

Introduction to Bookkeeping (ITBK)

Practice assessment 1: mark scheme

Version 1.2 published November 2023

Assessment accessed via AtlasCloud

Copyright © 2022 AAT

AAT assessment material is copyright protected and training providers cannot directly or indirectly produce material that is derived from AAT assessments. Therefore, cosmetic changes to AAT assessment material through the alteration of names and/or numerical values are a breach of AAT copyright.

Task 1 (10 marks)

(a) Identify which document or report would be used for each of the purposes below. (4 marks)

Purpose	Document or report
To summarise income and expenses and report performance in an accounting period.	Statement of profit and loss 
To check that the total amount of debit entries in the bookkeeping system equal the total amount of credit entries.	Trial balance 
To summarise assets, liabilities and capital at a given date.	Statement of financial position 
To remind customers of amounts outstanding and request payment.	Statement of account 

(b) Create a product code for each of the two new products. (2 marks)

Date 20XX	Product	Product code
10 Jan	Blue jackets	BLJA106
12 Jan	Brown shirts	BRSH107
13 Jan	Red waistcoats	REWA108

(c) Identify whether each of the following statements regarding manual bookkeeping systems are true or false. (2 marks)

Statement	True	False
A petty cash book is always a book of prime entry but never part of the double-entry bookkeeping system.	☐	☒
A cash book is not part of the double-entry bookkeeping system if there is a Bank account in the general ledger.	☒	☐

(d) Complete the following statement about digital bookkeeping systems by selecting the appropriate option in each gap below. (2 marks)

Digital bookkeeping systems will but will not

Task 2 (10 marks)

(a) Identify the classification of each account. (4 marks)

Account	Classification
Plant and machinery	Asset ▼
Wages and salaries	Expense ▼
Loan from bank	Liability ▼
Commission received	Income ▼

(b) Calculate the amount of liabilities. Do NOT use a minus sign or brackets. (1 mark)

£

(c) Identify the dual effect of each transaction by dragging the appropriate description into the table below. You should ignore VAT. (5 marks)

Transaction	Dual effect
Purchased a motor vehicle on credit	Increase both an asset and a liability
Repaid a loan in cash	Decrease both an asset and a liability
Sold surplus office equipment for cash	Both increase and decrease an asset
Received a bank deposit from the owner	Increase both an asset and capital
Paid a credit supplier using a bank overdraft	Both increase and decrease a liability

Decrease both an asset and a liability	Increase both an asset and a liability	Both increase and decrease an asset
Both increase and decrease a liability	Increase both an asset and capital	

Task 3 (10 marks)

(a) Calculate the amounts to be included in the invoice. (5 marks)

	£
Amount before discount	2,875.00
Bulk discount	86.25
Amount after discount	2,788.75
VAT @ 20%	557.75
Total	3,346.50

(b) Identify the daybook in which the invoice will be entered. (1 mark)

- ☒ Sales daybook
- ☐ Sales returns daybook
- ☐ Purchases daybook
- ☐ Purchases returns daybook
- ☐ Discounts allowed daybook
- ☐ Discounts received daybook

(c) Complete the entry in the daybook. (4 marks)

Date 20XX	Customer code	Customer	Invoice number	Total £	VAT £	Net £	G995 £	G996 £	G997 £
1 March	BA29	Bates Ltd	1926	3,346.50	557.75	2,788.75		2,788.75	

Task 4 (10 marks)

(a) Complete the following statement about the accuracy of the amount received by selecting the appropriate option in each gap below. (2 marks)

Prinn plc has so .

(b) Calculate the amount that should be paid by the end of the week to settle:

- each invoice
- the total of all of the invoices. (4 marks)

Outstanding invoices	Total £	VAT £	Net £	Amount to be paid by the end of the week £
1070	1,590	265	1,325	1,558.20
1082	354	59	295	346.92
1090	564	94	470	552.72
Total				2,457.84

(c) Allocate the amount received in the customer report below by selecting the appropriate action to take for each transaction. (4 marks)

Transaction type	Details	Amount £	Action
Balance b/f		447.60	Allocate full amount
Invoice 1059	Delivery note 1322	477.40	Allocate part payment
Invoice 1062	Delivery note 1364	838.80	Allocate full amount
Credit note 121	Re: overcharge in invoice 1062	150.00	Allocate full amount

Task 5 (10 marks)

(a) Enter the invoice in the digital bookkeeping system by:

- selecting the correct module option
- making the necessary entries. (6 marks)

Module option

- ☐ Discounts allowed daybook
- ☐ Discounts received daybook
- ☒ Purchases daybook
- ☐ Purchases returns daybook
- ☐ Sales daybook
- ☐ Sales returns daybook

Digital bookkeeping entries

Date 20xx	Supplier code	Supplier	General ledger code	Invoice number	Net £	VAT code
21 May	BIF32	Biffra Ltd	5032	3239	371.25	VAT4 - 20% ▼

