Level 1 Computerised accounting software (7574-217)

ITQ (QCF)
Assignment guide for Candidates
Assignment C

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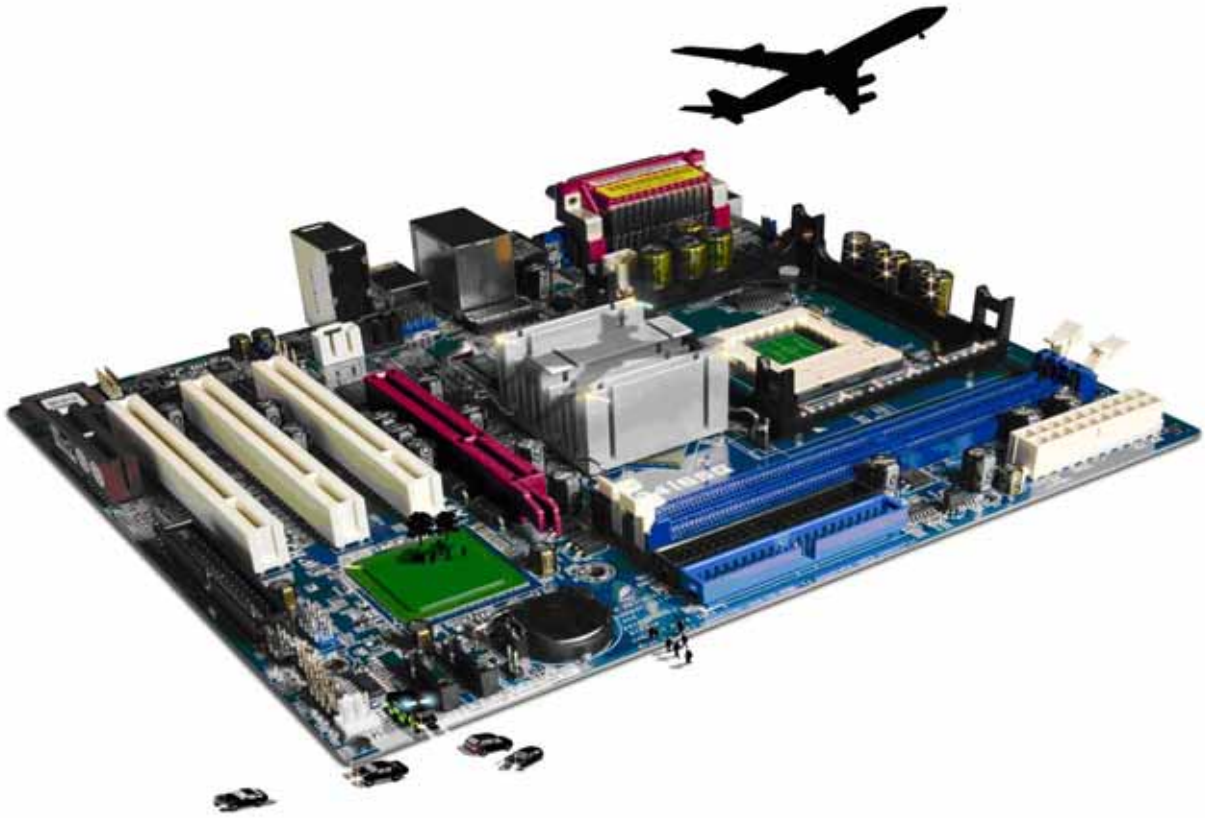

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Level 2Computerised accounting software (7574-217) Assignment C

Introduction – Information for Candidates

About this document

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

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**.

Candidate instructions

Time allowance: two hours

The assignment:

This assignment is made up of **five** tasks

- Task A - Log onto and prepare a PC and prepare a printer and stationery
- Task B - Edit records, input invoices, credit notes and record payments
- Task C - Produce customer reports, supplier reports and reminders
- Task D - Make payments, correct errors and answer queries
- Task E - Back up, log off and close down the computer

Scenario

You are employed as a company accountant for **Five Star Homes**, a small company that specialises in supplying building firms display furnishings and light refreshments for show houses.

