Level 2 Introduction to Bookkeeping

Sample Assessment and Mark Scheme

Notes for students and training providers

This is a Sample Assessment and Mark Scheme (SAMS) which is reflective of the question types, depth of content coverage, the level of demand, duration and mark allocation of tasks that will be in the live assessment.

Under each sub-task, you will see a reference to the unit specification, e.g. (1.4.1); this denotes the Learning Outcome, Topic Area and scope being covered in the sub-task, enabling you to identify which area of the unit specification is being assessed.

It is not designed to be used on its own to determine whether students are ready for the live assessment.

Assessment information

You have **1 hour and 30 minutes** to complete this sample assessment.

- This assessment contains **11 tasks** and you should attempt to complete **every** task.
- Each task is independent. You will not need to refer to your answers to previous tasks.
- The total number of marks for this assessment is **100**.
- Read every task carefully to make sure you understand what is required.
- Where the date is relevant, it is given in the task data.
- Both minus signs and brackets can be used to indicate negative numbers **unless** task instructions state otherwise.
- You must use a full stop to indicate a decimal point. For example, write 100.57 **not** 100,57 or 10057.
- You may use a comma to indicate a number in the thousands, but you don't have to. For example, 10000 and 10,000 are both acceptable.
- Mathematical rounding should be applied where appropriate.

Scenario

The tasks in this assessment are set in different business situations where the following apply:

- businesses use a variety of bookkeeping systems
- double entry takes place in the general ledger
- the VAT rate is 20%.

Task 1 (10 marks)

This task is about manual and digital bookkeeping systems.

(a)   Identify which document would be used for each of the purposes below.

Identifying transactions that have been received into or paid out of the bank account for a given period.	**Gap 1**
Summarising transactions with a supplier and advising them of the amount being paid to them.	**Gap 2**
Detailing goods supplied to credit customers and the amount to be paid.	**Gap 3**
Authorising low value purchases paid for in cash.	**Gap 4**

Gap 1 options	✓
Bank statement	
Invoice	
Petty cash voucher	
Remittance advice	

Gap 2 options	✓
Bank statement	
Invoice	
Petty cash voucher	
Remittance advice	

Gap 3 options	✓
Bank statement	
Invoice	
Petty cash voucher	
Remittance advice	

Gap 4 options	✓
Bank statement	
Invoice	
Petty cash voucher	
Remittance advice	

(4 marks) (1.1.1)

Accounts are to be opened for two new customers. Customer account codes follow the format below:

- first four letters of the customer name
- a three digit sequential number that represents the number of customer accounts.

The last customer account code created is shown in the table below.

(b)   Enter the account codes for each of the two new customers.

Date 20XX	Customer name	Customer account code
1 Feb	Clentock Ltd	CLEN078
4 Feb	Chedstone Ltd	
5 Feb	Courtlee plc	

(2 marks) (1.3.1, 1.3.3)

Each page in the general ledger is numbered, starting from 0001. The page number is also the general ledger account code.

(c)   Identify the coding system used in the general ledger.

Coding system	✓
Alphabetical	
Alphanumerical	
Numerical	

(1 mark) (1.3.1, 1.3.3)

(d)   Identify whether the following statements regarding digital bookkeeping systems are true or false.

Statement	True ✓	False ✓
It is possible to import data relating to bank transactions in order to complete the bank reconciliation process.		
It is not possible to post a transaction to the wrong general ledger account.		

(2 marks) (1.2.7, 1.2.8)

A purchase invoice from a credit supplier has been entered into the digital bookkeeping system twice.

(e)   Identify ONE consequence of this error.

Consequence	✓
The total cost of purchases will be understated	
The total amount owed by receivables will be overstated	
The business may pay for goods that have not been received	
The business may be paid for goods that have not been sold	

(1 mark) (1.2.6)

Task 2 (10 marks)

This task is about principles of double-entry bookkeeping.

At the end of February, a business had the following assets and liabilities.

Assets and liabilities	£
Computer equipment	4,080.00
Cash at bank	16,781.09
Receivables	8,339.89
Payables	2,851.35
Bank loan	4,000.00
Fixtures and fittings	7,734.00

**(a)   Complete the table below to show the accounting equation.
        Enter all figures as positive values.**

Assets £	Liabilities £	Capital £

(3 marks) (1.4.2)

The first transaction recorded in March related to cash taken from the till by the owner to purchase a new computer for the business.

