

Centre Number						Candidate Number				
Surname										
Other Names										
Candidate Signature										

For Examiner's Use	
Examiner's Initials	
Question	Mark
1	
2	
3	
4	
TOTAL	



General Certificate of Education
Advanced Subsidiary Examination
June 2013

Accounting

ACCN1

Unit 1 Introduction to Financial Accounting

Tuesday 14 May 2013 9.00 am to 10.30 am

For this paper you must have:

- a calculator.

Time allowed

- 1 hour 30 minutes

Instructions

- Use black ink or black ball-point pen.
- Fill in the boxes at the top of this page.
- Answer **all** questions.
- You must answer the questions in the spaces provided. Do not write outside the box around each page or on blank pages.
- All workings must be shown and clearly labelled; otherwise marks for method may be lost.
- Do all rough work in this book. Cross through any work you do not want to be marked.

Information

- The marks for questions are shown in brackets.
- The maximum mark for this paper is 80.
Four of these marks will be awarded for:
 - using good English
 - organising information clearly
 - using specialist vocabulary where appropriate.



J U N 1 3 A C C N 1 0 1

Answer **all** questions in the spaces provided.

1

Total for this question: 25 marks

Julie Waites sells jewellery. The following are two recent transactions.

- 1 Goods for resale of £230 were returned to a credit supplier.
- 2 A cheque for £200 was drawn for cash.

- 1 (a)** Identify the source document and the subsidiary book used for each of the above **two** transactions.

Transaction	Source document	Subsidiary book
1		
2		

(4 marks)

- 1 (b)** Identify the account to be debited and the account to be credited to record each of the above **two** transactions.

Transaction	Account to be debited	Account to be credited
1		
2		

(2 marks)



1 (c)

Explain how Julie Waites' accounting records and financial statements would be affected if the goods returned to a supplier in Transaction 1 had been incorrectly entered as £320 in the subsidiary book.

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(10 marks)
(includes 2 marks for quality of written communication)

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The following transactions took place during the month of March 2013, between Julie Waites and Bond Supply, a supplier.

Date	Details	£
1 March 2013	Balance brought forward	4 290
5 March 2013	Purchased goods on credit from Bond Supply	1 226
8 March 2013	Returned goods to Bond Supply	164
15 March 2013	Cheque paid to Bond Supply after receiving discount of £148	2 820
22 March 2013	Julie's bank returned cheque unpaid	2 820

- 1 (d) Complete the purchases ledger account of Bond Supply in the books of Julie Waites. Balance the account at 31 March 2013.

Dr			Bond Supply Account			Cr		
Date	Details	£	Date	Details	£			

(9 marks)

25

Turn over for the next question

Turn over ►



2

Total for this question: 12 marks

Alex Barton has received the following bank statement for his business account at 8 May 2013.

Bank Statement

Date	Details	Dr	Cr	Balance
1 May	Balance brought forward			729.12 Dr
2 May	Cheque 483621	109.50		838.62 Dr
3 May	Credit		106.42	732.20 Dr
3 May	Credit transfer – Tyson Ltd		260.00	472.20 Dr
4 May	Cheque 483626	873.22		1 345.42 Dr
4 May	Bank charges	36.10		1 381.52 Dr
4 May	Cheque 483624	72.36		1 453.88 Dr
4 May	Direct debit – ECL Ltd	44.90		1 498.78 Dr
6 May	Unpaid cheque	106.42		1 605.20 Dr
6 May	Credit		326.59	1 278.61 Dr
6 May	Credit		69.42	1 209.19 Dr
7 May	Standing order – Ward Ltd	85.70		1 294.89 Dr
7 May	Cheque 483628	13.25		1 308.14 Dr
8 May	Cheque 483627	565.00		1 873.14 Dr
8 May	Balance carried forward			1 873.14 Dr

Additional information

- (1) The following cheques had been entered in Alex Barton's cash book in April, but were unpresented at 1 May 2013. These unpresented cheques account for the difference in the balance of the bank statement and cash book at 1 May 2013.

	£
483619	46.13
483621	109.50
483624	72.36
483625	14.75

- (2) The amount of cheque 483628 had been incorrectly entered in the cash book.



2 (a) Update and balance the cash book below at 8 May 2013.

Date	Details	£	Date	Details	£
1 May	Bromley	106.42	1 May	Balance B/D	971.86
4 May	Kerry	326.59	1 May	483626 Clarke	873.22
4 May	Donaldson	69.42	3 May	483627 Ball	565.00
7 May	CP Logic	292.25	3 May	483628 Hawley	12.35

(7 marks)

Question 2 continues on the next page

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2 (b) Prepare a bank reconciliation statement at 8 May 2013.

Alex Barton
Bank reconciliation statement at 8 May 2013

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(5 marks)

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12



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3

Total for this question: 33 marks

Sam Brady sells sports equipment. The following balances have been extracted from his books of account at 31 March 2013.

	£
Bad debts written off	100
Bank loan	2 450
Bank overdraft	1 860
Capital	11 060
Carriage outwards	390
Discounts received	540
Drawings	29 930
General expenses	5 260
Inventory at 1 April 2012	26 100
Motor expenses	4 310
Equipment – Cost at 1 April 2012	18 200
Equipment – Provision for depreciation at 1 April 2012	7 280
Purchases	119 130
Rent and rates	28 900
Returns inwards	340
Revenue	234 520
Trade payables	26 780
Trade receivables	8 940
Wages and salaries	42 890

Additional information

- (1) Inventory at 31 March 2013 was valued at £24 600.
- (2) An item of equipment purchased on 1 April 2012 for £1200 has been incorrectly included in general expenses.
- (3) Equipment is to be depreciated over 10 years using the straight-line method. The estimated residual value of all the equipment is £400.
- (4) The annual rent payable on the business premises is £19 920. Two months have been paid in advance at 31 March 2013.
- (5) Rates of £3240 have been paid for the six months ending 31 July 2013.
- (6) A bad debt of £580 is to be written off at 31 March 2013.
- (7) One half of the bank loan is repayable in the year ending 31 March 2014. The remainder is due for repayment after that date.
- (8) Sam introduced £2000 into the business bank account from his personal savings on 31 March 2013. This has not yet been entered in the records.
- (9) A cheque for £410 received from a credit customer has not yet been entered in the books of account.



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4

Total for this question: 10 marks

Atif Bahir is preparing his year-end financial statements at 31 March 2013. The following is a summary of transactions on Atif's business telephone expenses account for the year ended 31 March 2013.

		£
1 April 2012	Telephone rental prepaid	420
1 April 2012	Telephone call charges accrued	515
31 March 2013	Cheques paid	6 190
31 March 2013	Telephone rental prepaid	680
31 March 2013	Telephone call charges accrued	485

4 (a) Prepare the following telephone expenses account for the year ended 31 March 2013, showing clearly the transfer to the income statement.

Dr			Telephone Expenses			Cr		
Date	Details	£	Date	Details	£			

(6 marks)



4 (b) Explain the meaning of the following terms.

4 (b) (i) Accrued expenses

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(2 marks)

4 (b) (ii) Prepaid expenses

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(2 marks)

10

END OF QUESTIONS



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