(b) Identify **FOUR** discrepancies in the invoice. (4 marks)

- ☐ Quantity supplied
- ☒ Product supplied
- ☒ Date of invoice
- ☐ Unit price
- ☐ Net amount
- ☐ VAT amount
- ☒ Total amount
- ☒ Terms of payment

Task 6 (10 marks)

(a) (i) Identify the date by which the supplier should receive payment if no discount is taken. (1 mark)

- ☐ 25 May
- ☐ 31 May
- ☐ 4 June
- ☒ 14 June
- ☐ 25 June
- ☐ 30 June

(ii) Identify the amount to be paid, and the date by which the supplier should receive payment, for each of the terms of payment offered below. (4 marks)

Terms of payment	Amount to be paid £	Date by which supplier should receive payment
Payment within 20 days	9652.50	4 June ▾
Payment within 10 days	9555.00	25 May ▾

(b) (i) Identify which FOUR amounts were included in the two cheques by clicking on the appropriate amounts. (4 marks)

Date 20XX	Transaction type	Details	£	Amount included
1 May	BAL	Balance b/d	1,968	☒
3 May	SC	Credit note 0112	345	☒
12 May	SI	Invoice 3201	1,831	☐
15 May	SI	Invoice 3238	1,157	☐
16 May	SI	Invoice 3250	326	☒
17 May	SI	Invoice 3265	2,427	☐
20 May	SI	Invoice 3320	492	☒
20 May	SI	Invoice 3365	926	☐
29 May	BT	Cheque 0106009	1,623	☐
31 May	BT	Cheque 0106032	818	☐

(b) (ii) Calculate the amount that should be paid to settle the remaining balance of the account. (1 mark)

£

Task 7 (8 marks)

(a) Enter the transactions in the digital bookkeeping system by:

- selecting the correct module option
- making the necessary entries. (7 marks)

Module option

- ☐ Cash book - receipts
- ☒ Cash book - payments
- ☐ Petty cash book - receipts
- ☐ Petty cash book - payments

Digital bookkeeping entries

Date 20xx	Details	General ledger code	Document number	Net £	VAT code
29 July	PWT Colleges	8163 – Training	PWT613	1,960.50	VAT1 – Exempt
29 July	Choice Catering	7916 – Refreshments	178	162.50	VAT4 – 20%

(b) Calculate the bank balance. Use a minus sign if your calculations indicate an overdrawn bank balance, e.g. -123. (1 mark)

£	-1,572.57
---	-----------

Task 8 (6 marks)

(a) Identify the entry required in the petty cash book to record the closing balance on 30 September. (3 marks)

Details	Amount £	Debit / Credit
Balance carried down ▼	25.46	Credit ▼

(b) Complete the entry in the petty cash book. (3 marks)

Date 20XX	Details	Total £	VAT £	Net £
1 October	Office Express	32.76	5.46	27.30

Task 9 (6 marks)

(a) Set up the recurring entry. (5 marks)

Transaction type	Details	Start date 20XX	Frequency	Recurrences	Amount £	VAT code
Bank payment	790 - Motor insurance ▼	15 Oct	Monthly ▼	6	252	VAT1 - Exempt ▼

(b) Process ONE recurring entry by clicking on the box alongside the appropriate amount. (1 mark)

Payment type	Details	Next posting	Postings made	Amount £	Selection
DD	Hipcox Ltd	2 Oct 20XX	3	368	☒
STO	LGM	6 Oct 20XX	8	189	☐
STO	Pan Insurance	15 Oct 20XX	0	252	☐
DD	Amber Agency	29 Oct 20XX	4	454	☐

Task 10 (10 marks)

(a) Show the entries to be made in the general ledger accounts below. (6 marks)

Account name	Amount £	Debit / Credit
Sales returns	2,946.00	Debit ▼
VAT	589.20	Debit ▼
Receivables ledger control	3,535.20	Credit ▼

(b) Identify the ledger in which the credit note will be entered. (1 mark)

- ☐ General
- ☒ Payables
- ☐ Receivables

(c) Enter the credit note in the ledger. (3 marks)

Account name	Amount £	Debit / Credit
Pell Ltd ▼	74.40	Debit ▼

Task 11 (10 marks)

(a) Identify the entry required to record the closing balance on 31 October. (3 marks)

Details	Amount £	Debit / Credit
Balance carried down ▼	6,379	Debit ▼

(b) Calculate the total amount that will be entered in each debit and credit column after the closing balance has been recorded. (1 mark)

£	6,523
---	-------

(c) Identify the entries required to record the opening balance in each account on 1 November. (6 marks)

Account code	Details	Amount £	Debit / Credit
GL020	Balance brought down ▼	2,448	Debit ▼
GL038	Balance brought down ▼	560	Credit ▼