



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

JUNE 2013

QUESTION PAPER

Time Allowed: 1 hour 30 minutes

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

Jason Goldstone started business on 1 June 2013, trading as Goldstone's Music. The business offers music lessons and sells musical equipment and music books. 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 – music lessons
- A second account is for sales – musical equipment
- A third account is for sales – music books

PURCHASES

There are two Purchase accounts:

- One for the purchase of musical equipment
- A second for the purchase of music books

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

a) Set the Financial Year start date on your system - June 2013.

b) Set the Program date – 30 June 2013

c) Enter the name of the business as:

Goldstone's Music (This should be followed by your candidate number)

d) Enter Goldstone's Music address as:

**3 Carter Street
Market Drayton
Shropshire
TF9 7WP**

Task 2

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

ACCOUNT NUMBER	DESCRIPTION
3000	Capital
3050	Drawings
4000	Income – Music Lessons
4001	Sales – Musical Equipment
4002	Sales – Music Books
5000	Purchases – Musical Equipment
5001	Purchases – Music Books
6201	Advertising & Promotions
7104	Premises Insurance
7801	Shop Cleaning
8202	Staff Uniform

Task 3

Set up the following Supplier accounts.

A/C Reference	SUPPLIER	ADDRESS
WILSON	Wilsons Music	21 Maple Avenue Shrewsbury Shropshire SY1 8GW
CHIMES	Chimes Music Ltd	10 High Street Whitchurch Shropshire SY13 2PL
MUSIC	The Music Store	19 Queen Street Oswestry Shropshire SY11 4BN

Task 4

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

Wilsons Music 21 Maple Avenue Shrewsbury Shropshire SY1 8GW			
Goldstone's Music 3 Carter Street Market Drayton Shropshire TF9 7WP		INVOICE	
Invoice Date: 3 June 2013		Invoice No: 0835	
Details	Unit Price £	VAT Rate	£
10 X Guitars	99.95	20%	999.50
10 x Bass Guitars	199.95	20%	1,999.50
5 x Drum Sets	375.95	20%	1,879.75
Sub Total			4,878.75
VAT at 20%			975.75
Invoice Total			5,854.50
Coding	Supplier A/C	WILSON	
	Nominal A/C	5000	

Chimes Music Ltd 10 High Street Whitchurch Shropshire SY13 2PL			
Goldstone's Music 3 Carter Street Market Drayton Shropshire TF9 7WP		Invoice	
Invoice Date: 3 June 2013		Invoice No: 1034	
Details	Unit Price £	£	
5 x Clarinets	59.99	299.95	
5 x Flutes	59.99	299.95	
5 x Saxophones	175.00	875.00	
Sub Total			1,474.90
VAT at 20%			294.98
Invoice Total			1,769.88
Coding	Supplier A/C	CHIMES	
	Nominal A/C	5000	

THE MUSIC STORE 19 Queen Street Oswestry Shropshire SY11 4BN								
Goldstone's Music 3 Carter Street Market Drayton Shropshire TF9 7WP	Invoice							
Invoice Date: 3 June 2013	Invoice No: 2845							
Details	Unit Price £	£						
100 x Music Books	4.99	499.00						
	Sub Total	499.00						
	VAT – Zero Rated							
	Invoice Total	499.00						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; border: none;">Coding</td> <td style="width: 35%; border: none;">Supplier A/C</td> <td style="width: 50%; border: none;">MUSIC</td> </tr> <tr> <td style="border: none;"></td> <td style="border: none;">Nominal A/C</td> <td style="border: none;">5001</td> </tr> </table>	Coding	Supplier A/C	MUSIC		Nominal A/C	5001		
Coding	Supplier A/C	MUSIC						
	Nominal A/C	5001						

