# **Book-keeping and Accounts**

Level 1

8991 Sample 3 This paper must be returned with the candidate's work, otherwise the entry void and no result will be issued.



Candidate's name (Block letters please)

Centre no

Date

**Time allowed:** 1 hour 30 minutes (plus 10 minutes' reading time).

The marks allocated to each question are shown in brackets.

All answers must be written in ink.

Calculators may be used.

Show all your workings.

If additional separate sheets of paper are used, make sure each page is clearly labelled with your name.

#### For examiner's use only

T1	T2	Т3	T4	Т5	Т6	T7	Т8	Т9	T10	Total
/12	/11	/4	/5	/10	/16	/4	/12	/6	/20	/100

#### Scenario

You work as an office trainee in the accounts department of Hannah Holly, a retailer of electrical products. Your work is varied and today there are a number of tasks for you to complete. **Today's date is 20 March**.

## Task 1

Four invoices have been received today and these are shown below.

#### You are required to

check the calculations of each invoice. If one or more of the invoices are incorrect you are to recalculate the invoice(s) showing full workings in the space(s) provided below.

(12 marks)

INVOICE		INVOICE			
BEAL RAD EVANS RO ASHTON		CD PLAYEI RBY STREE EDS			
Hannah Holly Rochdale Road Bury	Invoice No 103 Date:19 March \$	Hannah Holly Rochdale Road Bury		No 564 9 March \$	
8 x radios @ \$20 each Less 5% trade discount Add tax @ 18% Total	160 00 16 00 <u>28 80</u> 172 80	9 x cd players @ \$ Less 5% trade disc Add tax @ 18% Total		135 00 6 75 <u>23 09</u> <u>151 34</u>	
Terms 30 days net		Terms 30 days net			
Your calculation if	necessary	Your calculation if necessary			

INVOICE	INVOICE
CLARKE ELECTRICALS BEN LANE MANCHESTER	BEAL RADIO EVANS ROAD ASHTON
MANCHESTER Hannah Holly Invoice No 425 Rochdale Road Date:19 March Bury \$ 8 x kettles @ \$15 each 120 00 Less 5% trade discount 6 00 Add tax @18% 20 52 Total 134 52 Terms 30 days net Your calculation if necessary	Hannah Holly Rochdale Road Bury 8 radios @ \$25 each Less 5% trade discount 12 00

Some purchase invoices that you previously checked and your supervisor confirmed as being correct are detailed below.

## You are required to

enter the four invoices below into the purchases day book on the next page, totalling the purchases day book as at 19 March.

(11 marks)

INVOI	CE	INVC	DICE	
BEAL RA EVANS R ASHTC	OAD	JESSICA'S CD PLAYERS WEATHERBY STREET LEEDS		
Hannah Holly Rochdale Road Bury	Invoice No 98 Date:17 March \$	Hannah Holly Rochdale Road Bury	Invoice No 540 Date:17 March \$	
3 x radios @ \$20 each Less 5% trade discour Add tax @ 18% Total	60 00	4 x cd players @ \$18 Less 5% trade disco Add tax @ 18% Total	Beach 72 00	
Terms 30 days net		Terms 30 days net		
INVOI	CE	INVC	DICE	
INVOI CLARKE ELEC BEN LA MANCHE	CTRICALS NE	INVC BEAL F EVANS ASH	RADIO ROAD	
CLARKE ELEC BEN LA MANCHE	CTRICALS NE STER Invoice No 411 Date:18 March	BEAL F EVANS	RADIO ROAD TON Invoice No 100 Date: 18 March	
CLARKE ELEC BEN LA MANCHE Hannah Holly Rochdale Road	CTRICALS NE STER Invoice No 411 Date:18 March \$ 96 00	BEAL F EVANS ASH Hannah Holly Rochdale Road Bury 2 radios @ \$25 each Less 5% trade discord	RADIO ROAD TON Invoice No 100 Date: 18 March \$ 50 00	

Hannah Holly Purchases Day Book						
Date	Supplier	Invoice No	Total \$	Tax \$	Net \$	

## You are required to

transfer the purchases day book totals to the ledger accounts below.