(b)   Identify the effect this transaction will have on the accounting equation in (a).

Effect	✓
Decrease both assets and capital	
Decrease assets and increase liabilities	
Both increase and decrease assets	

(1 mark) (1.4.2)

The transactions below have been entered into the cash book with the effect of either increasing or decreasing the asset of cash at the bank.

(c)   Identify the opposite effect of each bank transaction. You should ignore VAT.

Bank Transaction	Opposite effect
Paid for advertising services	
Transferred surplus money to a bank savings account	
Repaid a loan	
Received a cheque from a credit customer	
Received a cheque for cash sales	
Received a refund from a cash supplier for an amount overpaid for computer repairs	

Description
Increase assets
Decrease assets
Increase expenditure
Decrease expenditure
Increase income
Decrease liabilities

(6 marks) (1.4.1)

Task 3 (10 marks)

This task is about processing customer invoices or credit notes and entering in daybooks.

Sales invoice number 3577 is being prepared from the quotation below.

Odds and Evens Office Supplies **Quotation**
To: Grays Recruitment   Date: 3 March 20XX Customer code: GRA01 We are pleased to offer our quotation for the supply of: 3,000 units of Product 4380: A4 Lever arch files @ £1.80 each Plus VAT at 20% Terms: 3% discount if payment is received within 10 days of date of   invoice or Net monthly.

(a)   (i) Identify which type of discount the customer has been offered.

Discount	✓
Bulk	
Prompt payment	
Trade	

(a)   (ii) Calculate the amounts to be included in the invoice.

	£
Net amount after discount	
VAT @ 20%	
Total	

(4 marks) (2.1.1, 2.1.2, 2.1.5)

(b)   Enter the invoice in the digital bookkeeping system by:

- **selecting the correct menu option**
- **making the necessary entries.**

Menu option	✓
Sales daybook	
Sales returns daybook	
Purchases daybook	
Purchases returns daybook	
Discounts allowed daybook	
Discounts received daybook	

Date 20XX	Customer code	Customer	General ledger code	Invoice number	Net £	VAT code
9 March		Grays Recruitment	Option 1			Option 2

Option 1	✓
1746 – Sales: Office equipment	
1779 – Sales: Office stationery	
4380 – Purchases: Inventory	
8226 – Purchases: Printing	

Option 2	✓
V01 – Exempt	
V02 – 0%	
V03 – 5%	
V04 – 20%	

(6 marks) (2.2.1, 2.2.2, 2.2.4)

Task 4 (10 marks)

This task is about processing receipts from customers.

Jax and Co has received two cheques totaling £12,801.62 from JTP Products as detailed in the remittance advices below. The customer has not been offered a prompt payment discount.

JTP Products Remittance advice No 1010 30 March 20XX	
Invoice	**£**
3922	9,613.78
3987	375.22
4009	892.61
Total	**10,881.61**

JTP Products Remittance advice No 1067 3 April 20XX	
Invoice	**£**
2976	884.23
4126	1,035.78
Total	**1,920.01**

Company policy is to match each transaction with the remittance advice number or to query any underpayment or overpayment.

(a)   Allocate the amounts received by identifying the appropriate action in the customer report below. You may use each action more than once.

Transaction type	Details	Amount £	Action
Balance b/f		884.23	
Invoice 3922	Components	9,996.22	
Invoice 3987	Components	355.22	
Invoice 4009	Services	896.21	
Credit note CN235	Correction – Invoice 3922	382.44	
Invoice 4126	Components	1,035.78	

Action
Allocate full amount – No 1010
Allocate full amount – No 1067
Query underpayment
Query overpayment

(6 marks) (2.3.1, 2.3.2, 2.3.4)

Portway Products has received payments from two customers that have incorrectly calculated prompt payment discount, resulting in an underpayment.

(b)　**Complete the table below by calculating the amount:**
- **that should have been paid**
- **that remains outstanding.**

Enter all figures as positive values.

Customer name	Invoice number	Prompt payment discount %	Invoice amount £	Amount paid £	Amount that should have been paid £	Amount outstanding £
Chi Lei	387	2.5	9,876.00	9,579.72		
Trejon Ltd	211	2	2,190.00	2,080.50		

(4 marks) (2.3.2, 2.3.3)

Task 5 (10 marks)

This task is about processing supplier invoices or credit notes and entering in daybooks.

