

Pearson LCCI

Tuesday 17 November 2020

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), (b) and (c).

Data for parts (a) and (b).

On 1 August 2019 Ping started in business with a motor vehicle \$18 400, cash \$4 500 and inventory \$3 000

During the year ended 31 July 2020 Ping:

- withdrew \$750 cash per month
- took goods valued at \$1 400 for his own use
- made a loss for the year of \$4 850

Data for part (c).

On 31 July 2020 Ping prepared the following incorrect trade payables ledger control account.

Trade Payables Ledger Control Account

Date	Details	\$	Date	Details	\$
31 July 2020	Credit purchases	55 860	31 July 2020	Paid to credit suppliers	51 070
	Cash purchases	3 140		Early payment discount	75
	Returns outwards day book	530		Balance c/d	8 385
		<u>59 530</u>			<u>59 530</u>
1 August 2020	Balance b/d	8 385			

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

Jordan, a manufacturer, provided the following information for the year ended 31 July 2020.

	1 August 2019 \$	31 July 2020 \$
Inventory		
– work in progress	15 100	14 940
– bought in finished goods	1 060	2 190
– manufactured finished goods	19 900	21 400
Other payables – general expenses	610	–
Other receivables – general expenses	–	140
Depreciation charge		
– factory machinery		15 800
– office equipment		4 350
General expenses paid		29 350
Purchases		
– raw materials		61 290
– finished goods		17 300
Returns inwards		4 490
Revenue		233 300
Salaries		
– factory supervisor		27 100
– administration staff		41 480

General expenses are apportioned 80% to the factory and 20% to administration.

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

Lei made a draft profit of \$67 070 for the year ended 31 May 2020 before adjusting for depreciation and the disposal of a non-current asset.

- On 1 June 2019 balances were: equipment \$66 100, accumulated depreciation \$23 200
- On 1 January 2020 equipment purchased on 1 April 2017 for \$8 400 was sold for \$3 800
- On 1 May 2020 equipment costing \$12 000 was purchased by cheque.
- Equipment is depreciated at 20% per annum using the straight line method. Depreciation is charged for each month of ownership.

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

You work as an assistant treasurer for a club and received the following emails.

Email message x

To: A Student

From: Membership secretary

Here is the information for the year ended 30 September 2020:

- membership fee was \$145 per member
- we had 186 members
- five members had not paid their subscription.

Send now

Email message x

To: A Student

From: Cafe manager

Here are the figures you requested for the cafe for the year ended 30 September 2020.

Takings	\$36 500
Paid to suppliers	\$12 100
Owed to suppliers at the start of the year	\$900
Owed to suppliers at the end of the year	\$800
Inventory at the start of the year	\$1 500

I haven't completed a closing inventory count.

The cafe made a gross profit as a percentage of revenue (margin) of 70%.

Send now

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

Metro88 Ltd provided the following information at 31 March 2020.

Metro88 Ltd	
Summarised statement of profit or loss for the year ended	
31 March 2020	
	\$
Revenue	240 000
Cost of sales	96 000
Gross profit	144 000
Expenses	88 787
Profit before interest and tax	55 213
Interest and tax	7 213
Profit for the year	48 000

	\$
Retained earnings – 1 April 2019	75 780
8% debentures (2022)	30 000
Cash at bank	1 950
Cash in hand	150
Inventory	14 110
Land and buildings	275 000
Other payables	320
Plant and equipment – carrying value	29 170
Revaluation reserve	75 000
Share capital (ordinary shares of \$0.25 each)	120 000
Trade payables	13 600
Trade receivables	18 320

During the year ended 31 March 2020 an ordinary share dividend of \$0.05 per share was paid.

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