Your responsibilities include: -

- Entering sales invoices into the accounting software
- Entering purchase invoices into the accounting software
- Updating customer and supplier details
- Paying invoices that are due
- Producing accounting reports and responding to accounts queries.

There are a number of transactions to enter on the system. Your manager (Mr John Higgins) has set out the tasks which he sees as a priority and he would like you to try to complete as many of these as possible.

It is early June and the financial year started on 1 April

Note: If you are sitting this assignment between April and June use the **previous** year for your accounts.

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

Task A - Log onto and prepare a PC and prepare a printer and stationery

1 Power up the computer, identify the accountancy software and log on using the password provided.

2 Ensure that you have a suitable storage medium for backup purposes and to save any reports to.

3 Check that you have access to a printer, loaded with sufficient paper.

4 Create a folder in your working area or on removable media named **cas2xx** (where **xx** are your initials).

Copy any supplied files (eg **Answers 217.rtf**) and any printouts created for this assignment to this folder.

Note:

Throughout this assignment you will be asked to answer some questions and to enter current values from the company accounts. The answers and values should be entered onto the provided answer sheet **AnswersL2_XX**

If applicable all values are to be in local currency and local taxes will apply.

Ensure that your name is written or typed onto any documents forming the answers to this assignment.

Task B – Edit records, input invoices, credit notes and record payments

1 A customer has moved premises and the contact details have changed. Find and edit the customer details.

Customer	Liverpool Trust 5 Manchester Road Bolton LV26 5PX Contact: Mr Brian Lightwater Email: None New Tel: 01877 945 3587

2 Add the following memo or note to the Liverpool Trust customer file:

New address and contact entered on [*Enter today's date*]

3 You have received a memo below asking you to create accounts for **two** new customers where necessary using suitable customer codes.

Customer 1	**Customer 2**
Company name: National Builds Contact details: Mr James Pickering Telephone: 01888 996 2222 E-mail: jpickering@nbuilds.gov.coz Invoice address: 6 Victoria Street, London, WC98 3BN Shipping address if required: same Opening balance: 0.00 Start date: 01/04/xxxx	Company name: Johnson Furnishings Contact details: Mr John Carter Telephone: 09777 396 1545 E-mail: jcarter@johnsons.coz Invoice address: 36 Queen Street, Norwich, NO35 2NN Shipping address if required: same Opening balance: 0.00 Start date: 01/04/xxxx

4 Enter the following batch of **five** customer invoices.

Ensure that you check all information and respond to any errors or problems that may arise prior to any saving/posting.

Invoice	**Date**	**Customer**	**Qty**	**Description**	**Unit Price**	**Tax Rate**
1305	12-04-xx	Liverpool Trust	2	Dart cream carpets (23 sq mt)	505.00	Std
1306	12-04-xx	Monarch	2	Luminix light fittings	145.00	Std
			4	Senator table lamps	97.50	Std
1307	14-04-xx	Heritage Build	1	Coat stands	96.50	Std
			2	Sofas	655.50	Std
1308	22-04-xx	Liverpool Trust	1	Telephone table	89.75	Std
			1	Denver occasional chair	280.00	Std
			4	Full place dinner settings	67.75	Std
1309	27-04-xx	Brightbuild	1	42” Panasonic LED TV	830.00	Std
			40	Finger buffet	7.95	Zero

Note: The tax rate may have changed according to the financial year used for this assignment. Where **Std** is shown above tax is payable at the standard rate (e.g. 17.5% or 20%). Accept your systems default settings for tax purposes throughout this assignment.

5 You have received a memo below asking you to create accounts for **two** new suppliers where necessary using suitable supplier codes.

