Level 2 Computer accounting software (CAS 7574-217)

ITQ (QCF)
Assignment guide for Candidates
Assignment A

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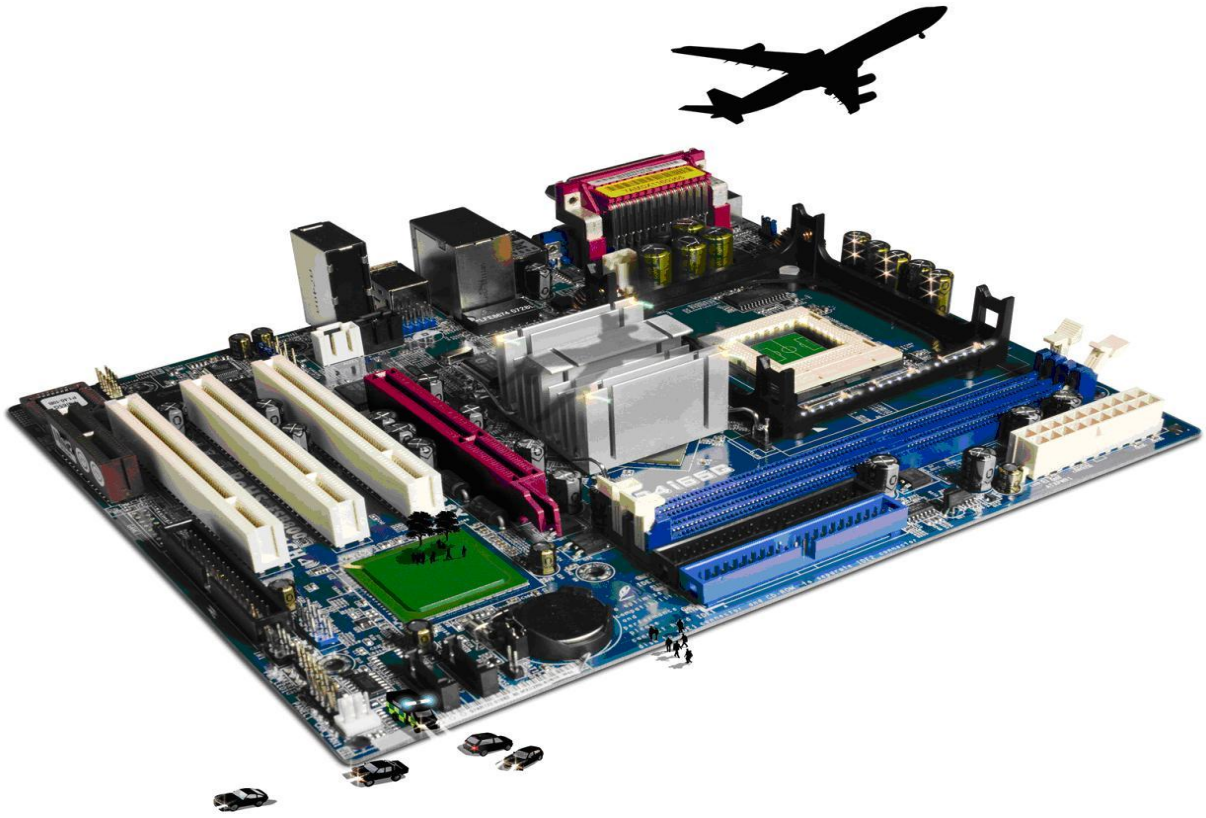

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Level 2 Computer accounting software (CAS 7574-217) Assignment A

1.1 Introduction – Information for Candidates

1.1.1 About this document

This assignment comprises all of the assessment for Level 2 Computer accounting software (CAS 7574-217).

1.1.2 Health and safety

You are responsible for maintaining the safety of others as well as your own. You are asked to work safely at all times.

You will **not** be allowed to continue with an assignment if you compromise any of the Health and Safety requirements.

Time allowance

The recommended time allowance for this assignment is **two hours**. (**Task A**, Initial setup of the accounts package is not included in the time allowance).

