



Exam ID 173

Qualification

LEVEL 1 Award in Computerised Bookkeeping

(Accreditation number 500/9405/1)

Examination

Units:

171: Prepare and record sales and purchase documents using a computerised system – D601/3643

172: Record routine bookkeeping transactions using a computerised system – R601/3641

Examination

JANUARY 2013

QUESTION PAPER

Time Allowed: 1 hour 30 minutes

Suite 5, 20 Churchill Square, Kings Hill, West Malling, Kent ME19 4YU
Tel: 0844 330 3527, Fax: 0844 330 3514, email:education@iab.org.uk

INTERNATIONAL ASSOCIATION OF BOOK-KEEPERS

QUALIFICATION TITLE: IAB LEVEL 1 AWARD IN COMPUTERISED BOOKKEEPING

Unit Titles:

Prepare and record sales and purchase documents using a computerised system – D601/3643

Record routine bookkeeping transactions using a computerised system – R601/3641

General Information and Instructions

The following Instructions should be followed:

- 1 You must enter your **Candidate Number, Student Number, Name of Centre, Date of Examination** and **Software used** on the front cover provided.
- 2 Time Allowed: ONE HOUR AND THIRTY MINUTES.
- 3 The use of silent non-programmable calculators is permitted.
- 4 NOTE - This Question Booklet has information and data printed on both sides of the pages.
- 5 **THE VAT RATE FOR THIS PAPER IS 20% AND THEREFORE COMPUTERS SHOULD BE SET TO 20% PRIOR TO STARTING THE QUESTION PAPER.**
- 6 **If possible, you should generate your own printouts, check them and staple them into the Answer Booklet. However, if the examination centre is not set up for you to do that, you should save your reports in PDF format into a folder bearing your name and candidate number. The invigilator or technician will then print all the PDF reports in that folder and staple them into the Answer Booklet.**

SCENARIO

Jessica Shaw started business on 1 January 2013, trading as Jessica's Beauty Warehouse. The business offers a training service and sells hair and beauty supplies. The business is registered for VAT on the Standard Accounting Scheme and will be trading on both a credit and cash basis.

SALES

Sales are recorded in three accounts:

- One for income - training
- A second account is for sales – hair supplies
- A third account is for sales – beauty supplies

PURCHASES

There are two Purchase accounts:

- One for the purchase of hair supplies
- A second for the purchase of beauty supplies

Note: The Account numbers given throughout this paper are appropriate to Sage Accounting software – if you are using a different package, use appropriate numbers/names and ensure you have indicated on the Answer Booklet cover page the name of the software you have used.

You have one hour and thirty minutes to complete tasks 1 – 14.

Task 1

- Set the Financial Year start date on your system - January 2013.
- Set the Program date – 31 January 2013
- Enter the name of the business as:

Jessica's Beauty Warehouse (This should be followed by your candidate number)

- Enter Jessica's Beauty Warehouse address as:

**5 Mill Lane
Ipswich
Suffolk
IP1 7GR**

Task 2

Set up, where appropriate, the following accounts in the Nominal Ledger.

ACCOUNT NUMBER	DESCRIPTION
3000	Capital
3001	Drawings
4000	Income – Training
4001	Sales – Hair Supplies
4002	Sales – Beauty Supplies
5000	Purchases – Hair Supplies
5001	Purchases – Beauty Supplies
5003	Packaging
6201	Advertising
6200	Sales Promotions
7104	Premises Insurance

Task 3

Set up the following Supplier accounts.

A/C Reference	SUPPLIER	ADDRESS
ULTIMATE	The Ultimate Beauty Co.	4 Queens Road Colchester Essex CO1 3DF
CHARL	Charlotte & Co.	The Grove Chelmsford Essex CM1 2PL
TRUE	True Colour Ltd	41 Chester Road Ipswich Suffolk IP1 8DW

Task 4

Enter the following purchase invoices onto the system. The invoice number should be used as the reference.