Task 5

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

Wilsons Music 21 Maple Avenue Shrewsbury Shropshire SY1 8GW								
Goldstone's Music 3 Carter Street Market Drayton Shropshire TF9 7WP	Credit Note							
Date: 7 June 2013	Credit Note No: CR086							
Details	Unit Price £	£						
Reference Invoice no. 0835 1 x Drum Set – damaged	375.95	375.95						
	Sub Total	375.95						
	VAT at 20%	75.19						
	Invoice Total	451.14						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; border: none;">Coding</td> <td style="width: 35%; border: none;">Supplier A/C</td> <td style="width: 50%; border: none;">WILSON</td> </tr> <tr> <td style="border: none;"></td> <td style="border: none;">Nominal A/C</td> <td style="border: none;">5000</td> </tr> </table>	Coding	Supplier A/C	WILSON		Nominal A/C	5000		
Coding	Supplier A/C	WILSON						
	Nominal A/C	5000						

Task 6

Set up the following credit customer account details.

A/C Reference	CUSTOMER	ADDRESS
ACADE	The Academy	17 High Street West Felton Shropshire SY11 8DW
MUSICAL	Musical Notes Ltd	1 Church Street Market Drayton Shropshire TF9 9LK

Task 7

You have received the following orders from Customers. Use the information from the orders to create service invoices dated 4 June (which will be subject to VAT at 20%). Print the Customer invoices and update the accounts.

Our Sales Order No. 1

<i>PURCHASE ORDER</i>	The Academy 17 High Street West Felton Shropshire SY11 8DW		
To: Goldstone's Music 3 Carter Street Market Drayton Shropshire TF9 7WP		Purchase Order No.	A 1045
		Date	03.06.13
Music Lessons – four sessions			£100.00

Our Sales Order No. 2

<i>PURCHASE ORDER</i>	Musical Notes Ltd 1 Church Street Market Drayton Shropshire TF9 9LK		
To: Goldstone's Music 3 Carter Street Market Drayton Shropshire TF9 7WP		Purchase Order No.	MN 0954
		Date	03.06.13
Music Lessons – two sessions			£50.00

Task 8

Enter the following transactions for the month of June.

DATE	Reference	Account	DETAILS
3 June	BR1	3000	Jason paid £40,000.00 into the business bank account as his Capital. (Tax code T9)
3 June	001		Drew cheque 001 for £250.00 for petty cash
3 June	BP1	7104	Paid £1,250.00 to cover premises insurance. This is exempt from VAT (T2).
3 June	PC1	6201	Paid £60.00 including VAT for promotional posters from petty cash, using petty cash voucher PC1.
4 June	PC2	7801	Paid £25.00 for shop cleaning from petty cash, using petty cash voucher PC2. This is zero rated for VAT (T0).
4 June	PC3	8202	Paid £102.00 including VAT for staff uniform, using petty cash voucher PC3.
10 June	BP2	WILSON	Paid £5,403.36 to Wilsons Music to pay their invoice number 0835, taking into account their credit note CR086.
10 June	002	CHIMES	Made cheque 002 for £1,000.00 payable to Chimes Music Ltd. This should be treated as a part payment of their invoice 1034.
12 June	003	MUSIC	Made cheque 003 for £250.00 payable to The Music Store. This should be treated as a payment on account.
13 June	004	3050	Jason drew cheque 004 for £500.00 to cover his personal drawings. This is outside the scope of VAT.
14 June	BR2	4001	Banked £1,500.00, including VAT, received from cash sales of musical equipment
14 June	1045	ACADE	Received cheque number 1045 for £120.00 from The Academy in full payment of our invoice dated 4 June 2013.

Task 9

Print the following reports at the end of June.