	Purchases Account						
Date	Details	Amount \$	Date	Details	Amount \$		

(2 marks)

	Tax Account						
Date	Details	Amount \$	Date	Details	Amount \$		

(2 marks)

#### Task 4

## You are required to

complete the ledger account for Beal Radio below from the transactions entered in the day book above. Balance the account at 19 March and bring down the balance.

(5 marks)

	Beal Radio Account							
Date	Details	Amount \$	Date	Details	Amount \$			

The petty cash book on the opposite page is for the week ended 12 March. The opening balance of \$150 at 5 March has not been entered. Two further petty cash vouchers below need entering into the petty cash book before it can be balanced for the week.

PETTY CASH V	<b>/OUCHER</b> No 19	PETTY CAS	H VOUCHER No 20
Date: 12 Mar Required for:	\$ C	Date: 12 Mar Required for:	\$ C
Bus fare Tax	$ \begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	Letter postage	<u>8 45</u>
Signed by:	I Maus	Signed by:	I Maus

## You are required to

enter the opening balance and voucher numbers 20 and 21 into the petty cash book below. Balance the petty cash book at 12 March, bringing down the balance and restoring the imprest to \$150.00 at 13 March.

(10 marks)

Receipts \$	Date	Details	Voucher Number	Total \$	Tax \$	Postage \$	Travel \$	Stationery \$
				*	*			*
	6 Mar	Postage stamps	11	8.00	Nil	8.00		
	7 Mar	Postage stamps	12	9.50	Nil	9.50		
	8 Mar	Receipt book	13	16.78	2.56			14.22
	10 Mar	Taxi Fare	14	22.07	3.37		18.70	
	10 Mar	Parcel postage	15	9.41	Nil	9.41		
	10 Mar	Taxi fares	16	18.70	2.85		15.85	
	11 Mar	Box Files	17	10.92	1.67			9.25
	11 Mar	Bus fares	18	11.15	1.70		9.45	
	ļ							

Four purchase invoices have been approved for payment. Hannah Holly's policy is to pay strictly according to invoice terms and to take advantage of any settlement discounts. A summary of the invoices is shown below:

Invoice date	Supplier	Terms	Goods \$	Tax (18%) \$	Total \$
22 Feb	Hay Fridges	30 days	150 00	27 00	177 00
24 Feb	Hay Fridges	30 days	320 00	57 60	377 60
15 Mar	Beal Radio	30 days*	275 00	47 03	322 03
16 Mar	Beal Radio	30 days*	340 00	58 14	398 14

\* These invoices state '5% settlement discount for payment within 7 days'.

## You are required to

**showing your workings** calculate below the total amount due to Hay Fridges and Beal Radio, after taking into account any settlement discounts.

#### Hay Fridges

**Beal Radio** 

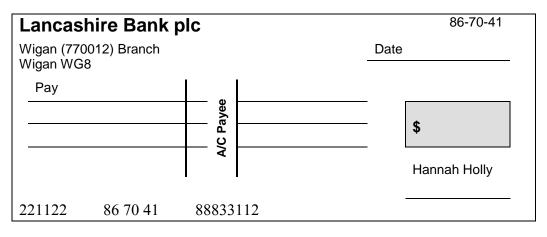
(3 marks)

(13 marks)

#### Task 7

#### You are required to

complete the cheque below to pay the required amount to Beal Radio.