The supplier invoice below has been received.

Eddie's Services	
To: Sharps Property Management	Date: 25 May 20XX
Invoice No: 18384	£
Building repairs carried out in May	1,952.35
VAT @ 20%	390.47
Total	2,342.82
Terms: Net monthly	

(a)   Identify the daybook in which the invoice will be entered.

Daybook	✓
Sales daybook	
Sales returns daybook	
Purchases daybook	
Purchase returns daybook	
Discounts allowed daybook	
Discounts received daybook	

(1 mark) (3.2.1)

(b)   Complete the daybook by:
- **making FOUR entries to record the invoice**
- **totalling the total, VAT and net columns.**

Date 20XX	Supplier	Invoice number	Total £	VAT £	Net £
6 May	Merryman and Co	1945	3,617.34	602.89	3,014.45
12 May	Caroline Lei	A/3359	2,433.96	405.66	2,028.30
24 May	Mayfare Ltd	02-585	1,027.14	171.19	855.95
26 May	G Miles	422	224.40	37.40	187.00
28 May	Eddie's Services				
		Totals			

(7 marks) (3.2.1, 3.2.2, 3.2.4, 3.2.5)

The goods returned note and credit note below relate to incorrect goods supplied to Hawthorne and Co on 26 May.

Hawthorne and Co Goods returned note GRN112 26 May 20XX
Goods returned to Shaxam Trading: 9 boxes of 8 items … Product type C4736 Returned, not as ordered. Price: £24.80 per box of 8 plus VAT @ 20%.

Shaxam Trading
Credit note CH384

To: Hawthorne and Co   Date: 16 May 20XX

	£
90 items Product C4736 @ £3.10 each	279.00
VAT @ 20%	55.80
Total	334.80

(c)   Identify TWO discrepancies in the credit note.

Discrepancy	✓
Quantity of items	
Product type	
Date of credit note	
Item price	

(2 marks) (3.1.1, 3.1.5)

Task 6 (10 marks)

This task is about processing payments to suppliers.

It is company policy at Hendon and Co to always take advantage of prompt payment discount offered. This is a report from the digital bookkeeping system today, 17 May.

Supplier account code	Supplier name	Terms of payment
K12	Kings Ltd	5% discount for payment within 10 days
T14	Trend Tee	Net monthly
W09	Wells and Co	4% discount for payment within 7 days

(a) **Identify the amount to be paid, and the date by which the supplier should receive payment, for each of the invoices below.**

Supplier name	Invoice amount £	Invoice date 20XX	Amount to be paid £	Date by which supplier should receive payment
Kings Ltd	5,401.20	10 May		Option 1
Trend Tee	1,898.28	13 May		Option 2
Wells and Co	18,334.50	16 May		Option 3

Option 1	✓
17 May	
20 May	
23 May	
26 May	
31 May	
30 June	
31 July	

Option 2	✓
17 May	
20 May	
23 May	
26 May	
31 May	
30 June	
31 July	

Option 3	✓
17 May	
20 May	
23 May	
26 May	
31 May	
30 June	
31 July	

(6 marks) (3.3.2, 3.3.4)

This is a statement of account from a supplier, and a supplier report from the digital bookkeeping system.

Wolff plc Statement of account To: Hendon and Co 31 May 20XX		
Date 20XX	Transactions	£
1 May	Opening balance	982
3 May	Invoice 1572	2,446
14 May	Invoice 1811	3,011
15 May	Credit note 129	326
19 May	Invoice 1933	3,331
21 May	Invoice 2001	4,886
23 May	Invoice 2110	8,042

Supplier report		
Wolff plc Supplier Code W05		
Date 20XX	Details	£
1 May	Opening balance	982
3 May	Invoice 1572	2,446
14 May	Invoice 1811	3,011
15 May	Credit note 129	326
19 May	Invoice 1933	3,331
21 May	Invoice 2001	4,886
23 May	Invoice 2110	8,042
29 May	Cheque 0111701	3,102

(b)   Identify which THREE transactions shown in the supplier's statement of account have already been paid.

Transactions	✓
Opening balance	
Invoice 1572	
Invoice 1811	
Credit note 129	
Invoice 1933	
Invoice 2001	
Invoice 2110	

(3 marks) (3.3.1, 3.3.3)

(c)   Calculate the amount that should be paid to settle the remaining balance of the account.

