Surname				Othe	r Names				
Centre Num	nber					Candida	ate Number		
Candidate S	Signati	ure							

General Certificate of Education January 2005 Advanced Subsidiary Examination

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 Written Communication						
TOTAL						
Examiner's Initials						

G/J140053/J05/ACC1 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)



Total for this question: 38 m

www.PapaCambridge.com 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) Enter the balances in the trial balance as at 31 October 2004.
 - Calculate and enter her capital. (ii)
 - (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)

www.PatraCambridge.com Prepare the trading and profit and loss account for the year ended 31 October 2004. Stock at 31 October 2004 was £2360. **Helen Jones** Trading and Profit and Loss Account for the year ended 31 October 2004 •••••

(12 mc	ırks)

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

(9 marks)

Total for this question: 6 ma

www.PapaCambridge.com 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.

Calculate the corrected profit. Show clearly whether each adjustment is added, subtracted or has no effect on the total.

Adjustment 1 has been completed as an example.

Jonathon Smith Corrected Profit for the year ended 30 November 2004

		£
Profit calculated by Jonathon		26 790
1. Sales undercast	add	450
		(6 marks)

	The state of the s
	7
	Total for this question: 4 man
REQ	UIRED
(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

Total for this question: 17 h

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

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)

27 November Voucher 9 Petrol £15.00 (including VAT at 17.5%)

REQUIRED

(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

www.PapaCambridge.com CR d Sundries વ્ય d Petrol વ્ય d Postage વ્ય d VAT વ d Total વર Voucher number Cash float/balance b/d Details Nov 20 Date 2004 d 8 Received 100 DR વ્ય



	Total for this question: 7 m UIRED nin the following accounting terms.	
	10 Add	LEAVE MARGIN BLANK
	Total for this question: 7 in	MAL
REQ	UIRED	Sto. Co.
Expla	ain the following accounting terms.	13
(a)	Bank statement	1
		.
		.
		.
	(2 marks	.
	(=	
(b)	Suspense account	
		.
		.
	(2 marks	
(c)	Invoice	
		.
		•
		·
	(2 marks)	;
(d)	Proprietor's capital	
(d)	Proprietor's capital	
	(1 mark)	·



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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

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THERE ARE NO QUESTIONS PRINTED ON THIS PAGE