Book-keeping and Accounts Level 2
8991-02-002 2012 Sample Paper

Marking Scheme

Task 1

Details	Dr $	Cr $
Discount received	200 **(1)**	
Motor vehicle		200 **(1)**
Cash received from sale of motor vehicle wrongly entered in discount received account		
Rent	250 **(1)**	
Suspense		250 **(1)**
Omission of rent payment in the rent account		
Suspense	360 **(1)**	
Sales		360 **(1)**
Correction of under-casting of sales account		
Drawings	3 000 **(1)**	
Motor vehicles		3 000 **(1)**
Private purchase wrongly recorded in motor vehicle account		
Ruth Brooks	270 **(1)**	
Suspense		270 **(1)**
Transcription error whereby Ruth Brook's account was under-posted by $270		

1 mark for 3 reasonable narratives or 2 marks for 5 reasonable narratives

(Total 12 marks)

Extended Trial Balance			The Stone Pony Company				Year to 31 January	
Account	**Trial Balance**		**Adjustments**		**Trading, Profit & Loss**		**Balance Sheet**	
	Dr $	**Cr $**	**Dr $**	**Cr $**	**Dr $**	**Cr $**	**Dr $**	**Cr $**
Creditors		5 000						5 000 **(1)**
Sales		99 500				99 500 **(1)**		
Purchases	32 600				32 600 **(1)**			
Cash at bank	1 350						1 350 **(1)**	
Debtors	11 400						11 400 **(1)**	
Provision for doubtful debts		228		114 **(1)**				342 **(1)**
Machinery at cost	55 000						55 000 **(1)**	
Motor vehicles at cost	30 000						30 000 **(1)**	
Machinery – provision for depreciation		25 000		4 500 **(1)**				29 500 **(1)**
Motor vehicles – provision for depreciation		10 000		3 000 **(1)**				13 000 **(1)**
Rent and rates	10 840			150 **(1)**	10 690 **(1)**			
Wages and salaries	31 250		550 **(1)**		31 800 **(1)**			
Bad debts	450				450 **(1)**			
Opening stock	5 000				5 000 **(1)**			
Capital		38 662						38 662 **(1)**
Drawings	500						500 **(1)**	
Accruals				550 **(1)**				550 **(1)**
Prepayments			150 **(1)**				150 **(1)**	
Closing stock			4 000	4 000		4 000 **(1)**	4 000 **(1)**	
Doubtful debts			114 **(1)**		114 **(1)**			
Depreciation – Machinery			4 500 **(1)**		4 500 **(1)**			
Depreciation – Motor vehicles			3 000 **(1)**		3 000 **(1)**			
Net profit/loss					15 346 **(1)**			15 346 **(1)**
Totals	178 390	178 390	12 314	12 314	103 500	103 500	102 400	102 400
			10 Marks		**11 marks**		**14 marks**	

(Total 35 marks)

Task 3

Machinery Account			
Details	**Amount**	**Details**	**Amount**
Balance b/d	60 000 **(1)**		

(1 mark)

Provision for Depreciation Account – Machinery			
Details	**Amount**	**Details**	**Amount**
		Balance b/d	25 000
Balance c/d	30 250 **(1)**	Profit and loss	5 250 **(1)**
	30 250		30 250
		Balance b/d	30 250 **(1)**

(3 marks)

Motor Vehicles Account			
Details	**Amount**	**Details**	**Amount**
Balance b/d	45 000 **(1)**		

(1 mark)

Provision for Depreciation Account – Motor Vehicles			
Details	**Amount**	**Details**	**Amount**
		Balance b/d	15 000 **(1)**
Balance c/d	20 400 **(1)**	Profit and loss	5 400 **(1)**
	20 400		20 400
		Balance b/d	20 400 **(1)**

(4 marks)

(Total 9 marks)

