Pearson LCCI Thursday 14 November 2019 Time: 3 hours Paper Reference ASE20101 Certificate in Financial Accounting (VRQ) Level 4 Please check the examination details 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)

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.

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.

Advice

- Read each question carefully before you start to answer it.
- Try to answer every question.
- 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 pages 2 and 3 of the Resource Booklet to answer parts (a), (b) and (c).

1 (a) Prepare a reconciliation of profit from operations to net cash flow from operating activities for the year ended 30 June 2019.

(7)

Barcob Ltd Reconciliation of profit from operations to net cash flow from operating activities for the year ended 30 June 2019

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(b) Calculate the additions to property, plant and equipment for the year ended 30 June 2019.	(4)
(c) Prepare the statement of cash flows for Barcob Ltd for the year ended	
30 June 2019.	(9)
Barcob Ltd Statement of cash flows for the year ended 30 June 2019	
(Total for Question 1 = 20 i	marks)



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ou will need to use the data on page 4 of the Resource Booklet to answer parts (a) nd (b).					
(a) Calculate the balance of Ella's capita	al account at 1 November 2018.	(1)			
(b) Prepare the appropriation account	for the year ended 31 July 2019.	(7)			
	llum, Dana and Ella ount for the year ended 31 July 2019	9			
	3 months to 31 October 2018 \$	9 months to 31 July 2019 \$			

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	(c) Explain one reason why the partners created goodwill.	(2)
	(d) Explain one reason why a partner may have a debit balance on their current account.	(2)
1	A client has asked for advice on limited companies. (e) State two responsibilities of the external auditor.	(2)
2	(f) State one role of a non-executive director.	(1)
<u></u>	(g) State two sources of external accounting rules that must be complied with by a public limited company.	(2)
	(h) State two differences between an ordinary share and a debenture.	(2)
2	(Total for Question 2 = 19 ma	arks)



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You will need to use the data on pages 6 and 7 of the Resource Booklet to answer parts (b), (c) and (d).	
3 (a) State which account should be credited in the event of negative goodwill.	(1)
(b) Calculate the values to appear in the consolidated statement of financial position of Carlot plc at 30 June 2019.(i) Goodwill	(2)
(ii) Retained earnings	(3)
(iii) Non-controlling interest	(2)

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ended 30 June 2				(8)
Consolidat	ed statement of	Carlot plc profit or loss for	the year ended 3	30 June 2019



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(i) working capital		
		(3)
(ii) capital structure.		
•		(3)
	(Total for Overtion 7	2 — 22 mandes)
	(Total for Question 3) = 22 marks)

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	ou will need to nd (b).	use the data on page 8 of the Resource Booklet to answ	wer parts (a)	
4	(a) Calculate	e the balance of retained earnings at 30 June 2019.		(6)
			\$	
		Draft retained earnings	46 200	
		Balance of retained earnings at 30 June 2019		
	(b) Prepare	the statement of financial position at 30 June 2019.		(14)
	Space fo	or workings		

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Ralfet Ltd Statement of financial position at 30 June 2019 (Total for Question 4 = 20 marks)



5	(a)	Complete the table, indicating with a tick (✔) where the following would be
		shown in the financial statements.

(2)

Transaction	Statement of profit or loss	Statement of changes in equity	Notes to the accounts
Interim dividend paid			
Final dividend proposed			

(b) Explain the importance to potential investors of the dividend yield ratio

(3)

(c)	Complete	the sent	tence by	fillina	in the	missing	words

(2)

According to	IAS38, an	intangible	asset is a

asset without



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	why the business was advised that r	no provision was	needed.	
				(3)
	nes to invest in a company. She has in the second interesting in the same industry.	dentified two cor	mpanies, Ess plc ar	nd
	ng information is available.			
	Ratio	Ess plc	Tee plc	
	Return on capital employed	15%	17%	
	Return on equity	12%	9%	
	Interest cover	5.5 times	3.2 times	
	Price/earnings ratio	15 times	24 times	
(e) Analyse	the data for the two companies and	d recommend, wi	th justification, wh	nich
	the data for the two companies and ent Marcia should choose.	d recommend, wi	th justification, wh	nich (9)



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(Total for Question 5 = 19 marks)
TOTAL FOR PAPER = 100 MARKS



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