Supplier 1	**Supplier 2**
Company name: Edmund Bradley & Sons Contact details: Mr Tom Bradley Telephone: 0788 994 7252 Fax: 0788 994 5272 E-mail: t.bradley@ebandsons.coz.uk Invoice address: 34 Hamilton Road, Leamington, CV24 4FJ Shipping address if required: same Opening balance: 0.00 Start date: 01/06/xxxx	Company name: Clive Scott Ltd Contact details: Mrs Pam Scott Telephone: 061 765 8343 Fax: 061 765 8366 E-mail: ps@fa.co.uk Invoice address: 23 Kenilworth Avenue, Coventry, CV2 7FK Shipping address if required: same Opening balance: 0.00 Start date: 01/06/xxxx

6 Enter the following batch of **five** supplier invoices.

Ensure that you check all information prior to saving/posting.

External Invoice	**Date**	**Supplier**	**Qty**	**Description**	**Net Price**	**Tax Rate**
S2578	20-04-xx	Sherrington's Furnishings	1	Devon beige carpet (24 sq mt)	420.00	Std
LG264	24-04-xx	Lamps Galore	2	Standard up-lighters	69.00	Std
H1257	30-04-xx	Hemmingway Bakers	2 30	Luxury biscuits Standard finger buffet	20.00 5.50	Zero Zero
EB67	04-06-xx	Edmund Bradley & Sons	1 10	Clothes rail 4 – 6 yrs clothes (mixture)	35.00 8.55	Std Zero
CS0027	05-06-xx	Clive Scott Ltd	6 1 1	Leather reception chairs Medium writing desk Table lamp	185.00 326.00 56.95	Std Std Std

7 Enter the following **two** sales credit notes and **one** supplier credit note.

Credit Ref:	**Date**	**Customer**	**Description**	**Net Price**	**Tax Rate**
C5	28-04-xx	Monarch	Overcharge on Senator table lamps – invoice 1306. Unit price is 85.00	50.00	Std
C6	02-05-xx	Brightbuild	Overcharge on finger buffet – invoice 1309. Unit price is 6.95	40.00	Zero

External Ref:	Date	Supplier	Description	Net Price	Tax Rate
LG264	30-04-xx	Lamps Galore	Overcharge on up-lighters – unit price is 63.00	12.00	Std

8 **Three** payments have been received from customers. Enter the receipts and allocate the payments to customer invoices where appropriate.

Ext. Ref:	Date	Customer	Description	Amount	
LT9124	15-05-xx	Liverpool Trust	Settles Invoice 1305	Tax @ 17.5% Tax @ 20%	1186.75 1212.00
P9125	16-05-xx	Monarch	Settles Invoice 1306	Tax @ 17.5% Tax @ 20%	740.25 756.00
B2225	23-05-xx	Brightbuild	Settles Invoice 1309	Tax @ 17.5% Tax @ 20%	1253.25 1274.00

Task C - Produce customer reports, supplier reports and reminders

1 Your supervisor has asked you to write down the total value of all transactions that you have entered since the start of the financial year.

Run suitable reports for each of the transactions categories listed below and note the values on the provided answer sheet **AnswersL2_XX**

	Net	Tax	Gross
Total value of all sales invoices, including any credit notes.			
Total value of all sales credit notes			
Total value of purchase invoices including any supplier credits			
Total value of supplier credit notes			

2 Your supervisor wants to decide which supplier invoices to settle this month. Prepare a list of all the invoices outstanding to suppliers.

Print the report or save it with the name **Printout1_XX** (where XX are your initials) in your working folder **cas2_XX**

3 You have been asked to arrange payment to the following **three** suppliers for the relevant invoice. Enter the supplier payment allocating the payment where appropriate.

Create remittance advices or a listing for these payments. Print or save them to your working folder **cas2_XX** with the name **Printout2_XX** (where XX are your initials), adding a suitable suffix to each, advice if necessary.

