

Candidate Number			



**Association of Taxation Technicians**

## **Examination**

November 2007

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### **PAPER 6 – PART I**

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### **BUSINESS COMPLIANCE**

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TIME ALLOWED – 3 HOURS  
(for Part I and Part II)

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You are required to answer **all** questions in Part I and Part II (printed separately).

#### **Part I**

- You must write your answers in this booklet using the space provided under each question and complete your candidate number at the top of this page.
- Each question carries between two and four marks as indicated in brackets.
- It is expected that your answers will be in brief bullet point format or summary computations.
- It is not expected that you will require all of the space provided.
- All workings should be shown and made to the nearest month and pound unless the question requires otherwise.























11. Crest Ltd makes standard rated supplies and operates the cash accounting scheme. In the quarter ended 31 March the following transactions were recorded:

- 1) 11 January – Invoice 20 issued for works completed, £5,875 inc VAT
- 2) 20 January – £17,625 received from customer in relation to invoice issued in December
- 3) 1 February – Deposit of £2,350 received from a customer
- 4) 2 February – Goods purchased in cash for £2,000 plus VAT of £350
- 5) 14 February – Invoice received from a supplier for £1,000 plus VAT of £175
- 6) 3 March – Invoice 20 paid in full by customer
- 7) 10 March – Invoice 21 issued for works completed £11,750 including VAT

**Calculate Crest Ltd's VAT liability for the quarter ended 31 March. (3)**

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