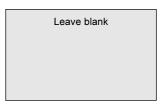
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General Certificate of Education January 2005 Advanced Subsidiary Examination ASSESSMENT and QUALIFICATIONS

ALLIANCE

ACCOUNTING ACC1
Unit 1 Financial Accounting:
The Accounting Information System

Friday 14 January 2005 Afternoon Session

No additional materials are required.
You may use a calculator.

Time allowed: 1 hour

Instructions

- Use blue or black ink or ball-point pen.
- Fill in the boxes at the top of this page.
- Answer all questions in the spaces provided.
- All workings must be shown and clearly labelled; otherwise marks for method may be lost.
- Make and state any necessary assumptions.
- Do all rough work in this book. Cross through any work you do not want marked.
- At the very start of the examination, tear along the perforations on page 11 in order to detach the information you will need for Question 2.

Information

- The maximum mark for this paper is 80. This includes up to 4 marks for the Quality of Written Communication.
- Mark allocations are shown in brackets.
- You will be assessed on your ability to use an appropriate form and style of writing, to organise relevant information clearly and coherently, and to use specialist vocabulary, where appropriate. The degree of legibility of your handwriting and the level of accuracy of your spelling, punctuation and grammar will also be taken into account.

For Examiner's Use									
Number	Mark	Number	Mark						
1									
2									
3									
4									
5									
6									
Total (Column	1)	-							
Total (Column	2) —	-							
Quality of Commun	f Written ication								
TOTAL									
Examine	r's Initials								

G/J140053/J05/ACC1 6/6/6 ACC1

Answer all questions in the spaces provided.

1

Total for this question: 4 marks

It is important for the accuracy of accounts that assets are correctly identified as either fixed or current.

REQ	UIRED
(a)	Give one example of a fixed asset.
	(1 mark)
(b)	Give one example of a current asset.
	(1 mark)
(c)	Identify two characteristics of a fixed asset.
	(2 marks)



2

Total for this question: 38 marks

Tear page 11 out of this question paper. Given on page 11 is a list of balances extracted from the books of Helen Jones as at 31 October 2004.

REQUIRED

- (a) (i) Enter the balances in the trial balance as at 31 October 2004.
 - (ii) Calculate and enter her capital.
 - (iii) Show the final totals of the trial balance.

Helen Jones Trial Balance as at 31 October 2004								
	Debit	Credit						
	£	£						
Buildings								
Carriage inwards								
Cash at the bank								
Creditors								
Debtors								
Motor vehicles								
Purchases								
Rates								
Rent receivable								
Returns inwards								
Returns outwards								
Salaries								
Sales								
Stock at 1 November 2003								
VAT – amount due to HM Customs and Excise								
Capital								
Totals								

(17 marks)

Stock at 31 October 2004 was £2360.
Helen Jones Trading and Profit and Loss Account for the year ended 31 October 2004

(c)	Prepare the balance sheet as at 31 October 2004.
	Helen Jones Balance Sheet as at 31 October 2004
	(9 marks)



3

Total for this question: 6 marks

Jonathon Smith had prepared his profit and loss account for 30 November 2004 which showed a profit of £26 790. His accountant then discovered the following errors:

- 1. the sales account had been undercast by £450;
- 2. discount allowed of £140 had been entered on the credit of the discount allowed account;
- 3. wages of £2500 had been completely omitted from the books of account;
- 4. the cost of a fixed asset £9500 had been included in the purchases account;
- 5. a payment from B A Jones of £1200 had been entered in the account of C A Jones;
- 6. the closing stock had been entered as £2400; it was actually £2500.

REQUIRED		
Calculate the corrected profit. Show clearly whether each adjustment is effect on the total.	added, subtr	acted or has no
Adjustment 1 has been completed as an example.		
Jonathon Smith Corrected Profit for the year ended 30 November 2	004	
Profit calculated by Jonathon 1. Sales undercast	add	£ 26 790 450
	••••••	
		(6 marks)



Total for this question: 4 marks

REQUIRED							
(a)	What is the purpose of preparing a sales ledger control account?						
	(2 marks)						
(b)	Describe one limitation of using control accounts.						
	(2 marks)						

TURN OVER FOR THE NEXT QUESTION

4

Total for this question: 17 marks

The following petty cash payments were made in the week ending Saturday 27 November 2004:

8

23 November	Voucher 6	Postage	£14.60 (no VAT)
24 November	Voucher 7	Petrol	£24.00 (including VAT £3.57)
26 November	Voucher 8	Window cleaning	£18.00 (no VAT)

26 November Voucher 8 Window cleaning £18.00 (no VAI)
27 November Voucher 9 Petrol £15.00 (including VAT at 17.5%)

REQUIRED

5

(a) Make the necessary entries in the petty cash book on the opposite page. (13 marks)

(b) Total and balance the petty cash book. (3 marks)

(c) Restore the imprest to £100. (1 mark)

Petty Cash Book

_	d												
Sundries				 	<u> </u>	_	<u> </u>	 	 		 -	 	
Suno	વર												
_	d												
Petrol	4 %			 				 	 			 	
ge	d												
Postage	વ્ય												
	d												
VAT	વ્ય		-	 				 	 		 -		
	d												
Total				 				 	 	- — –	 	 _ , _ ,	
Voucher													
Details		Cash float/balance b/d											
Date 2004		Nov 20											
q	d	00											
Received	4 3	100	-	 				 	 		 	 	



6 Total for this question: 7 marks

REQ	UIRED
Expla	ain the following accounting terms.
(a)	Bank statement
	(2 marks)
	(2
(b)	Suspense account
	(2 marks)
(c)	Invoice
	(2 marks)
(4)	Proprietor's capital
(d)	Proprietor's capitar
	(1 mark)



Tear along the perforations to remove this page

INFORMATION FOR USE WITH QUESTION 2 ON PAGES 3-5

The following list of balances has been extracted from the books of Helen Jones as at 31 October 2004.

	£
Buildings	55 000
Carriage inwards	245
Cash at the bank	5 891
Creditors	2 670
Debtors	1 540
Motor vehicles	10 000
Purchases	22 000
Rates	4 000
Rent receivable	2 843
Returns inwards	790
Returns outwards	460
Salaries	13 500
Sales	46 500
Stock at 1 November 2003	2 745
VAT – amount due to HM Customs and Excise	238

THERE ARE NO QUESTIONS PRINTED ON THIS PAGE