

Teacher Resource Bank

GCE Accounting

Candidate Exemplar Work:

- ACCN1 Sample Scripts and Commentaries



ACCN 1 Sample Answers and Commentaries

Introduction

Below are candidates' answers to selected questions from the second Specimen Question Paper for ACCN1*. They have been marked in accordance with the second Specimen Mark Scheme for ACCN1 ** document.

The answers have been selected to reflect a range of attainment and for each a commentary has been produced by an experienced examiner, to offer some guidance as to where candidates have scored marks as well as areas of improvement.

*This document does **not** contain complete question papers, only selected sample questions.

**A copy of the corresponding mark scheme can be found under 2009 Additional Specimen Papers via the following link: pp15-27: http://www.aqa.org.uk/qual/gce/accounting_trb_new.php

Question 2 ACCN1 (Second Specimen Question Paper)

2

The following information has been extracted from the books of John Campbell for the month ended 31 May 2008.

	£
Sales ledger balances at 1 May 2008	23 261
Purchases ledger balances at 1 May 2008	14 908
Credit sales	14 720
Credit purchases	11 804
Returns outwards	533
Returns inwards	260
Discounts received	42
Discounts allowed	77
Payments to suppliers	9 643
Receipts from customers	15 106
Customer's cheque dishonoured	102
Contra (debit balance set off from the sales ledger to the purchases ledger)	55

- 2 Prepare a sales ledger control account and a purchases ledger control account. Balance each account at 31 May 2008 and bring down the balances.

(16 marks)

(for quality of presentation: plus 1 mark)

Candidate A

Sales Ledger Control Account					
Dr			Cr		
Date	Details	£	Date	Details	£
1 NOV 08	Bal b/d	23261	1	Retn inwards	260
	credit sales*	14720	1	Discount allowed	77
	Dishonoured cheque	102	1	Receipts debtors	15106
				Bad debts	*
				C from purchase	55
			31 NOV 08	Bal c/d	22585
		<u>38083</u>			<u>38083</u>
1 DEC 08	Bal b/d	22585			
(A) BALANCE c/d AND BALANCE b/d WILL ALWAYS BE REWARDED					

Purchase Ledger Control Account					
Dr			Cr		
Date	Details	£	Date	Details	£
	Retn outwards*	533	1 NOV 08	Bal b/d	14908
	Discount received	42		credit purchases	11804
	payment creditors	9643			
	C from sales ledger	55			
30 NOV	Bal c/d	16439			
		<u>26712</u>			<u>26712</u>
			1 DEC 08	Bal b/d	16439
*(1) GOOD NARRATIVES REWARDED					

Candidate B

Sales Ledger Control Account					
Dr			Cr		
Date	Details	£	Date	Details	£
	Balance	23,261	1	Returns inwards	260
	Credit sales	14,720	1	Discount allowed	77
	Dishonoured cheque	102	1	Receipts	15,106
				Set off	55
				Balance c/d	22,585
		<u>38,083</u>			<u>38,083</u>
	Balance b/d	22,585		(+In)	

Purchase Ledger Control Account					
Dr			Cr		
Date	Details	£	Date	Details	£
	Returns outwards	533	1	Balance	14,908
	Discount received	42	1	Credit purchases	11,804
	Payments	9,643	1		
	Set off	55	1		
	Balance c/d	16,511		not of	
		<u>26,784</u>		(A)	<u>26,784</u>
				Balance b/d	16,511
				(+In)	
	ADDITIONS MUST BE CHECKED TO BE AWARDED MARK FOR BALANCE				

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Commentary: Candidates A and B: Question 2

Candidate A: 16/17 marks

Candidate B: 15/17 marks

This question requires candidates to prepare a sales ledger control account and purchases ledger control account.

Candidate A produced a totally correct answer, but failed to gain the mark awarded for using the correct dates for all transactions, as these were incomplete. However, the candidate gained the mark for quality of presentation for using the correct narratives in the accounts.

Candidate B also produced a correct answer, but again failed to gain the mark awarded for using the correct dates as these were completely absent. In addition, this candidate failed to gain the mark for the closing balance on the purchases ledger control account due to an addition error in the account. However, the candidate managed to gain the mark for quality of presentation for using the correct narratives in the accounts.

Question 4 ACCN1 (Second Specimen Question Paper)

4

Brian Jarvis prepared the following balance sheet at the end of the accounting year. It contains errors.

Balance sheet for the year ended 31 December 2007

	£	£
Fixed assets		90 000
Current assets		
Stock	8 000	
Debtors	13 000	
Cash at bank	7 000	
	<u>28 000</u>	
Current liabilities		
Creditors	<u>8000</u>	
		<u>36 000</u>
		<u>54 000</u>
Capital		
Opening balance		82 000
Net profit for the year		<u>50 000</u>
		<u>32 000</u>
Drawings		<u>22 000</u>
		<u>54 000</u>

Additional information

- (1) Fixtures and fittings costing £3000 had been recorded as purchases and charged to the trading account for the year.
- (2) Brian had taken £1000 cash from the bank account for his own use. This had not been recorded in the accounts.
- (3) Brian found a cheque for £2500 received from a credit customer during December, which he had mislaid and had not been recorded.

4 Redraft the balance sheet, correcting any errors.

(12 marks)

(for quality of presentation: plus 1 mark)

Candidate A

Brian Jarvis

Balance sheet as at 31 December 2007

	£	£
Fixed Assets		<u>93,000</u>
		93,000 2
Current Assets		
Stock	8,000	
Debtors	10,500 2	
Cash at bank	<u>8,500 3</u>	
	<u>27,000</u>	
	29,000	
Current liabilities		
Creditors	<u>(8,000)</u>	
Working capital		19,000
Net Assets		<u>£112,000</u>
Financed by		
Capital		82,000
Add net profit for the year	2	<u>53,000</u>
less drawings	2	<u>(23,000)</u>
		<u>112,000</u>
		<u>£112,000</u>
Totally correct.		

12
(+1 a/wc)

Candidate B

1

Brian Jarvis

Balance sheet as at 31 December 2007

	£	£	£
<u>Fixed Assets</u>			
Fixtures and Fittings		93000	2
<u>Current Assets</u>			
Stock	8000		
Debtors	10500	2	
	<u>5500</u>		
Cash at bank	6000	0	
	24500		
	<u>29500</u>		
<u>Current liabilities</u>			
Creditors	8000		
+ Working capital		16500	
		<u>18500</u>	
		112500	
<u>Net Assets</u>		<u>109500</u>	
<u>Financed By:</u>			
Capital		82000	
Net Profit	0	50000	
Drawings	2	<u>23000</u>	
		<u>109000</u>	

• Well presented with sub headings
 • Mark available for correct balance sheet headings in full (no abbreviations) (+1)awc

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Commentary: Candidates A and B: Question 4

Candidate A: 13/13 marks

Candidate B: 8/13 marks

This question tests the candidates' knowledge and understanding of the balance sheet. It requires candidates to correct errors in the balance sheet, account for adjustments and produce a corrected balance sheet.

Candidate A produced a totally correct answer to the task, providing the corrected balance sheet heading, correct sub-headings and accounting for the three adjustments correctly. This candidate also scored a mark for the presentation of the balance sheet.

Candidate B provided a well-presented balance sheet (again scoring a mark for the presentation), but failed to incorporate all the necessary adjustments. Failure to provide workings resulted in no reward for the incorrect calculations on net profit and cash at bank. Workings would probably have resulted in a further two marks being rewarded.