

FOR OFFICIAL USE

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G

KU HI

Total

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**0010/29/01**

NATIONAL  
QUALIFICATIONS  
2013

TUESDAY, 4 JUNE  
10.35 AM – 12.05 PM

ACCOUNTING AND  
FINANCE  
STANDARD GRADE  
General Level

Fill in these boxes and read what is printed below.

Full name of centre

Town

Forename(s)

Surname

Date of birth

Day Month Year

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Scottish candidate number

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Number of seat

- 1 Check that a Document pack for use with Question 2(a) has been provided.
- 2 Answer **all** the questions.
- 3 Read each question carefully.
- 4 Write your answers in the spaces provided.
- 5 Do **not** write in the margins.
- 6 Calculators may be used.
- 7 Before leaving the examination room you must give this book to the Invigilator. If you do not, you may lose all the marks for this paper.



1. Wilma Parker, who runs an outdoor centre, ordered the following items Marks  
from Rockface plc.

4 Climbing Helmets @ £75 each  
8 pairs of Anti-Ball Crampons @ £110 per pair

15% Trade Discount is allowed on all orders.

**Total VAT for the goods is £200.60**

(a) Complete the Order Form below using the above information.

KU	HI

## ORDER FORM

**Wilma Parker**  
**Mullardoch Outdoor Centre**  
**14 Honeysuckle Drive**  
**CANNICH**  
**IV20 7LB**



**Tel: 01463 743271**  
**E-mail: Mullardoch@cmail.com**

**Order No: 392**

**VAT No: 497 882 797**

To: Rockface plc  
47 Canal Street  
CLYDEBANK  
G81 7TU

**Date: 20 April 2013**

Quantity	Description	Unit Price		Cost	
		£	p	£	p
	Less 15% Trade Discount				
	Net Goods Value				
	Add VAT @ 20%				
	<b>Total</b>				

<i>Marks</i>	KU	HI
<b>4</b>		
<b>2</b>		
<b>2</b>		
<b>4</b>		

**1. (continued)**

(b) Rockface plc gives Wilma a 15% Trade Discount. State 2 reasons why Trade Discount is given.

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(c) What type of business organisation is Rockface plc?

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(d) (i) Name the document Wilma would receive from Rockface plc at the end of the month.

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(ii) State 2 reasons why Rockface plc would send this document.

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**[Turn over**

2. (a) **Using the Document Pack provided** make the necessary entries in the ledger accounts of Modern Living, a furniture manufacturer.

**Ledger of Modern Living**

Account Name <u>Bank</u>		Number <u>1</u>					
Date	Details	Dr		Cr		Balance	
		£	p	£	p	£	p
1/4/2013	Balance	500	00			500	00

Account Name _____		Number <u>2</u>					
Date	Details	Dr		Cr		Balance	
		£	p	£	p	£	p

Account Name _____		Number <u>3</u>					
Date	Details	Dr		Cr		Balance	
		£	p	£	p	£	p

Marks

KU	HI
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2. (a) (continued)

Account Name _____						Number _____ 4	
Date	Details	Dr		Cr		Balance	
		£	p	£	p	£	p

Account Name _____						Number _____ 5	
Date	Details	Dr		Cr		Balance	
		£	p	£	p	£	p

Account Name _____						Number _____ 6	
Date	Details	Dr		Cr		Balance	
		£	p	£	p	£	p

21


2. (continued)

<i>Marks</i>		KU	HI
	2		
	2		
	4		
	2		
	2		
	2		

(b) Modern Living is a Sole Trader organisation. Explain the meaning of the term “Sole Trader”.

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(c) A Sole Trader has “Unlimited Liability”. Explain the meaning of this term.

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(d) Modern Living prepares a Trial Balance. Suggest 2 reasons for doing this.

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(e) Unlike Sole Traders, both Partnerships and Plcs have an extra account added on after the Net Profit has been calculated.

(i) Name this Account.

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(ii) State the reason why this Account is necessary.

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(iii) Name **one** item which could appear in this Account.

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**[Turn over for Question 3 on *Page eight***

3. The following Bank Statement for the month of April 2013 was received by BeeYou, a partnership, owned by Nancy Black and Mia Cheung.

<p><b>Jed Bank plc</b>  <b>17 Elcho Place</b>  <b>PEEBLES</b>  <b>EH45 4TP</b></p>				
<p>To: BeeYou          21 Glasgow Road          PEEBLES          EH45 7YU</p>		<p>Account No: 417619          Sort Code: 14-19-12          Date: 30 April 2013</p>		
Date 2013	Details	Dr £	Cr £	Balance £
1 Apr	Balance			460.00 CR
7 Apr	SO – GI Insurance	35.00		425.00 CR
10 Apr	017430	110.00		315.00 CR
14 Apr	Deposit		940.50	1,255.50 CR
19 Apr	017431	270.25		985.25 CR
22 Apr	017429	390.00		595.25 CR
26 Apr	BGC – B Simms		260.00	855.25 CR
28 Apr	Bank Charges	15.80		839.45 CR

The Bank Account of BeeYou is shown below.

Bank Account				
Date 2013	Details	Dr £	Cr £	Balance £
1 Apr	Balance			460.00 DR
3 Apr	JC Fashions		390.00	70.00 DR
4 Apr	Shop Fit plc		110.00	40.00 CR
5 Apr	Purchases		300.00	340.00 CR
13 Apr	Sales	940.50		600.50 DR
14 Apr	JC Fashions		270.25	330.25 DR
29 Apr	Cash		100.00	230.25 DR
30 Apr	Sales	650.25		880.50 DR



*Marks*

KU HI

**3. (continued)**

- (a) (i) Update the Bank Account of BeeYou on 30 April 2013.