The Ultimate Beauty Co. 4 Queens Road Colchester Essex CO1 3DF			
Jessica's Beauty Warehouse 5 Mill Lane Ipswich Suffolk IP1 7GR		INVOICE	
Invoice Date: 2 January 2013		Invoice No: 0142	
Details	Unit Price £	VAT Rate	£
100 x Body Lotion 2 litre	18.50	20%	1,850.00
100 x Cleanser 500ml	4.65	20%	465.00
100 x Toner 500ml	4.65	20%	465.00
Sub Total			2,780.00
VAT at 20%			556.00
Invoice Total			3,336.00
Coding	Supplier A/C	ULTIMATE	
	Nominal A/C	5001	

Charlotte & Co. The Grove Chelmsford Essex IP1 8DW		
Jessica's Beauty Warehouse 5 Mill Lane Ipswich Suffolk IP1 7GR		Invoice
Invoice Date: 2 January 2013		Invoice No: 1753
Details	Unit Price £	£
50 x Shampoo 1000ml	29.50	1,475.00
50 x Conditioner 1000ml	29.50	1,475.00
20 x Hair Mask 250ml	22.00	440.00
Sub Total		3,390.00
VAT at 20%		678.00
Invoice Total		4,068.00
Coding	Supplier A/C	CHARL
	Nominal A/C	5000

TRUE COLOUR LTD 41 Chester Road Ipswich Suffolk IP1 8DW								
Jessica's Beauty Warehouse 5 Mill Lane Ipswich Suffolk IP1 7GR	Invoice							
Invoice Date: 4 January 2013	Invoice No: 853							
Details	Unit Price £	£						
100 x Hair Colour (Med Brown) 115ml 100 x Hair Colour (Light Blonde) 115ml	6.99 6.99	699.00 699.00						
	Sub Total	1,398.00						
	VAT at 20%	279.60						
	Invoice Total	1,677.60						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Coding</td> <td style="width: 35%;">Supplier A/C</td> <td style="width: 50%;">TRUE</td> </tr> <tr> <td></td> <td>Nominal A/C</td> <td>5000</td> </tr> </table>	Coding	Supplier A/C	TRUE		Nominal A/C	5000		
Coding	Supplier A/C	TRUE						
	Nominal A/C	5000						

Task 5

Enter the following purchase credit note onto the system. The credit note number should be used as the reference.

The Ultimate Beauty Co. 4 Queens Road Colchester Essex CO1 3DF								
Jessica's Beauty Warehouse 5 Mill Lane Ipswich Suffolk IP1 7GR	Credit Note							
Date: 7 January 2013	Credit Note No: CR017							
Details	Unit Price £	£						
Reference Invoice no. 0142 5 x Body Lotion 2 litre – damaged bottles	18.50	92.50						
	Sub Total	92.50						
	VAT at 20%	18.50						
	Invoice Total	111.00						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Coding</td> <td style="width: 35%;">Supplier A/C</td> <td style="width: 50%;">ULTIMATE</td> </tr> <tr> <td></td> <td>Nominal A/C</td> <td>5001</td> </tr> </table>	Coding	Supplier A/C	ULTIMATE		Nominal A/C	5001		
Coding	Supplier A/C	ULTIMATE						
	Nominal A/C	5001						

Task 6

Set up the following credit customer account details.

A/C Reference	CUSTOMER	ADDRESS
AMELIA	Amelia's Beauty Store	12 Victoria Road Sudbury Suffolk CO10 6DW
STYLE	Styles Hairdressers	3 Church Street Ipswich Suffolk IP1 8VR

Task 7

You have received the following orders from Customers. Use the information from the orders to create service invoices dated 2 January (which will be subject to VAT at 20%). Print the Customer invoices and update the accounts.

Our Sales Order No. 1

PURCHASE ORDER	Styles Hairdressers 3 Church Street Ipswich Suffolk IP1 8VR		
To: Jessica's Beauty Warehouse 5 Mill Lane Ipswich Suffolk IP1 7GR		Purchase Order No.	SH 254
		Date	02.01.13
Staff training – one day			£200.00

Our Sales Order No. 2

PURCHASE ORDER	Amelia's Beauty Store 12 Victoria Road Sudbury Suffolk CO10 6DW		
To: Jessica's Beauty Warehouse 5 Mill Lane Ipswich Suffolk IP1 7GR		Purchase Order No.	A 3065
		Date	02.01.13
Staff training – two days			£400.00

Task 8

Enter the following transactions for the month of January.

