ended 31 May 2020. Balance the account on this date and bring the balance down on 1 June 2020.  Allowance for Doubtful Debts Account  (d) Calculate the total purchases for the year ended 31 May 2020.		1)
(c) Prepare the allowance for doubtful debts account for the year ended 31 May 2020. Balance the account on this date and bring the balance down on 1 June 2020.  Allowance for Doubtful Debts Account  (d) Calculate the total purchases for the year ended 31 May 2020.	).	
31 May 2020. Balance the account on this date and bring the balance down on 1 June 2020.  Allowance for Doubtful Debts Account  (4)  (4)  (6) Calculate the total purchases for the year ended 31 May 2020.		1)
Allowance for Doubtful Debts Account  (d) Calculate the total purchases for the year ended 31 May 2020.		
(d) Calculate the total purchases for the year ended 31 May 2020.		4)
	Allowance for Doubtful Debts Account	
	tal purchases for the year ended 31 May 2020.	
		3)



			(5)
		Fengbo Statement of profit or loss for the year ended 31 May 2020	
		which <b>one</b> of the following would be shown on the credit side of the ables ledger control account.	
			(1)
			(1)
trade	e pay	ables ledger control account.	(1)
trade	e pay	ables ledger control account.  Cash purchases	(1)
trade	e pay A B	ables ledger control account.  Cash purchases  Credit purchases	(1)
trade	A B C	Cash purchases Credit purchases Returns inwards	
trade	A B C	ables ledger control account.  Cash purchases  Credit purchases  Returns inwards  Returns outwards	(1)
trade	A B C D	Cash purchases Credit purchases Returns inwards Returns outwards where the trade payables ledger control account is maintained.	
trade	A B C D tify w	Cash purchases Credit purchases Returns inwards Returns outwards /here the trade payables ledger control account is maintained. General journal	

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

**3** (a) Identify, indicating with a tick (✓), what each partner would receive in the absence of a partnership agreement.

The first one has been completed as an example.

(5)

	0%	5%	50%
Interest on capital	1		
Interest on drawings			
Interest on partners loan			
Partner's salary			
Share of loss			
Share of profit			



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(b) Prepare the appropriation account for the year ended 31 May 2020.	(8)
Ywa and Zar Appropriation account for the year ended 31 May 2020	
(c) Prepare Ywa's current account for the year ended 31 May 2020. Balance the account on this date and bring the balance down on 1 June 2020.	
Current Account – Ywa	(7)
(Total for Question 3 = 20	marks)



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You will need to use the data on <b>page 5</b> of the Resource Booklet to answer parts (a) and (b).	
<b>4</b> (a) Calculate for the year ended 30 June 2020 the amount to be shown in the income and expenditure account for:	
(i) tournament profit (	1)
(ii) subscriptions	1)
(iii) profit/loss on disposal	1)
(iv) depreciation charge	1)
(v) rental income.	1)

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(b) Prepare the income and expenditure account for the year ended 30 June 2020.	(8)
Indaw Sports Club Income and expenditure account for the year ended 30 June 2020	



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			(Total for Question 4 = 18 ma	4 4 6 1
			ription that remains unpaid for a long time.	(2)
e) Exp	lain, r	efer	ring to an appropriate accounting concept, how the treasurer should	
sub	script	ions	s received in advance.	(1)
	te the	acc	ounting concept that is being applied when adjusting for	
	×		Non-current liabilities	
			Non-current assets	
	×		Current liabilities	
		А	Current assets	(1)
(ii)	subsc	ript	ions in advance.	
	×	D	Non-current liabilities	
	×		Non-current assets	
	×		Current liabilities	
	$\times$	Λ	Current assets	(1)

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You will need to use the data on <b>page 6</b> of the Resource Booklet to answer parts (a), (b) and (c).	
<ul><li>(a) Calculate for the year ended 31 October 2020 the:</li><li>(i) total debenture interest</li></ul>	(1)
(ii) adjusted profit	(1)
(iii) number of new ordinary shares issued	(1)
(iv) dividend paid.	(2)
(b) Prepare the statement of changes in equity for the year ended 31 October 2020. <b>KTM20 Ltd</b>	(9)

	Share capital	Share premium	Retained earnings	Total
	\$	\$	\$	\$
Balance at 1 November 2019				
Share issue				
Profit for the year				
Dividend				
Balance at 31 October 2020				

Statement of changes in equity for the year ended 31 October 2020

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g ratios to make comparisons between years.  (2)
(2)
(2)
(2)
(2)
(2)
(2)
(2)
(2)
(2)
(2)
ho liquid (acid tost) ratio
he liquid (acid test) ratio. (1)
iabilities
y : Current liabilities
ilities
y : Total liabilities
itability in relation to funds available.
(1)
(Total for Question 5 = 22 marks)
i



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