Task 4

Item of Expenditure	Revenue Expenditure	Capital Expenditure
Wages of shop staff	√ **(1)**	
New delivery van		√ **(1)**
New box of apples	√ **(1)**	
Carriage on new box of apples	√ **(1)**	
Installing new kitchen area and sink		√ **(1)**
Repainting of shop front	√ **(1)**	
Insurance of shop	√ **(1)**	
New fixtures and fittings		√ **(1)**

(8 marks)

NB If a candidate ticks both revenue and capital expenditure for an item no mark should be awarded

Task 5

Trade Debtors Control Account			
Details	Amount $	Details	Amount $
Balance b/d	150 000	Bad debts	1 000 **(1)**
		Balance c/d	149 000 **(1)**
	150 000		150 000
Balance b/d	149 000 **(1)**		

(3 marks)

Bad Debts Account			
Details	Amount $	Details	Amount $
Keith Paulie	350 **(1)**		
Thomas Tan	650 **(1)**	Profit and loss	1 000 **(1)**
	1 000		1 000

(3 marks)

Provision for Doubtful Debts Account			
Details	Amount $	Details	Amount $
		Balance b/d	2 800
Balance c/d	2 980 **(1)**	Profit and loss	180 **(1)**
	2 980		2 980
		Balance b/d	2 980 **(1)**

(3 marks)
(Total 9 marks)

Task 6

Rates Account

Details	Amount $	Details	Amount $
Balance b/d	1 162	Profit and loss	1 086 **(1)**
		Balance c/d	76 **(1)**
	1 162		1 162
Balance b/d	76 **(1)**		

(3 marks)

Wages Account

Details	Amount $	Details	Amount $
Balance b/d	12 316	Profit and loss	12 654 **(1)**
Balance c/d	338 **(1)**		
	12 654		12 654
		Balance b/d	338 **(1)**

(3 marks)

Rent Received Account

Details	Amount $	Details	Amount $
Profit and loss	1 046 **(1)**	Balance b/d	982
		Balance c/d	64 **(1)**
	1 046		1 046
Balance b/d	64 **(1)**		

(3 marks)
(Total 9 marks)

Task 7

Farah Begum Account			
Details	Amount $	Details	Amount $
Purchase Returns	770 **(1)**	Balance b/d	2 120
Bank	6 790 **(1)**	Purchases	9 440 **(1)**
Discount received	260 **(1)**		
Balance c/d	3 740		
	11 560		11 560
		Balance b/d	3 740

(4 marks)

Jil Singh Account			
Details	Amount $	Details	Amount $
Purchase Returns	275 **(1)**	Balance b/d	4 005
Bank	7 996 **(1)**	Purchases	9 995 **(1)**
Discount received	357 **(1)**		
Balance c/d	5 372		
	14 000		14 000
		Balance b/d	5 372

(4 marks)

Al Patel Account			
Details	Amount $	Details	Amount $
Balance b/d	35	Purchases	4 690 **(1)**
Purchase Returns	386 **(1)**		
Balance c/d	4 269		
	4 690		4 690
		Balance b/d	4 269

(2 marks)

Purchase Ledger Control Account			
Details	Amount $	Details	Amount $
Balance b/d	35	Balance b/d	6 125
Purchase Returns	1 431	Purchases	24 125 **(1)**
Bank	14 786 **(1)**		
Discounts received	617 **(1)**		
Balance c/d	13 381		
	30 250		30 250
		Balance b/d	13 381 **(1)**

(4 marks)

Reconciliation of Purchase Ledger Balances with Control Account Balances		
Farah Begum	3 740 **(1)**	
Jil Singh	5 372 **(1)**	
Al Patel	<u>4 269</u> **(1)**	<u>13 381</u>
Purchase ledger control a/c		13 381 **(1)**

(4 marks)
(Total 18 marks)

Grading - A pass to be awarded for 60% or more and a First Class Pass for 75% or more.

8991-02-002 Performance Codes

Performance Code	Meaning of weakness code
AA	Narrow Fail
AB	Insufficient work
GW	Ledger accounts
GY	Control accounts
GZ	Correction of errors
HA	Capital and revenue expenditure
HB	Depreciation
HC	Year end adjustments
HD	Extended trial balance