- 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: The Academy 17 High Street West Felton Shropshire SY11 8DW	From: <i>Goldstone's Music</i> 3 Carter Street Market Drayton Shropshire TF9 7WP	
Invoice Date: 14 June 2013	Invoice No: G 003	
Details	Unit Price £	£
5 x Bass Guitars	249.95	1,249.75
5 x Guitars	129.95	649.75
1 x Drum Sets	499.95	499.95
	Sub Total	2,399.45
	VAT at 20%	479.89
	Invoice Total	2,879.34
Coding	Customer A/C	ACADE
	Nominal A/C	4001

INVOICE		
To: Musical Notes Ltd 1 Church Street Market Drayton Shropshire TF9 9LK	From: <i>Goldstone's Music</i> 3 Carter Street Market Drayton Shropshire TF9 7WP	
Invoice Date: 17 June 2013	Invoice No: G 004	
Details	Unit Price £	£
10 x Music Books (zero rated for VAT - T0)	7.99	79.90
2 x Saxophones	215.00	430.00
	Sub Total	509.90
	VAT at 20%	86.00
	Invoice Total	595.90
Coding	Supplier A/C	MUSICAL
	Nominal A/C	4002/4001

Task 11

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

Wilsons Music 21 Maple Avenue Shrewsbury Shropshire SY1 8GW			
Goldstone's Music 3 Carter Street Market Drayton Shropshire TF9 7WP		INVOICE	
Invoice Date: 20 June 2013		Invoice No: 0874	
Details	Unit Price £	VAT Rate	£
5 x Guitars	99.95	20%	499.75
2 x Bass Guitars	199.95	20%	399.90
Sub Total			899.65
VAT at 20%			179.93
Invoice Total			1,079.58
Coding	Supplier A/C	WILSON	
	Nominal A/C	5000	

Chimes Music Ltd 10 High Street Whitchurch Shropshire SY13 2PL		
Goldstone's Music 3 Carter Street Market Drayton Shropshire TF9 7WP		Invoice
Invoice Date: 24 June 2013		Invoice No: 1102
Details	Unit Price £	£
2 x Clarinets	59.99	119.98
2 x Flutes	59.99	119.98
3 x Saxaphones	175.00	525.00
Sub Total		764.96
VAT at 20%		152.99
Invoice Total		917.95
Coding	Supplier A/C	CHIMES
	Nominal A/C	5000

Task 12

Enter the following transactions for the month of June.

DATE	Reference	Account	DETAILS
19 June	3077	MUSICAL	Received cheque number 3077 for £60.00 from Musical Notes Ltd in full payment of our invoice dated 4 June 2013.
21 June	005	MUSIC	Made cheque 005 for £200.00 payable to The Music Store This should be treated as a payment on account.
26 June	BP3	WILSON	Identify how much is owed to Wilsons Music and enter this payment.

Task 13

It is found that the petty cash payment PC2 for shop cleaning on 4 June has been wrongly entered; it was for £30.00 and not £25.00. Correct this error.

Task 14

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

SHROPSHIRE BANK LTD

Account Number: 10537254

Goldstone's Music
3 Carter Street
Market Drayton
Shropshire
TF9 7WP

STATEMENT OF ACCOUNT

Sheet No. 1

Sort Code: 10-20-30

Telephone: 0300 400 5000

30th June 2013

Date	Particulars	Payments	Receipts	Balance
3 June	Counter Credit		40,000.00	40,000.00
3 June	001	250.00		39,750.00
3 June	BP	1,250.00		38,500.00
10 June	BP	5,403.36		33,096.64
13 June	002	1,000.00		32,096.64
14 June	Counter Credit		1,500.00	33,596.64
14 June	003	250.00		33,346.64
14 June	Counter Credit		120.00	33,466.64
14 June	004	500.00		32,966.64
19 June	Counter Credit		60.00	33,026.64
24 June	005	200.00		32,826.64

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 June and file in the order below in your answer booklet.

- Trial Balance
- Summary Audit Trail
- Detailed Aged Debtors Analysis
- Customer Activity Report for The Academy
- Remittance Advice Slip for Chimes Music Ltd
- 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

**ENSURE ALL REPORTS ARE COLLATED IN THE CORRECT ORDER,
FAILURE TO DO SO WILL RESULT IN A DEDUCTION OF MARKS.**

THIS IS THE END OF THE QUESTION PAPER