Pearson LCCI	
Thursday 5 Septem	ber 2019
Time: 3 hours	Paper Reference ASE20104
Certificate in Ac	counting (VRO)
Level 3	(
Please check the examination details a	bove before entering your learner information
Learner name	
Centre/Learning Provider ID	
LP-	
Pearson Learner ID	
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, candidate number, centre code and your candidate ID number.
- 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.

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

1	(a)	State two	advantages	of operating	as a partnership.
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(2)

I

(b) Prepare the capital accounts using the table below. Dates are **not** required.

(6)

Capital Account

Details	Zoa \$	Li \$	Details	Zoa \$	Li \$

2

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(c) Prepare the appropriation account for the year ended 30 June 2019.	(6)
Zoa and Li Appropriation account for the year ended 30 June 2019	
(d) Calculate the current account balance for each partner at 30 June 2019.	
(i) Zoa	(3)
(ii) Li	
	(3)
(Total for Question 1 = 2	(0 marks)



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You will need to use the data on page 3 of the Resource Booklet to answer parts (a) and (b).	
2 (a) Calculate, for the year ended 31 August 2019, the:	
(i) allowance for doubtful debts adjustment	(2)
(ii) depreciation charge	(2)
(iii) closing inventory.	(2)
(b) Prepare an extract of the statement of financial position at 31 August 2019 showing the assets section only. Space for workings	(7)

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Mona Statement of financial position at 31 August 2019

Assets		



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the machine pu	g to an appropriate accounting concerchased should be treated in the book	pt, how the funding of account. (2)
(ii) State two other	methods of funding the purchase of a	a non-current asset.
(iii) State two accou non-current asse	inting concepts that apply when depre	
		(2)
	(Total	for Question 2 = 19 marks)
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You will need to use the data on pages 4 and 5 of the Resource Booklet to answer Question 3. **3** Prepare the statement of financial position at 31 August 2019. (19)Ya Mei plc Statement of financial position at 31 August 2019

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(Total	for Question 3 = 19 marks)



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(a) Calculate for the new machine the: (i) accounting rate of return (ii) payback period (iii) payback period (iii) net present value. (3) (b) State, indicating with a tick (/), the effect on the net present value of an increase in the discount factor. (1) Increase Decrease	ou will need to use the data on add (c).	n page 6 of the Resource	e Booklet to answer pa	arts (a)
(ii) payback period (iii) net present value. (iii) net present value. (b) State, indicating with a tick (\$\sigma\$), the effect on the net present value of an increase in the discount factor. (1)	(a) Calculate for the new ma	achine the:		
(iii) net present value. (b) State, indicating with a tick (✓), the effect on the net present value of an increase in the discount factor. (1)	(i) accounting rate of re	turn		(3)
(b) State, indicating with a tick (✓), the effect on the net present value of an increase in the discount factor. (1)	(ii) payback period			(3)
in the discount factor. (1) Increase	(iii) net present value.			(3)
	(b) State, indicating with a t in the discount factor.	ick (✔), the effect on the	net present value of	
Decrease		Increase		
No effect		No effect		

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	and insurance.			
	hether Hyat should purchase or rent the r	nachine.		
You mus	t justify your decision.			(5)
d) Explain o	ne reason why Hyat charges the same amo	ount of deprec	iation each y	
				(2)
	licating with a tick (\checkmark), how the disposal of	a machine wo	uld be show	n in
tne asset	diamand annuat			
	disposal account.			(4)
	disposal account.	Debit	Credit	(4)
		Debit	Credit	(4)
	Transfer of original cost of machine	Debit	Credit	(4)
		Debit	Credit	(4)



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You w (d) and		to use the data (on page 7 of the R	esource Bo	oklet to answe	r parts (b), (c),	
5 (a)	State o	ne reason for pi	reparing budgets.				(1)
(b)) Calcula	ite total sales fo	r each of the three	e months.			(3)
	You ma	ay show your an	swer in the table o	or lines belo	w.		
				202	0		
			January \$	Febru \$	ary	March \$	
		Total sales					
(c)		rch 2020.	budget for the three-	Sania		March 2020	(4)
					2020		
			Januar \$	у	February \$	March \$	
	Open	ing balance					

	2020			
	January \$	February \$	March \$	
Opening balance				
Purchases				
Cost of sales				
Closing balance				



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ending 31 March 2020.				(8)
		Sania		
Sania Budgeted statement of profit or loss for the three-month period ending 31 March 2020				
budgeted statement of pro	0111 01 1033 101	the three mone	ii perioa eriaiii	9 3 1 March 2020



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Sania is considering offering her customers credit	t terms of 45 days.
(e) Evaluate the effect on profitability of this prop	oosal. (5)
	(Total for Question 5 = 21 marks)
	TOTAL FOR PAPER = 100 MARKS



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