DATE	Reference	Account	DETAILS
2 January	BR1	3000	Jessica paid £50,000.00 into the business bank account as her Capital. (Tax code T9)
2 January	001		Drew cheque 001 for £300.00 for petty cash
2 January	BP1	7104	Paid £1,700.00 to cover premises insurance. This is exempt from VAT (T2).
2 January	PC1	6201	Paid £100.00 including VAT for advertising from petty cash, using petty cash voucher PC1.
3 January	PC2	6200	Paid £65.00 including VAT for sales promotion items from petty cash, using petty cash voucher PC2.
4 January	PC3	5003	Paid £42.00 including VAT for packaging, using petty cash voucher PC3.
8 January	002	ULTIMATE	Made cheque 002 for £3,225.00 payable to The Ultimate Beauty Co. to pay their invoice number 0142, taking into account their credit note CR017.
9 January	003	CHARL	Made cheque 003 for £2,000.00 payable to Charlotte & Co. This should be treated as a payment on account.
9 January	004	TRUE	Made cheque 004 for £1,000.00 payable to True Colour Ltd. This should be treated as a part payment of their invoice 853.
9 January	005	3001	Jessica drew cheque 005 for £1,500.00 to cover her personal drawings. This is outside the scope of VAT.
11 January	BR2	4002/4001	Banked £1,700.00 received from cash sales. This consisted of £1,000.00 of beauty supplies and £700.00 of hair supplies, both amounts included VAT.
11 January	2026	AMELIA	Received cheque number 2026 for £480.00 from Amelia's Beauty Store in full payment of our invoice dated 2 January 2013.

Task 9

Print the following reports at the end of January.

- Trial Balance
- Summary Audit Trail

**THE ABOVE REPORTS MUST BE PRINTED BEFORE STARTING TASK 10, OR
ALTERNATIVELY SAVE THE REPORTS AND PRINT OUT AT THE END OF
THE EXAM IN THE PRINTING TIME ALLOWED**

PLEASE TURN OVER

Task 10

Enter the following credit customer invoices. The invoice number should be used as the reference.

INVOICE		
To: Amelia's Beauty Store 12 Victoria Road Sudbury Suffolk CO10 6DW	From: <i>Jessica's Beauty Warehouse</i> 5 Mill Lane Ipswich Suffolk IP1 7GR	
Invoice Date: 11 January 2013	Invoice No: J 003	
Details	Unit Price £	£
10 x Cleanser 500ml	9.95	99.50
10 x Toner 500ml	9.95	99.50
5 x Body Lotion 2 litre	27.80	139.00
	Sub Total	338.00
	VAT at 20%	67.60
	Invoice Total	405.60
Coding	Customer A/C	AMELIA
	Nominal A/C	4002

INVOICE		
To: Styles Hairdressers 3 Church Street Ipswich Suffolk IP1 8VR	From: <i>Jessica's Beauty Warehouse</i> 5 Mill Lane Ipswich Suffolk IP1 7GR	
Invoice Date: 18 January 2013	Invoice No: J 004	
Details	Unit Price £	£
5 x Shampoo 1000ml	42.50	212.50
5 x Conditioner 1000ml	42.50	212.50
	Sub Total	425.00
	VAT at 20%	85.00
	Invoice Total	510.00
Coding	Supplier A/C	STYLE
	Nominal A/C	4001

Task 11

Enter the following purchase invoices onto the system. The invoice number should be used as the reference.