Level 2 Computer accounting software (CAS 7574-217)
Candidate instructions

Time allowance: Two hours

The assignment:

This assignment is made up of ten tasks

- Task A - set up your accounts package ready for use. (Please note that this should be done prior to the start of the assignment and the time taken does not form part of the assignment time)
- Task B - input customer and supplier invoices and credit notes
- Task C - produce sales and purchase reports
- Task D - enter customer receipts and supplier payments
- Task E - produce customer and supplier reports
- Task F - enter transactions into the nominal ledger
- Task G - produce reports and transaction details
- Task H - use audit tools and management controls
- Task I - create a backup
- Task J – short answer questions

Scenario

You have recently taken over the accounts for a local Sports Club which is run as a small business.

To date the accounts have been paper based and you have decided to use accounting software and it is your role to use the software to record all transactions and produce reports when required.

Your accountant has advised you on accounting policies, including coding structures and has given you guidelines regarding the accounts for the nominal ledger, customers and suppliers that you will need to set up. The financial year started on 1st April and you will need to enter the opening balances.

Read all of the instructions carefully and complete the tasks in the order given.

Note: Throughout this assignment you will be asked to answer questions and to enter current values from the accounts. Please use the document Answers.rtf provided. Ensure that your name is written or typed onto any documents forming the answers to this assignment or included in any electronic files that you save.

Continued over…

Task A – Set up your accounts package ready for use

Setup Information

The information given here is based around a Sage Line 50 package. Most parameters will be recognisable in other computerised accounts systems and candidates should set up their systems to behave in a manner which is consistent with these parameters using the following:

1. **Set up the company name as shown below:**

Rugby Sports Club
37 Hillside
Rugby
CV21 2JF
Phone 01788 775026
Fax 01788 775027
VAT No. GB 5542567

2. **Set up Financial Year as shown below:**

Starting in the April prior to the time of the assessment

3. **Customer defaults**

Standard VAT rate	20%
Default nominal code	4000
Ageing 30,60,90 and 120 days	

4. **Supplier defaults**

Standard VAT rate	20%
Default nominal code	5000
Ageing 30,60,90 and 120 days	

5. **VAT Settings**

Zero Rated	=	T0
Standard	=	T1
Exempt	=	T2
Outside scope	=	T9

6. Nominal Ledger Data

The nominal ledger codes should be set up as is shown below. No other data should be present. Opening balances as listed should be input

Code	*Description*	*Type*	*Dr*	*Cr*
1100	Debtors Control Account	control account		
1103	Prepayments	control account		
1200	Bank Current Account			
2100	Creditors Control Account	control account		
2109	Accruals	control account		
2200	Sales Tax Control Account	control account		
2201	Purchase Tax Control Account	control account		
2300	Bank Loan			
3200	Profit and Loss Account	control account		
4000	Sales of Swimwear			2742.89
4001	Sales of Goggles			579.82
4002	Sales of Tracksuits			1380.14
4003	Sales of Swimming Award Badges			435.50
4004	Sales of Open Meet Entries			8545.00
4009	Discounts Allowed	control account		
4400	Credit Charges (Late Payments)	control account		
5000	Purchases of Swimwear		1371.54	
5001	Purchases of Goggles		289.41	
5002	Purchases of Tracksuits		690.07	
5003	Purchases of Swimming Award Badges		217.25	
5004	Purchases for Open Meet		458.22	
5005	Purchases of Water Time		4270.50	
5006	Purchases of Coaching Hours		1250.00	
5009	Discounts Taken	control account		
6201	Advertising			
7501	Postage			
7504	Stationery			
7600	Legal Fees			
7601	Accountancy			
7906	Exchange Rate Variance	control account		
8000	Depreciation			
8100	Bad Debt Write Off	control account		
9998	Suspense Account	control account		
9999	Mispostings Account	control account		

7. Customer Data

The following customer details should be input

A/c No	*Name*	*Address*	*Contact*	*Phone & Fax No*	*E mail*
BLE017	Bletchley Swim Club	Castle House, Bletchley BL17 5NG	Martin Hughes	01527 754 982 01527 754 724	mhughes@bletchley.coz
NUN042	Nuneaton Swim Team	Attleborough Lodge Attleborough Fields Nuneaton CV12 7YT	Tim Freeman	02476 589225 02476 589568	tfreeman@nuneatonswim.coz
NOR031	Normanton Sharks	Roxford House Paradise Street Normanton NN17 6ET	David Williams	01785 265887 01785 265774	dwilliams@normantonsharks.coz