<b>Bank Account</b>				
<b>Date 2013</b>	<b>Details</b>	<b>Dr £</b>	<b>Cr £</b>	<b>Balance £</b>

- (ii) Complete the Bank Reconciliation Statement below, for the month of April, to reconcile the Bank Account and Bank Statement Balances.

**Bank Reconciliation Statement  
of BeeYou as at 30 April 2013**

**3. (continued)**

(b) Give **2** possible reasons for the charges made by the bank on 28 April.

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**4**

(c) Suggest a banking service which Nancy and Mia could use to pay their electricity bill which varies each month.

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**2**

(d) Mia is retiring from the business and Nancy will continue as a Sole Trader. Suggest **2** advantages and **2** disadvantages that Nancy can expect to see from this change.

Advantages

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Disadvantages

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**8**

(e) Name the document Nancy and Mia should have drawn up to ensure the smooth break up of the business.

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**2**

Marks

KU	HI

**[Turn over for Question 4 on *Page twelve***

Marks

KU	HI

4. The following balances were taken from the ledger of Zac Hogg, a Sole Trader, after completion of his Trading, Profit and Loss Account for the year ended 30 April 2013.

Capital at 1 May 2012	£35,000
Bank Overdraft	£500
Expenses prepaid	£180
Drawings	£4,000
Stock at 30 April 2013	£12,500
Vehicles at Cost	£30,000
Depreciation of Vehicles	£5,000
Net Profit	£4,980
Creditors	£1,200

(a) Using the above information, prepare the Balance Sheet of Zac Hogg.

**Zac Hogg**  
**Balance Sheet as at 30 April 2013**

£                                      £                                      £

12

Marks

KU	HI

**4. (continued)**

(b) Name **2** accounting ratios that Zac Hogg could calculate from a Balance Sheet.

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\_\_\_\_\_

4

(c) Give **2** reasons why Zac Hogg uses accounting ratios.

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4

(d) Explain the meaning of the following terms.

Drawings \_\_\_\_\_

\_\_\_\_\_

Bank Overdraft \_\_\_\_\_

\_\_\_\_\_

4

**[Turn over**

5. The Gala Hill Bowling Club wishes to refurbish its clubhouse. To obtain a loan the Bank Manager has asked it to prepare a Cash Budget.

The following information is available.

Bank balance 1 July 2013 £850

	<b>June</b>	<b>July</b>	<b>August</b>
Bar Sales	£4,700	£4,900	£4,800
Bar Purchases	£4,160	£4,600	£4,300

Subscriptions £300 per month

Staff Wages £3,000 per annum paid monthly

Honorarium £150 payable in July

Heat and Light £120 per month

**Notes**

- Bar Purchases are paid for in the month following purchase.
  - An Annual Donation of £3,000 is received in 2 equal instalments in January and July.
- (a) Using the above information prepare, on the next page, the Club's Cash Budget for July and August.

Marks

KU	HI

5. (a) (continued)

**Gala Hill Bowling Club  
Cash Budget for July and August 2013**

	<b>£ July</b>	<b>£ August</b>	
Opening Balance			
<b>Receipts</b>			
Subscriptions			
Bar Sales			
Donations	_____	_____	
	_____	_____	
<b>Payments</b>			
Staff Wages			
Bar Purchases			
Honorarium			
Heat and Light	_____	_____	
	_____	_____	
<b>Closing Balance</b>	_____	_____	<b>17</b>

[Turn over

**5. (continued)**

(b) State who runs the Gala Hill Bowling Club.

\_\_\_\_\_

Marks	KU	HI
2		
2		
4		
4		

(c) Name the Office Bearer who would prepare the Cash Budget.

\_\_\_\_\_

(d) Explain the following terms associated with a not-for-profit organisation.

Accumulated Fund \_\_\_\_\_

\_\_\_\_\_

Honorarium \_\_\_\_\_

\_\_\_\_\_

(e) State 2 differences between a Receipts and Payments Account and an Income and Expenditure Account.

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\_\_\_\_\_



Marks

KU	HI

6. The table below contains information taken from the business of Krupke & Segal Plumbing.

	2012	2013
Sales	<b>A</b>	£20,000
Costs of Goods Sold	£6,500	<b>C</b>
Gross Profit	£8,500	£10,600
Expenses	<b>B</b>	£8,000
Net Profit	£4,000	<b>D</b>

(a) Calculate the missing figures (**A** to **D**) in the space below.

**All working should be shown clearly.**

**A** \_\_\_\_\_

\_\_\_\_\_

**B** \_\_\_\_\_

\_\_\_\_\_

**C** \_\_\_\_\_

\_\_\_\_\_

**D** \_\_\_\_\_

\_\_\_\_\_

8

(b) Calculate Krupke & Segal Plumbing's Gross Profit Percentage ratio for **2013**.

3

[Turn over

**6. (continued)**

<i>Marks</i>		KU	HI

(c) Krupke & Segal Plumbing's Net Profit Percentage has decreased from 2012 to 2013. Suggest **one** reason for this.

\_\_\_\_\_

(d) State **3** sources of finance which are available to a Partnership.

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\_\_\_\_\_

(e) Explain the following terms which may appear in the final accounts of Krupke & Segal Plumbing.

Insurance prepaid \_\_\_\_\_

\_\_\_\_\_

Depreciation \_\_\_\_\_

\_\_\_\_\_

Bad Debts \_\_\_\_\_

\_\_\_\_\_

[END OF QUESTION PAPER]

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