



Qualifications:

LEVEL 3 Certificate in Bookkeeping (QCF)
(Accreditation number: **601/0731/5**)

LEVEL 3 Certificate in Manual Bookkeeping (QCF)
(Accreditation number: **500/9260/1**)

LEVEL 3 Diploma in Bookkeeping (QCF)
(Accreditation number: **601/0484/3**) – **Apprenticeship Framework**

Assignment 1

Unit

Prepare financial statements from incomplete records – A601/0751

Sample Assessment Material

Question paper

Suggested time: 1 hour 30 minutes

PREPARE FINANCIAL STATEMENTS FROM INCOMPLETE RECORDS

THERE ARE **FOUR** TASKS WITHIN THIS ASSESSMENT AND YOU MUST COMPLETE **ALL** TASKS

DATA AND TASKS

Ahmed is the owner of a small shop trading in the name of Fresh 'N' Fruity, the shop sells fruit and vegetables. The business is not registered for VAT

Ahmed is able to provide you with the following information relating to his business as at 1 June 2010:

	£	
Shop fittings (net book value)	7,000	
Trade creditors	1,720	
Stock	2,600	
Rent and rates (prepaid)	2,200	
Heat and light (accrued)	280	
Bank	1,450	(positive balance)
Van (net book value)	9,000	
Cash	250	

The following is a summary of the receipts and payments processed through the business Bank Account in the year ended 31 May 2011:

Receipts	£
Cash banked	107,368
Payments	
Trade creditors	74,010
Rent and rates	9,120
Heat and light	1,040
Wages	8,000
Vehicle expenses	3,600
Operating expenses	7,460

The following additional information is also provided as at 31 May 2011:

- i All sales in the year ended 31 May 2011 were cash sales. Prior to banking cash receipts from sales Ahmed took personal drawings of £12,000 in the year ended 31 May 2011 from the shop till.
- ii At 31 May 2011 a cash float of £350 remained in the shop till.
- iii A total of £2,750 was owing to trade creditors as at 31 May 2011.
- iv Closing stock as at 31 May 2011 was valued at £2,900.
- v At 31 May 2011 rent and rates of £2,640 were prepaid.
- vi An accrual of £360 is to be accounted for in respect of heat and light bills unpaid as at 31 May 2011.
- vii Depreciation of £3,000 is to be charged in the year ended 31 May 2011 as follows:

Shop fixtures and fittings £1,000
Van £2,000

REQUIRED

TASK 1 Calculate Ahmed's capital contribution to his business as at 1 June 2010.

TASK 2 Using the information provided prepare the following accounts for the year ended 31 May 2011:

- Bank
- Cash
- Sales
- Trade Creditors
- Purchases

- Rent and Rates
- Heat and Light

Note: In preparing the above accounts transaction dates are **not** required.

TASK 3 Prepare the Trading and Profit and Loss Account of Fresh 'N' Fruity for the year ended 31 May 2011.

TASK 4 Prepare the Balance Sheet of Fresh 'N' Fruity as at 31 May 2011.

Note: The following proformas are provided for your use in completing the above tasks:

- Workings area for the purpose of calculating Ahmed's capital contribution to his business as at 31 May 2011 (see **page 1** of your **Answer Booklet**)
- Accounts worksheet for the purpose of preparing the accounts required in completing task 2 (see **pages 2 and 3** of your **Answer Booklet**)
- Trading and Profit and Loss Account (see **page 4** of your **Answer Booklet**)
- Balance Sheet (see **page 5** of your **Answer Booklet**)