8. Supplier Data

The following supplier details should be input

A/c No	*Name*	*Address*	*Contact*	*Phone & Fax No*	*E-mail*
SWI012	Swimrite	Basford Lodge Common Lane Basford NN18 5SD	Ryan Davies	01846 778215 01846 778295	rdavies@swimrite.coz
FOS061	Fosters	Fosters House Olympic Drive Cawston CV21 7PJ	Harvey Foster	02476 589445 02476 589447	hfoster@fosters.coz
KES033	Caldecote Sports Centre	Ken Morgan Leisure Centre Morgan Drive Hampton Lucy CV34 7WF	Ken Rogers	01788 569447 01788 569224	krogers@kmlc.coz

9. Chart of Accounts

The Chart of accounts should be set up as follows

Main header	*Detail*	*From*	*To*
Sales	Product Sales	4000	4099
	Credit Charges (Late Payments)	4400	4400
Purchases	Purchases	5000	5099
	Discounts Taken	2999	2999
Overheads	Advertising	6201	6201
	Postage	7501	7501
	Stationery	7504	7504
	Legal fees	7600	7600
	Accountancy	7601	7601
	Depreciation	8000	8000
	Bad Debt Written Off	8100	8100
	Suspense and Mispostings	9998	9999
	Exchange Rate Variance	7906	7906
Current Assets	Prepayments	1103	1103
	Bank Account	1200	1200
	VAT Liability	2200	2209
	Debtors Control Account	1100	1100
Current Liabilities	Accruals	2109	2109
	Creditors Control Account	2100	2100
	Bank Account	1200	1200
	VAT Liability	2200	2209
	Debtors Control Account	1100	1100
Long Term Liabilities	Bank Loan Received	2300	2300
Financed by	Profit and Loss	3200	3200

10. Password

Protect access to your accounts by using a password. The password must be alpha numeric and consist of both uppercase, lowercase and at least one number. Enter your password on the file **Answers** (***N.B*** *this is* ***very important*** *as without the password details your work cannot be fully marked)*

Task B – input customer and supplier invoices and credit notes

1 Create accounts for the new customers below using suitable customer codes. You should use the local guidelines which uses the first three characters of the customers' name followed by 001 or, if that code is already in use the next available number in the series (001…002…003).

If you get any error message, check the data and correct as necessary. Use IT tools to check data is correct, amending as required.

New Customers

Finsbury Seals	Salisbury Sharks
Hertford House,	Arden lodge
Kenilworth,	Birdingbury upon Sea
Warwickshire	Salisbury
CV11 6KT	SL17 4NB
Contact Paula Curtis	Contact Imogen Sands
Phone 01926 843 779	Phone 01985 226846
Fax 01926 843 558	Fax 01985 226471
pcurtis@finsburyseals.coz	isands@salisburysharks.coz

2 Set up a new account for Sales or Repair of Timing Systems

Create a new nominal ledger code including the following information:

- sales codes are set between 4000 to 4099 inclusive
- purchase codes within the range 5000 to 5099 inclusive
- use the most suitable new code for this account.

3 Enter the following batch of **four** customer invoices:

Customer Invoice – 1

RUGBY SPORTS CLUB

37 Hillside
Rugby
CV21 2JF
Phone 01788 775026

Attention: Paula Curtis
Finsbury Seals
Hertford House,
Kenilworth,
Warwickshire
CV11 6KT

No 2020

6 May 20xx

Invoice

Description	VAT Rate	Net Price
Open Meet Entries	20%	£2014.00
		£2014.00
VAT		£402.80
Total		**£2416.80**

VAT No: GB 5542567
Please make remittances payable to Rugby Sports Club
Bank Account Lloyds PL, Royal Priory Leamington Spa
Account No: 00968564 Sort Code: 43-12-97

Incorporated in England Company No 42355542
Directors Steven Smith, Susan Jones

Customer Invoice – 2

RUGBY SPORTS CLUB

37 Hillside
Rugby
CV21 2JF
Phone 01788 775026

Attention: Imogen Sands
Salisbury Sharks
Arden lodge
Birdingbury upon Sea
Salisbury
SL17 4NB