£ _____

(1 mark) (3.3.1, 3.3.4)

Task 7 (8 marks)

This task is about processing transactions in the cash book.

Two amounts have been received as shown in the receipts listing below.

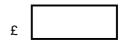| Date 20XX	Account code	Customer	Cash £	Cheque £
30 July	SIL21	Ben Silvers – credit customer		474.00 including VAT
31 July	-	EPD and Co – cash customer	189.00 plus VAT	

(a)   Complete the debit side of the cash book by:

- **making the necessary entries**

- **totalling the cash and bank columns.**

Date 20XX	Details	Cash £	Bank £	VAT £	Receivables £	Cash sales £
30 July	Balance b/f	1,036.24	19,882.16			
30 July	Ben Silvers					
31 July	EPD and Co					

(7 marks) (4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.3.1)

The credit side of the cash book shows the total bank payments were £12,664.11.

(b)   Calculate the bank balance. Use a minus sign if your calculations indicate an overdrawn bank balance, e.g. -123

£ [   ]

(1 mark) (4.3.1)

Task 8 (6 marks)

This task is about processing transactions in the petty cash book.

Keen and Co keeps an analytical petty cash book and withdraws cash from the bank to restore the imprest amount at the end of each month. On 30 September, there was one final petty cash payment to be recorded. An amount of £32.64 including VAT had been paid for travel expenses.

(a)   Calculate the VAT and net amounts to be recorded in the petty cash book.

Total £	VAT £	Net £
32.64		

(2 marks) (4.2.3)

Before the petty cash payment in (a) was recorded, travel expenses of £49.55 plus VAT had been entered into the petty cash book.

(b)   Calculate the total of the travel expenses analysis column after the petty cash payment in (a) has been recorded.

£ [   ]

(1 mark) (4.3.1)

After all the September petty cash payments had been made, an amount of £23.22 was left in the petty cash float. This agreed with the total payments of £226.78 recorded in the petty cash book.

On 30 September, the petty cash imprest amount was restored.

(c)   Identify the entry required in the petty cash book to record this transaction.

Details	Amount £	Debit ✓	Credit ✓
Option 1			

Option 1	✓
Balance carried down	
Balance brought down	
Bank	
Cash	

(3 marks) (4.2.1, 4.2.4)

Task 9 (6 marks)

This task is about processing recurring entries.

A new transaction has been arranged, as show in the note below.

I have today agreed to rent out office space to Gordon Glass for a period of six months. Gordon has arranged for an amount of £390 including VAT at 20% to be paid by standing order on the first day of each month, starting on the 1st of next month.

Please set up a recurring entry.

Tutu Griffiths

20 May 20XX

(a)   Set up the recurring entry in your digital bookkeeping system.

Transaction type	General ledger code	Start date 20XX	End date 20XX	Frequency	Net amount £	VAT code
Bank	3926	Option 1	Option 2	Monthly		Option 3

Option 1	✓
1 Jun	
1 Jul	
1 Nov	
1 Dec	

Option 2	✓
1 Jun	
1 Jul	
1 Nov	
1 Dec	

Option 3	✓
VAT1 – Exempt	
VAT2 – 0%	
VAT3 – 5%	
VAT4 – 20%	

(4 marks) (4.4.1, 4.4.3)

When the recurring entry is processed, the message below is displayed.

(b)   Respond to the message by selecting the appropriate general ledger code.

The general ledger account you have selected is not valid for a recurring payment or receipt. Please select a valid general ledger code.

General ledger code
Option 1

Option 1	✓
2210 – Bank	
3611 – Payables	
4100 – Rental income	
6811 – Rent paid	

(1 mark) (4.4.1, 4.4.2, 4.4.4)

(c)   Identify ONE effect of processing the recurring entry.

Effect	✓
Entries will be posted to all relevant general ledger accounts.	
Entries will be posted to the purchase ledger and all relevant general ledger accounts.	
Funds will be transferred to Gordon Glass' bank account.	

(1 mark) (4.4.2)

Task 10 (10 marks)

This task is about transferring data from the books of prime entry.

These are the totals of the debit side of the cash book at Cooke and Co.