Cheque No. (If req'd)	Date	Supplier Name	Details	Total Amount	
00088	03-06-xx	Sherrington's Furnishings	Full payment – Invoice S2578	Tax @ 17.5% Tax @ 20%	493.50 504.00
00089	03/06-xx	Lamps Galore	Full payment – Invoice LG264	Tax @ 17.5% Tax @ 20%	148.05 151.20
00090	03-06-xx	Clive Scott Ltd	Part payment on account – Invoice CS0027	N/A	250.00

4 Run suitable reports for the current financial year and fill in the amounts on the provided answer sheet **Answers 217 C_XX**

Note: Ensure that the end date is after 03-06-xx to reflect the payments made above.

	Total Amount
Total amount owed by customers	
Total amount owed to suppliers	

5 Your supervisor has requested a statement of account showing all the customer activity (all transactions) in the current financial year to date for customer Liverpool Trust

Print the report or save it with the name **Printout3_X**X (where XX are your initials) in your working area.

6 Create a first payment reminder or statement of account (outstanding invoices) for **Heritage Build**.

Print the report or save it with the name **Printout4_XX** (where XX are your initials) in your working area.

Note: If the letter/report date is the current system date then this is acceptable.

Task D – Make payments, correct errors and answer queries.

1 The following payments are to be made to casual or special suppliers who are not to be included as suppliers.

Cheque No. (If req'd)	Date	Supplier Name	Details	Net Amount	Tax
00091	14-06-xx	Golding and Levy	Accountancy	550.00	Std
00092	16-06-xx	Satchell Brothers	Advertising	175.25	Std
00093	17-06-xx	The Office Cleaning	Legal fees	50.00	Std

2 You have received a memo from your supervisor informing you of an accounting error. Make the correction identified.

> **MEMO:** Re -Incorrect entry for cheque 00093
>
> I've just looked through the cheque book and found that cheque 0093 should have been paid for cleaning. It has been entered as Legal fees.
> Can you please correct this error? The correction can be made by journal entry or by reversal and re-input. Date the correction June 30 and only if required use the reference Trsfr.
> Thanks JH

3 It has been agreed to give Liverpool Trust a 5% discount on any purchase from us above £500. Make a note of this in the customer account and take a copy of your entry.

Print the entry or save it with the name **Printout5_XX** in your working area**.**

4 Your supervisor wants to examine the sales for the first half of April.

Create a suitable report that shows all sales from 1 April to 15 April inclusive.

Print the report or save it with the name **Printout6_XX** in your working area**.**

5 Your supervisor has asked you to provide him with some information from the profit and loss account and Balance Sheet as at 30 June. The values should be on a cash basis and not as an accrual.

Fill in the amounts on the provided answer sheet **Answers 217 C_XX**

	Net	***Amount***
Profit and Loss Account	Total Sales Revenue to Date	
Balance Sheet	Current Assets	
	Current Liabilities	

6 Your supervisor has asked to know how much tax (e.g. VAT) is due for the current financial year. Run a suitable report to find out the value and enter the amount on the provided answer sheet **Answers 217 C_XX**

Tax due for the month of June	

7 Print or save a Trial Balance at 30 June xx with the name **Printout7_XX** in your working area.

The report should be on a cash basis and not as an accrual.

8 Your supervisor has sent you two memos asking some questions.

Write your on the provided answer sheet **Answers 217 C_XX**

MEMO

Can you briefly explain how to prevent the loss and corruption of data?
RW

MEMO
Can you briefly explain why is it important to use security procedures and passwords to access accounting software?
RW

Task E– Back up, log off and close down the computer

1 Ensure that you have checked all information and respond to any errors or problems that may have arisen then back up your data to your working folder **cas2xx**.

Name the backup file **cas217cXX** where XX are your initials eg cas217cbg.

2 Use built-in tools to export all customer invoices to be used in another application (e.g. spreadsheet, new accounting application etc).

Save the file as **casNew_XX** (where xx are your initials) with a suitable file extension.

3 Check that you have saved all of your work to your working folder.

Close the accounting package and shut down your computer.

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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