

Write your name here

Surname

Other names

Centre Number

Candidate Number

Edexcel GCSE

Applied Business

Unit 2: Financial Records

Tuesday 10 January 2012 – Afternoon

Time: 1 hour

Paper Reference

5AB02/01

You do not need any other materials.

Total Marks

Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and candidate number.
- Answer **all** questions.
- Answer the questions in the spaces provided – *there may be more space than you need.*

Information

- The total mark for this paper is 60.
- The marks for **each** question are shown in brackets – *use this as a guide as to how much time to spend on each question.*
- Questions labelled with an **asterisk** (*) are ones where the quality of your written communication will be assessed – *you should take particular care on these questions with your spelling, punctuation and grammar, as well as the clarity of expression.*
- A calculator may be used.

Advice

- Read each question carefully before you start to answer it.
- Keep an eye on the time.
- Try to answer every question.
- Check your answers if you have time at the end.

Turn over ►

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PEARSON

SCENARIO

The questions in this paper are based on the following scenario.

You should read this scenario carefully before you start to answer the questions.

Elmwood Theme Park

Elmwood Theme Park is a family owned theme park which attracts thousands of visitors each year.



(Source: © Stan Honda/Getty Images 1999–2011)

Elmwood Theme Park (ETP) opened in 1990 as a small family park with a wooden fort, a 3D-style cinema experience, go-karts, a water chute ride and some food outlets. In recent years the park has grown and now incorporates six large thrill rides.

The park is considering improving its financial systems and adding a new ride.

Tess has just started work as a trainee in the finance office at **ETP**. The work includes handling business documents, paying bills and making entries in the accounts.

Tess has been told that as you are studying business she should ask you for any help and advice she needs.



Questions 1(a) to 1(d) must be answered with a cross . If you change your mind about an answer, put a line through the box and then mark your new answer with a cross .

Elmwood Theme Park (ETP) uses a variety of financial documents.

- 1 (a) Tess needs to buy stock from *Albany Supplies* for the food outlets in the park. To do this she will use a/an: (1)
- A balance sheet
 - B invoice
 - C purchase order
 - D statement of account
- (b) When these supplies are received Tess signs for them to confirm that the goods are correct and undamaged. To do this she will use a: (1)
- A credit note
 - B delivery note
 - C cheque
 - D debit card
- (c) When *ETP* pays for these supplies it sends a document to confirm which invoices are being paid. This is called a/an: (1)
- A credit transfer
 - B receipt
 - C remittance advice slip
 - D e-cheque
- (d) If *ETP* pays *Albany Supplies* but has paid too much, *Albany Supplies* sends out a document called a: (1)
- A profit and loss account
 - B credit note
 - C goods received note
 - D purchase order

(Total for Question 1 = 4 marks)



ETP uses a computerised accounting system.

- 2 (a) Outline **one** advantage of preparing a business document using a computerised accounting system rather than a manual system.

(2)

Tess has ordered some equipment to use in the food outlets. This equipment has been ordered from *CommEquip Ltd*.

Tess has given you the extracts below from three documents used in this transaction.

Elmwood Theme Park Purchase Order

To:

CommEquip Ltd
35 Greenway Avenue
Whitewood
WW4 3RE

Order No. 3564

Date: 06/11/2011

Code	Description	Quantity	Unit Price (£)
RMD20	Refrigerated Milk Dispensers	3	60.00
EWB 880	Eco Water Boiler	4	56.50
LJD370	Juice Dispenser	1	115.00

Goods Received Note

Date: 15/11/2011

No . 968

Code	Description	Quantity	Condition of Goods
RMD20	Refrigerated Milk Dispensers	3	OK
EWB 880	Eco Water Boiler	3	OK
LJD370	Juice Dispenser	1	OK



CommEquip Ltd
INVOICE

Code	Description	Quantity	Unit Price (£)	£	p
RMD40	Refrigerated Milk Dispensers	3	80.00	240	00
EWB 880	Eco Water Boiler	4	65.50	262	00
LJD370	Juice Dispenser	1	135.00	135	00

(b) Tess believes that these documents contain **five** errors. Identify these errors.

(5)

Error one

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Error two

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Error three

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Error four

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Error five

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(c) Explain the effect on *ETP's* accounts if Tess were to pay this invoice.

(3)

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(Total for Question 2 = 10 marks)



3 *ETP* uses an online payment system called Electronic Funds Transfer at Point of Sale (EFTPOS). This allows *ETP* to take payments electronically using customers' debit or credit cards.

(a) Explain **one** advantage and **one** disadvantage to *ETP* of using an online payment system such as EFTPOS.

(6)

Advantage

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Disadvantage

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ETP's customers like to pay in a variety of ways.

(b) Explain why some customers may prefer to use cash rather than a card.