Details	Cash £	Bank £	VAT £	Receivables £	Cash sales £
Totals	4,572.60	16,806.60	762.10	16,806.60	3,810.50

(a)   Show the entries to be made in the general ledger accounts below.

Account name	Amount £	Debit ✓	Credit ✓
Cash sales			
VAT			
Receivables ledger control			

(6 marks) (5.1.1, 5.1.3)

The sales, sales returns, purchases, and discounts received day books have been totalled and all amounts have been transferred to the relevant general ledger accounts.

(b)   Identify the entries in the receivables and payables ledgers.

Daybook	Entries
Sales	Option 1
Sales returns	Option 2
Purchases	Option 3
Discounts received	Option 4

Option 1	✓
Debit entry in the receivables ledger	
Credit entry in the receivables ledger	
Debit entry in the payables ledger	
Credit entry in the payables ledger	

Option 2	✓
Debit entry in the receivables ledger	
Credit entry in the receivables ledger	
Debit entry in the payables ledger	
Credit entry in the payables ledger	

Option 3	✓
Debit entry in the receivables ledger	
Credit entry in the receivables ledger	
Debit entry in the payables ledger	
Credit entry in the payables ledger	

Option 4	✓
Debit entry in the receivables ledger	
Credit entry in the receivables ledger	
Debit entry in the payables ledger	
Credit entry in the payables ledger	

(4 marks) (5.1.1, 5.1.3)

Task 11 (10 marks)

This task is about totalling and balancing ledger accounts.

The customer account below is ready to be totalled and balanced at the end of October.

(a) **Complete the account below by inserting the following entries into the account:**

- the balance carried down
- the totals (you may use each total more than once)
- the balance brought down.

Bohler Designs

Date 20XX	Details	Amount £	Date 20XX	Details	Amount £
		13,922			327
		987			9,442

Entries		
1 Nov	Balance brought down	£5,140
31 Oct	Balance carried down	£5,140
	Total	£14,909

(4 marks) (5.2.1)

The following three accounts are in the general ledger at close of day on 31 October.

Account GL012

Date 20XX	Details	Amount £	Date 20XX	Details	Amount £
5 Oct	Cash	448	3 Oct	Bank	897
			18 Oct	Cash	336

Account GL015

Date 20XX	Details	Amount £	Date 20XX	Details	Amount £
15 Oct	Bank	1,146	8 Oct	Cash	229
17 Oct	Cash	1,582	15 Oct	Bank	454

Account GL036

Date 20XX	Details	Amount £	Date 20XX	Details	Amount £
12 Oct	Bank	18,229	20 Oct	Cash	2,250
			28 Oct	Cash	1,725

(b)   Identify the entries required to record the balance carried down in each account.

Account code	Amount £	Debit ✓	Credit ✓
GL012			
GL015			
GL036			

(6 marks) (5.2.1)

Level 2 Introduction to Bookkeeping

Model answers and mark scheme

Task 1 (10 marks)

(a)   Identify which document would be used for each of the purposes below.

Identifying transactions that have been received into or paid out of the bank account for a given period.	Bank statement (1)
Summarising transactions with a supplier and advising them of the amount being paid to them.	Remittance advice (1)
Detailing goods supplied to credit customers and the amount to be paid.	Invoice (1)
Authorising low value purchases paid for in cash.	Petty cash voucher (1)

(4 marks)

(b)   Enter the account codes for each of the two new customers.

Date 20XX	Customer name	Customer account code
1 Feb	Clentock Ltd	CLEN078
4 Feb	Chedstone Ltd	CHED079 (1)
5 Feb	Courtlee plc	COUR080 (1)

(2 marks)

(c)   Identify the coding system used in the general ledger.

Coding system	✓
Alphabetical	
Alphanumerical	
Numerical	✓

(1 mark)

(d) **Identify whether the following statements regarding digital bookkeeping systems are true or false.**

Statement	True ✓	False ✓
It is possible to import data relating to bank transactions in order to complete the bank reconciliation process.	✓	
It is not possible to post a transaction to the wrong general ledger account.		✓

(2 marks)

(e) Identify ONE consequence of this error.

Consequence	✓
The total cost of purchases will be understated	
The total amount owed by receivables will be overstated	
The business may pay for goods that have not been received	✓
The business may be paid for goods that have not been sold	

(1 mark)

Task 2 (10 marks)

**(a)   Complete the table below to show the accounting equation.
Enter all figures as positive values.**

Assets £	Liabilities £	Capital £
36,934.98 (1)	6,851.35 (1)	30,083.63 (1)

(3 marks)

b)   Identify the effect this transaction will have on the accounting equation in (a).