No 2021

15 May 20xx

Invoice

Description	VAT Rate	Net Price
Supply of 65 Club Swim Costumes	20%	£1300.00
		£1300.00
VAT		£260.00
Total		**£1560.00**

VAT No: GB 5542567

Please make remittances payable to Rugby Sports Club
Bank Account Lloyds PL, Royal Priory Leamington Spa
Account No: 00968564 Sort Code: 43-12-97

Incorporated in England Company No 42355542
Directors Steven Smith, Susan Jones

Customer Invoice – 3

RUGBY SPORTS CLUB

37 Hillside
Rugby
CV21 2JF
Phone 01788 775026

Attention: Tim Freeman
Nuneaton Swim Team
Attleborough Lodge
Attleborough Fields
Nuneaton
CV12 7YT

No 2022

17 May 20xx

Invoice

Description	VAT Rate	Net Price
Repairs to Colorado timing system	20%	£495.00
		£495.00
VAT		£99.00
Total		**£594.00**

VAT No: GB 5542567

Please make remittances payable to Rugby Sports Club
Bank Account Lloyds PL, Royal Priory Leamington Spa
Account No: 00968564 Sort Code: 43-12-97

Incorporated in England Company No 42355542
Directors Steven Smith, Susan Jones

Continued over…

Customer Invoice – 4

RUGBY SPORTS CLUB

37 Hillside
Rugby
CV21 2JF
Phone 01788 775026

Attention: David Williams
Normanton Sharks
Paradise Street
Normanton
NN17 6ET

No 2023

27 May 20xx

Invoice

Description	VAT Rate	Net Price
Swimming Association Award Badges (100)	20%	£200.00
		£200.00
VAT		£40.00
Total		**£240.00**

VAT No: GB 5542567

Please make remittances payable to Rugby Sports Club
Bank Account Lloyds PL, Royal Priory Leamington Spa
Account No: 00968564 Sort Code: 43-12-97

Incorporated in England Company No 42355542
Directors Steven Smith, Susan Jones

4 Create accounts for the new suppliers using suitable supplier codes. You should use the existing format which uses the first three characters of the suppliers' name followed by 001 or, if that code is already in use the next available number in the series (001…002…003 etc).

New Suppliers

Name	***Address***	***Contact***	***Phone & Fax No***	***e-mail address***
Walsall Swimwear	65 Manor Road Walsall B77 4DS	Jai Chohan	0121 546 3378 0121 546 3399	j.chohan@walsallswimwear.coz
Perry Tracksuits	76 Montague Road Perry Beeches B66 7RY	Patrick Downing	0121 735 2277 0121 735 2288	pdowning@perry.coz

Continued over…

5 Enter the following batch of **five** supplier invoices:

Supplier Invoice – 1

Swimrite

Basford Lodge
Common Lane
Basford
NN18 5SD

Attn: Susan Jones
Rugby Sports Club
37 Hillside
Rugby
CV21 2JF

No 50458

6 May 20XX

Invoice

	Net price
100 Pieces -Endurance Swimwear	£1,000.00
	£1,000.00
VAT at 20%	£200.00
	£1,200.00

VAT No GB 5567945
Incorporated in England Company No 34445443
Directors Ryan Davies, Pam Rigg

Continued over…

Supplier Invoice – 2

Fosters

Fosters House
Olympic Drive
Cawston
CV21 7PJ
02476 589445

Rugby Sports Club
37 Hillside
Rugby
CV21 2JF

No 9472

9 May 20XX

Invoice

	Net price
200 Pairs Speed Goggles Blue	£800.00
150 Pairs Speed Goggles Red	£495.00
	£1,295.00
VAT at 20%	£259.00
	£1,554.00

VAT No GB 245 789 08
Incorporated in England Company No 256745443
Directors Harvey Foster, Julie Brand

Continued over…

Supplier Invoice – 3

Perry Tracksuits

76 Montague Road
Perry Beeches
B66 7RY
0121 735 2277

Attn: Steven Smith
Rugby Sports Club
37 Hillside
Rugby
CV21 2JF

No 17547

11 May 20XX

Invoice

	Net price
50 Large Rugby Sports ClubTracksuits	£2,000.00
25 Small Rugby Sports Club Tracksuits	£875.00
	£2,875.00
VAT at 20%	£575.00
	£3,450.00