(3)

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(Total for Question 3 = 9 marks)



4 ETP is considering installing a new ride. Tess has identified the following costs for this proposal:

- Employee wages
- Market research
- Designing and engineering
- Constructing and testing
- Utility bills – e.g. electricity
- Planning fees
- Advertising

(a) Identify **two** start-up costs and **two** running costs **from Tess's list above**.

(4)

Start-up costs

1

2

Running costs

1

2



Tess has asked you to help construct a Profit and Loss account (Income Statement) for *ETP* for 2011. She has sent you the following:

Memo

From: Tess

Here are our figures.

Admission tickets	£925 000
Food sales	£110 000
Cost of sales	£232 500
Wages and salaries	£357 000
Rent, rates and insurance	£161 900
Light, heat and power	£ 65 000
Telephone and broadband	£ 30 000

(b) Use this information to construct the Profit and Loss account for *ETP*.

Profit and Loss Account for Elmwood Theme Park 2011

	£	£	
Total sales:			(1)
			(1)
Gross profit			(1)
Expenses:			
			(1)
			(1)
			(1)
			(1)
Total expenses:			
			(1)



Tess has been helping to prepare financial statements for *ETP*. She has been asked to explain why these are of interest to the stakeholders of *ETP* and has started the table in the memo below.

- (c) Complete the table below, giving **four** stakeholders of *ETP* and outlining why financial statements are of interest to each of the stakeholders you have named.

(8)

Memo

To: All Finance Staff

From: Tess

RE: Interest of financial statements to our stakeholders

Stakeholder	Interest in financial statements

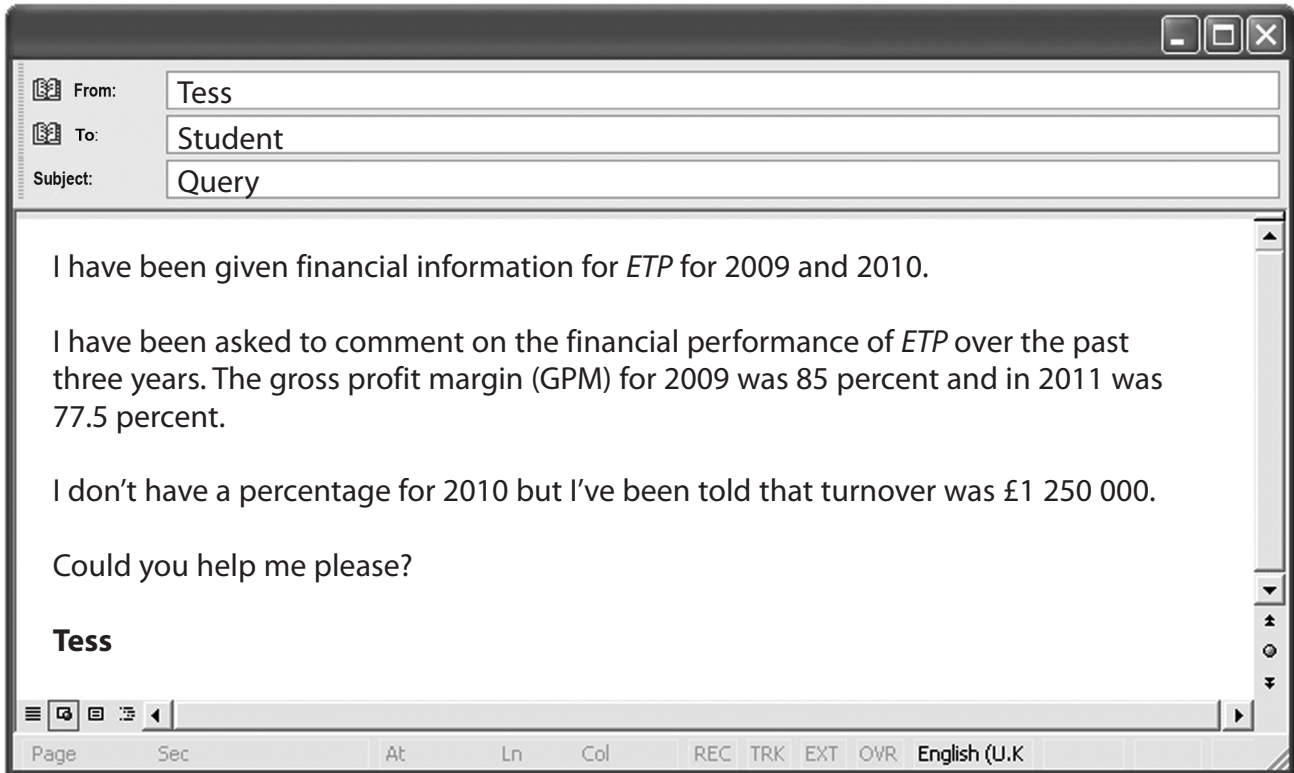
(Total for Question 4 = 20 marks)



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5 You have received an email from Tess.



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