Effect	✓
Decrease both assets and capital	
Decrease assets and increase liabilities	
Both increase and decrease assets	✓

(1 mark)

(c)   Identify the opposite effect of each bank transaction by. You should ignore VAT.

Bank Transaction	Opposite effect
Paid for advertising services	Increase expenditure (1)
Transferred surplus money to a bank savings account	Increase assets (1)
Repaid a loan	Decrease liabilities (1)
Received a cheque from a credit customer	Decrease assets (1)
Received a cheque for cash sales	Increase income (1)
Received a refund from a cash supplier for an amount overpaid for computer repairs	Decrease expenditure (1)

(6 marks)

Task 3 (10 marks)

(a)   (i) Identify which type of discount the customer has been offered.

Discount	✓
Bulk	
Prompt payment	✓
Trade	

(b)   (ii) Calculate the amounts to be included in the invoice.

	£
Net amount after discount	5,400 (1)
VAT	1,080 (1)
Total	6,480 (1)

(4 marks)

(c)   Enter the invoice in the digital bookkeeping system by:
- **selecting the correct menu option**
- **making the necessary entries.**

Daybook	✓
Sales daybook	✓
Sales returns daybook	
Purchases daybook	
Purchases returns daybook	
Discounts allowed daybook	
Discounts received daybook	

Date 20XX	Customer code	Customer	General ledger code	Invoice number	Net £	VAT code
9 March	GRA01 (1)	Grays Recruitment	1779 – Sales: Office stationery (1)	3577 (1)	5,400 (1)	V04 – 20% (1)

(6 marks)

Task 4 (10 marks)

(a) **Allocate the amounts received by identifying the appropriate action to the customer report below. You may use each action more than once.**

Transaction type	Details	Amount £	Action
Balance b/f		884.23	Allocate full amount – No 1067 (1)
Invoice 3922	Components	9,996.22	Allocate full amount – No 1010 (1)
Invoice 3987	Components	355.22	Query overpayment (1)
Invoice 4009	Services	896.21	Query underpayment (1)
Credit note CN235	Correction – Invoice 3922	382.44	Allocate full amount – No 1010 (1)
Invoice 4126	Components	1,035.78	Allocate full amount – No 1067 (1)

(6 marks)

(b) **Complete the table below by calculating the amount:**
- **that should have been paid**
- **that remains outstanding.**

Enter all figures as positive values.

Customer name	Invoice number	Prompt payment discount %	Invoice amount £	Amount paid £	Amount that should have been paid £	Amount outstanding £
Chi Lei	387	2.5	9,876.00	9,579.72	9,629.10 (1)	49.38 (1)
Trejon Ltd	211	2	2,190.00	2,080.50	2,146.20 (1)	65.70 (1)

(4 marks)

Task 5 (10 marks)

a) **Identify the daybook in which the invoice will be entered.**

Daybook	✓
Sales daybook	
Sales returns daybook	
Purchases daybook	✓
Purchase returns daybook	
Discounts allowed daybook	
Discounts received daybook	

(1 mark)

(b) **Complete the daybook by:**
- **making FOUR entries to record the invoice**
- **totalling the total, VAT and net columns.**

Date 20XX	Supplier	Invoice number	Total £	VAT £	Net £
6 May	Merryman and Co	1945	3,617.34	602.89	3,014.45
12 May	Caroline Lei	A/3359	2,433.96	405.66	2,028.30
24 May	Mayfare Ltd	02-585	1,027.14	171.19	855.95
26 May	G Miles	422	224.40	37.40	187.00
28 May	Eddie's Services	18384 (1)	2,342.82 (1)	390.47 (1)	1,952.35 (1)
		Totals	9,645.66 (1)	1,607.61 (1)	8,038.05 (1)

(7 marks)

(c) **Identify TWO discrepancies in the credit note.**

Discrepancy	✓
Quantity of items	✓
Product type	
Date of credit note	✓
Item price	

(2 marks)

Task 6 (10 marks)

(a) Identify the amount to be paid, and the date by which the supplier should receive payment, for each of the invoices below.