VAT No GB26578
Incorporated in England Company No 54345443
Directors Brian Swell, Patrick Downing

Continued over…

Supplier Invoice – 4

Perry Tracksuits

76 Montague Road
Perry Beeches
B66 7RY
0121 735 2277

Attn: Steven Smith
Rugby Sports Club

37 Hillside

Rugby

CV21 2JF

No 18273

15 May 20XX

Invoice

	Net price
40 Junior Rugby Sports ClubTracksuits	£1,200.00
25 Medium Rugby Sports Club Tracksuits	£975.00
	£2,175.00
VAT at 20%	£435.00
	£2,610.00

VAT No GB26578

Incorporated in England Company No 54345443

Directors Brian Swell, Patrick Downing

Continued over…

Supplier Invoice – 5

Walsall Swimwear

65 Manor Road
Walsall
B77 4DS
0121 546 3378

Rugby Sports Club
37 Hillside
Rugby
CV21 2JF

No 8364

18 May 20XX

Invoice

	Net price
25 Small Competition Swimsuits	£375.00
25 Medium Competition Swimsuits	£415.00
	£790.00
VAT at 20%	£158.00
	£948.00

VAT No GB225834
Incorporated in England Company No 54345443
Directors Jai Chohan, Martyn Lacey

Continued over…

6 Enter the following **two** sales credit notes:

Customer Credit Note – 1

RUGBY SPORTS CLUB

37 Hillside
Rugby
CV21 2JF
01788 775026

Attention: Tim Freeman
Nuneaton Swim Team
Attleborough Lodge
Attleborough Fields
Nuneaton
CV12 7YT

No CR4354

20 May 20XX

Credit Note

	VAT Rate	*Net price*
Refund due to Colarado warranty of parts used	20.0%	£180.00
		£180.00
VAT		£36.00
VAT No GB 5542567		£216.00

Incorporated in England Company No 42355542
Directors Steven Smith, Susan Jones.

Continued over…

Customer Credit Note – 2

RUGBY SPORTS CLUB

37 Hillside
Rugby

CV21 2JF

01788 775026

Attention: Paula Curtis
Finsbury Seals
Hertford House
Kenilworth
CV11 6KT

No CR4355

25 May 20XX

Credit Note

	VAT Rate	*Net price*
Returned Open Meet Entries	20.0%	£100.00
		£100.00
VAT		£20.00
VAT No GB 5542567		£120.00

Incorporated in England Company No 42355542
Directors Steven Smith, Susan Jones.

Task C – produce sales and purchase reports

1 Run the day book reports and enter the totals of the transactions in each category on your **Answers** document for the **Total Sales Invoices, Total Sales Credit Notes** and **Total Purchase Invoices.**

2 Run a report showing a list of all the invoices outstanding to suppliers.

Print the report and write your name and **printout 1**on it or save it as an electronic file in your work area as **printout 1xxx.** (xxx is your name)

Continued over…

Task D – enter customer receipts and supplier payments

1 **Three** payments have been received. The remittance advices are shown below.

Enter the receipts and allocate the payments to customer invoices where appropriate.

Customer remittance – 1

Remittance Advice

We attach a cheque in settlement of your account as follows:-

Payment No	*Date*	*Details*	*Amount*
976	30-Jun-XX	Settles Inv 2021	1,560.00

Salisbury Sharks
Arden lodge, Birdingbury Upon Sea, Salisbury,SL7 4NB

Phone: 01985 226846 Fax: 01985 226471

Customer remittance – 2

Remittance Advice

We attach a cheque in settlement of your account as follows:-

Payment No	*Date*	*Details*	*Amount*
1002	29-Jun-XX	Settles Inv 2022 and CR4354	378.00

Nuneaton Swim Team
Attleborough Lodge, Attleborough Fields
Nuneaton CV12 7YT

Phone 02476 589225
Fax 02476 589568

Customer remittance – 3

Remittance Advice

We have today transferred into your bank account the amounts detailed below

Payment No	*Date*	*Details*	*Amount*
RUG0018	30/06/20xx	Part Payment of Inv 2023	140.00

Normanton Sharks
Roxford Hous, Paradise Street, Normanton, NN17 6ET
Phone 01785 265887 Fax 01785 265774

Continued over…

2 It is the end of June and time to pay your invoices for May. Using your report of outstanding invoices check and enter the supplier payments allocating the payments where appropriate.