In today's post a bank statement arrived from Lancashire Bank plc and is detailed below:

# **BANK STATEMENT**

Lancashire Bank plc Wigan Branch

# In account with: Hannah Holly

All entries to: 18 March are inclusive and complete

	Account No: 88833112						
Date	Detail			Balance			
		\$	\$	\$			
01 Mar	Balance			5 450			
03 Mar	BACS – Umar Kabir		700	6 150			
05 Mar	Abdul Ahmed	382		5 768			
08 Mar	BGC - Sales		2 911	8 679			
09 Mar	Internet banking – Wasim Akhtar	275		8 404			
10 Mar	Bank charges	81		8 323			
12 Mar	Mirash Ali (Returned cheque)	710		7 613			
13 Mar	Rent refund SO		90	7 703			
14 Mar	BACS – Wahid Bhatti		1 230	8 933			
16 Mar	Telephone charges – DD	99		8 834			
18 Mar	ATM/Cash machine	150		8 684			
DD = Direct Debit	SO = Standing Order BGC = Bank Giro Cred	lit					
BACS = Bankers Au	tomated Clearing Services						

The cash book (bank columns only) for the month is detailed below:

Hannah Holly Cash Book (Bank columns only)					
Date	Details	\$	Date	Details	\$
01 Mar	Balance b/d	5 450	01 Mar	Abdul Ahmed	382
08 Mar	Sales	2 911			
17 Mar	Usman Khan	870			
18 Mar	Shuheb Miah	550			

# You are required to

update the above cash book at 18 March. Balance the cash book at 18 March and bring down the balance.

(12 marks)

# Task 9

# You are required to

complete the bank reconciliation statement at 18 March using the form below.

Hannah Holly Bank Reconciliation Statement as at 18 March:					

(6 marks)

Pierina Cicchirillo, a friend of yours who has opened a children's clothing shop, has dropped off her accounting records from a couple of weeks ago because you agreed to help her with her record keeping. There is no tax on children's clothing. The cash book has not been completed; she has not fully posted her cashbook to her ledger, nor completed her trial balance.

#### You are required to

Post the cash vouchers to the cash book and to the ledger. Post the invoices to the ledger. Then balance Pierina Cicchirillo's cash book at 7 March, bringing down the balances. Balance all ledger accounts containing more than one transaction. Extract Pierina Cicchirillo's trial balance as at 6 March.

Cash Requisition	No:101	Cash Requisition	No:102
Date: 3 March Required for:	\$ c	Date: 5 March Required for:	\$ c
Purchases	20. 00	Purchases	110. 00

Pierina Cicch	irillo	Carol Richmond		
56 Ashton Ro	bad	921 Sale	e Road	
Manchester		Sale		
<b>Invoice No</b> : 70		Invoice No. 551		
Date: 1March		Date: 3 March		
To: Martin Bower		To: Pierina Cicchirillo		
For: Boys Trousers	\$500	For: Boys Shirts	\$600	

	Pierina Cicchirillo Cash Book								
Date	Details	Cash \$	Bank \$	Date	Details	Cash \$	Bank \$		
1 Mar	Capital		8 400	1 Mar	Rent		700		
3 Mar	Sales		700	1 Mar	Purchases		920		
4 Mar	Sales	861		6 Mar	Purchases		2 804		
4 Mar	Bank	740		6 Mar	Cash		740		
5 Mar	Sales		685	6 Mar	Rent	265			

(5 marks)

**Capital Account** 

Date	Details	Amount \$	Date	Details	Amount \$
			1 Mar	Bank	8 400

	Sales Account						
Date	Details	Amount \$	Date	Details	Amount \$		
			3 Mar	Bank	700		
			4 Mar	Cash	861		
			5 Mar	Bank	685		

# (2 marks)

Rent Account					
Date	Details	Amount \$	Date	Details	Amount \$
1 Mar	Bank	700			
6 Mar	Cash	265			

# (1 mark)

Purchases Account					
Date	Details	Amount \$	Date	Details	Amount \$
1 Mar	Bank	920			
6 Mar	Bank	2 804			

# (3 marks)

	Account					
Date	Details	Amount \$	Date	Details	Amount \$	

# (1 mark)

			Account		
Date	Details	Amount \$	Date	Details	Amount \$

(1 mark)

Pierina Cicchirillo Trial Balance as at 6 March					
	Dr \$	Cr \$			

(7 marks)

(Total 20 marks)

End of Examination