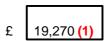| Supplier name	Invoice amount £	Invoice date 20XX	Amount to be paid £	Date by which supplier should receive payment
Kings Ltd	5,401.20	10 May	5,131.14 (1)	20 May (1)
Trend Tee	1,898.28	13 May	1,898.28 (1)	30 June (1)
Wells and Co	18,334.50	16 May	17,601.12 (1)	23 May (1)

(6 marks)

(b) Identify which THREE transactions shown in the supplier's statement of account have already been paid.

Transactions	✓
Opening balance	✓
Invoice 1572	✓
Invoice 1811	
Credit note 129	✓
Invoice 1933	
Invoice 2001	
Invoice 2110	

(3 marks)

(c) Calculate the amount that should be paid to settle the remaining balance of the account.

£   19,270 (1)

(1 mark)

Task 7 (10 marks)

(a) **Complete the debit side of the cash book by selecting the correct side of the cash book making the necessary entries.**

Date 20XX	Details	Cash £	Bank £	VAT £	Receivables £	Cash sales £
30 July	Balance b/f	1,036.24	19,882.16			
30 July	Ben Silvers		474.00 (1)		474.00 (1)	
31 July	EPD and Co	226.80 (1)		37.80 (1)		189.00 (1)
		1,263.04 (1)	20,356.16 (1)			

(7 marks)

(b) **Calculate the bank balance. Use a minus sign if your calculations indicate an overdrawn bank balance, e.g. -123**

£ | 7,692.05 (1)

(1 mark)

Task 8 (10 marks)

(a)   Calculate the VAT and net amounts to be recorded in the petty cash book.

Total	VAT	Net
£	£	£
32.64	5.44 (1)	27.20 (1)

(2 marks)

(b)   Calculate the total of the travel expenses analysis column after the petty cash payment in (a) has been recorded.

£ | 76.75 (1) |

(1 mark)

(c)   Identify the entry required in the petty cash book to record this transaction.

Details	Amount	Debit	Credit
	£	✓	✓
Bank (1)	226.78 (1)	✓	

(3 marks)

Task 9 (10 marks)

(a) **Show the necessary entries in the cash book by selecting the correct side of the cash book making the necessary entries.**

Transaction type	General ledger code	Start date 20XX	End date 20XX	Frequency	Net amount £	VAT code
Bank	3926	1 Jun (1)	1 Nov (1)	Monthly	325 (1)	V4 – 20% (1)

(4 marks)

(b) **Respond to the message by selecting the appropriate general ledger code.**

> The general ledger account you have selected is not valid for a recurring payment or receipt. Please select a valid general ledger code.
>
> | General ledger code |
> |---|
> | 4100 – Rental income (1) |

(1 mark)

(c) **Identify ONE effect of processing the recurring entry.**

Effect	✓
Entries will be posted to all relevant general ledger accounts.	✓
Entries will be posted to the purchase ledger and all relevant general ledger accounts.	
Funds will be transferred to Gordon Glass's bank account.	

(1 mark)

Task 10 (10 marks)

(a) **Show the entries to be made in the general ledger accounts below.**

Account name	Amount £	Debit ✓	Credit ✓
Cash sales	3,810.50 (1)		✓
VAT	762.10 (1)		✓
Receivables ledger control	16,806.60 (1)		✓

(6 marks)

(b) **Identify the entries in the receivables and payables ledgers.**

Daybook	Entries
Sales	Debit entry in the receivables ledger (1)
Sales returns	Credit entry in the receivables ledger (1)
Purchases	Credit entry in the payables ledger (1)
Discounts received	Debit entry in the payables ledger (1)

(4 marks)

Task 11 (10 marks)

(a)   Complete the account below by inserting the following entries into the account:

- the balance carried down
- the totals (you may use each total more than once)
- the balance brought down.

Bohler Designs

Date 20XX	Details	Amount £	Date 20XX	Details	Amount £
		13,922			327
		987			9,442
			31 Oct	Balance c/d	5,140
	Total	14,909		Total	14,909
1 Nov	Balance c/d	5,140			

(1) mark for each correctly positioned option.

(4 marks)

(b)   Identify the entries required to record the balance carried down in each account.

Account code	Amount £	Debit ✓	Credit ✓
GL012	785 (1)	✓	
GL015	2,045 (1)		✓
GL036	14,254 (1)		✓

(6 mark