Print remittance advices for these payments. Write your name on each remittance advice printed or them as electronic files in your work area as **remittance (company) xxx.** (company is the name of the payee and xxx is your name)
.

Payment No	*Date*	*Supplier Name*	*Details*	*Amount*
3472	30-Jun	Perry Tracksuits	Inv 17547 & Inv 18273	6060.00
3473	30-Jun	Fosters	Inv 9472	1554.00
3474	30-Jun	Swimrite	Inv 50458	1200.00

* **Note**: Due to the rounding values set in different software, the amounts owed may vary very slightly (e.g. £6060.01). If this occurs the payment amount should equal the outstanding invoice amounts.

Task E – produce customer and supplier reports

1 Run suitable reports for **Total Owed by Customers** and **Total Owed to Suppliers** and enter the amounts on your **Answers** document.

2 Produce a suitable report for internal use showing all transactions to date with **Swimrite**. Print the report and add your name and **printout2** or save it as an electronic file in your work area as **printout 2xxx.** (xxx is your name)

3 Print a statement of account showing all transactions for the customer **Finsbury Seals**. Add your name to the bottom on name it **printout3** or save it as an electronic file in your work area as **printout 3xxx.** (xxx is your name)

Task F – enter transactions into the nominal ledger

1 The following payments have been made to suppliers who are not to be included to the purchase ledger as suppliers.

Record the payments in the cash/bank records for direct posting to the nominal ledger.

Cheque No	*Date*	*Supplier Name*	*Description*	*Net Amount*	*Tax*	*Gross Amount*
3403	20 June	Alsters	Accountancy	350.00	70.00	420.00
3404	23 June	Walkers	Advertising	55.00	11.00	66.00
3405	30 June	Radley Jones LLP	Legal Fees	224.72	44.94	269.66

2 The business has received a bank loan of **£50,000.00**
Record the receipt of the money into the current account and the new loan in the bank loan account.

Date the transaction **25 June** and give it the reference **ACEBANK1**

3 Make a note on the nominal account for legal fees to read:

On-going dispute with Perry Tracksuits.

Task G – produce reports and transaction details

1 Run a report for all sales invoices from 01-May-20XX to 15-May-20XX inclusive and enter the net sales total on your **Answers** document.

2 Run a report from the Nominal Ledger showing all transactions on purchase accounts from 5000 to 5099 inclusive. Print the report. Add your name and **printout4** or save it as an electronic file in your work area as **printout 4xxx.** (xxx is your name)

3 Review the Profit and Loss account and Balance Sheet reports as at 30 May. Enter the values on your **Answers** document and export the Profit and Loss report only for the period to a spreadsheet application and save it in your work area as **Task G3**.

4 Run a report to show how much VAT is due for the month of May and enter the details on your **Answers** document.

Task H – use audit tools and management controls

1 Print a first payment reminder for **Normanton Sharks**. Write your name on this report and mark it **printout5** or save it as an electronic file in your work area as **printout 5xxx.** (xxx is your name)

2 Print a trial Balance at 30-May-20XX. Write your name on this report and mark it as **printout6** or save it as an electronic file in your work area as **printout 6xxx.** (xxx is your name)

3 Print out a nominal ledger history report for all transactions. Write your name on this report and mark it **printout7** or save it as an electronic file in your work area as **printout 7xxx.** (xxx is your name)

Task I – create a backup

1. Back up your data onto a suitable storage medium. Name the backup file **rscaccountsXX** where XX is your initials

Task J – short answer questions

1. Briefly describe 2 characteristics of accounting data, enter your description on the **Answers** document (2 marks)

2. Briefly describe two risks to data security and procedures used for data protection, enter your description on the **Answers** document (2 marks)

3. Give 2 examples of the types of problems that can occur during the transaction process, enter your description on the **Answers** document (2 marks)

4. Briefly describe 2 different reports that can be produced by the accounting software and how this can be of benefit, enter your description on the **Answers** document (2 marks)

When you have finished working:

- Sign each document above your name and label all removable storage media with your name.
- Hand all paperwork and removable storage media to your assessor.

If the assignment is taken over more than one period, all paperwork and removable media must be returned to the test supervisor at the end of each sitting.

End of assignment

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