The Ultimate Beauty Co. 4 Queens Road Colchester Essex CO1 3DF									
Jessica's Beauty Warehouse 5 Mill Lane Ipswich Suffolk IP1 7GR		INVOICE							
Invoice Date: 21 January 2013		Invoice No: 0172							
Details	Unit Price £	VAT Rate	£						
50 x Body Lotion 2 litre	18.50	20%	925.00						
50 x Cleanser 500ml	4.65	20%	232.50						
50 x Toner 500ml	4.65	20%	232.50						
Sub Total			1,390.00						
VAT at 20%			278.00						
Invoice Total			1,668.00						
<table border="1" style="border-collapse: collapse;"> <tr> <td style="padding: 2px;">Coding</td> <td style="padding: 2px;">Supplier A/C</td> <td style="padding: 2px;">ULTIMATE</td> </tr> <tr> <td></td> <td style="padding: 2px;">Nominal A/C</td> <td style="padding: 2px;">5001</td> </tr> </table>	Coding	Supplier A/C	ULTIMATE		Nominal A/C	5001			
Coding	Supplier A/C	ULTIMATE							
	Nominal A/C	5001							

Charlotte & Co. The Grove Chelmsford Essex IP1 8DW								
Jessica's Beauty Warehouse 5 Mill Lane Ipswich Suffolk IP1 7GR		Invoice						
Invoice Date: 22 January 2013		Invoice No: 1832						
Details	Unit Price £	£						
40 x Shampoo 1000ml	29.50	1,180.00						
40 x Conditioner 1000ml	29.50	1,180.00						
10 x Hair Mask 250ml	22.00	220.00						
Sub Total		2,580.00						
VAT at 20%		516.00						
Invoice Total		3,096.00						
<table border="1" style="border-collapse: collapse;"> <tr> <td style="padding: 2px;">Coding</td> <td style="padding: 2px;">Supplier A/C</td> <td style="padding: 2px;">CHARL</td> </tr> <tr> <td></td> <td style="padding: 2px;">Nominal A/C</td> <td style="padding: 2px;">5000</td> </tr> </table>	Coding	Supplier A/C	CHARL		Nominal A/C	5000		
Coding	Supplier A/C	CHARL						
	Nominal A/C	5000						

Task 12

Enter the following transactions for the month of January.

DATE	Reference	Account	DETAILS
18 January	5082	STYLE	Received cheque number 4042 for £240.00 from Styles Hairdressers in full payment of our invoice dated 2 January 2013.
23 January	006	CHARL	Made cheque 006 for £1,000.00 payable to Charlotte & Co. This should be treated as a payment on account.
24 January	007	TRUE	Identify how much is owed to True Colour. Enter the payment, using cheque number 007.

Task 13

It is found that the supplier payment to Charlotte & Co. on 9 January has been wrongly entered; it was for £1,000.00 and not £2,000.00. Correct this error.

Task 14

Jessica has received the following Bank Statement for January – you should now reconcile it to the computer Bank records.

IPSWICH BANK LTD		STATEMENT OF ACCOUNT		
Account Number: 10845362		Sheet No. 1		
Jessica's Beauty Warehouse 5 Mill Lane Ipswich Suffolk IP1 7GR		Sort Code: 10-20-30		
		Telephone: 0200 200 3000		
		31st January 2013		
Date	Particulars	Payments	Receipts	Balance
2 January	Counter Credit		50,000.00	50,000.00
2 January	001	300.00		49,700.00
3 January	BP	1,700.00		48,000.00
11 January	002	3,225.00		44,775.00
11 January	003	1,000.00		43,775.00
11 January	Counter Credit		1,700.00	45,475.00
14 January	004	1,000.00		44,475.00
14 January	Counter Credit		480.00	44,955.00
14 January	005	1,500.00		43,455.00
21 January	Counter Credit		240.00	43,695.00
25 January	006	1,000.00		42,695.00

Task 15

This Task may be carried out after completion of the one and a half hour examination time.

Print the additional following reports at the end of January and file in the order below in your answer booklet.

- Trial Balance
- Summary Audit Trail
- Detailed Aged Debtors Analysis
- Customer Activity Report for Amelia's Beauty Store
- Customer Statement for Styles Hairdressers
- Detailed Aged Creditors Analysis
- Supplier Address List
- Bank Statement
- Nominal Activity Report for all categories of Sales and Purchases
- Also attach the two invoices printed at Task 7

THIS IS THE END OF THE QUESTION PAPER