

AAT

AQ2016

Advanced Bookkeeping

EXAM KIT

This Exam Kit supports study for the following AAT qualifications:

AAT Advanced Diploma in Accounting – Level 3

AAT Advanced Certificate in Bookkeeping – Level 3

AAT Advanced Diploma in Accounting at SCQF Level 6



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Features in this exam kit

In addition to providing a wide ranging bank of real exam style questions, we have also included in this kit:

- unit-specific information and advice on exam technique
- our recommended approach to make your revision for this particular unit as effective as possible.

You will find a wealth of other resources to help you with your studies on the AAT website:

www.aat.org.uk/

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Our Quality Co-ordinator will work with our technical team to verify the error and take action to ensure it is corrected in future editions.

UNIT-SPECIFIC INFORMATION

THE EXAM

FORMAT OF THE ASSESSMENT

The assessment will comprise five independent tasks. Students will be assessed by computer-based assessment.

In any one assessment, students may not be assessed on all content, or on the full depth or breadth of a piece of content. The content assessed may change over time to ensure validity of assessment, but all assessment criteria will be tested over time.

The learning outcomes for this unit are as follows:

	Learning outcome	Weighting
1	Apply the principles of advanced double-entry bookkeeping	24%
2	Implement procedures for the acquisition and disposal of non-current assets	20%
3	Prepare and record depreciation calculations	13%
4	Record period end adjustments	20%
5	Produce and extend the trial balance	23%
	Total	100%

Time allowed

2 hours

PASS MARK

The pass mark for all AAT CBAs is 70%.



Always keep your eye on the clock and make sure you attempt all questions!

DETAILED SYLLABUS

The detailed syllabus and study guide written by the AAT can be found at:

www.aat.org.uk/

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EXAM TECHNIQUE

- Do not skip any of the material in the syllabus.
- Read each question *very* carefully.
- Double-check your answer before committing yourself to it.
- Answer **every** question – if you do not know an answer to a multiple choice question or true/false question, you don't lose anything by guessing. Think carefully before you **guess**.
- If you are answering a multiple-choice question, **eliminate first those answers that you know are wrong**. Then choose the most appropriate answer from those that are left.
- **Don't panic** if you realise you've answered a question incorrectly. Getting one question wrong will not mean the difference between passing and failing.

Computer-based exams – tips

- Do not attempt a CBA until you have **completed all study material** relating to it.
- On the AAT website there is a CBA demonstration. It is **ESSENTIAL** that you attempt this before your real CBA. You will become familiar with how to move around the CBA screens and the way that questions are formatted, increasing your confidence and speed in the actual exam.
- Be sure you understand how to use the **software** before you start the exam. If in doubt, ask the assessment centre staff to explain it to you.
- Questions are **displayed on the screen** and answers are entered using keyboard and mouse. At the end of the exam, you are given a certificate showing the result you have achieved.
- In addition to the traditional multiple-choice question type, CBAs will also contain **other types of questions**, such as number entry questions, drag and drop, true/false, pick lists or drop down menus or hybrids of these.
- In some CBAs you will have to type in complete computations or written answers.
- You need to be sure you **know how to answer questions** of this type before you sit the exam, through practice.

Section 1

PRACTICE QUESTIONS

NON-CURRENT ASSETS REGISTER

1 SOUTHGATE TRADING

The following is a purchase invoice received by Southgate Trading, who is registered for sales tax (VAT):

To: Southgate Trading Unit 26, Three Cliffs Trading Estate Gowerton GW14 6PW	Invoice 535 Computer Supplies plc 12 Hanger Lane Bedgrove	Date: 28 March X9	
			£
HP colour laser printer	Serial number 65438LKR	1	750.00
Delivery		1	25.00
Printer cartridges @ £20.00 each		2	40.00
VAT @ 20%			163.00
Total			978.00
Settlement terms: strictly 30 days net.			

The following information relates to the sale of a vehicle:

Registration number	AB 08 DRF
Date of sale	15 March X9
Selling price excluding VAT	£4,500.00

- Southgate Trading has a policy of capitalising expenditure over £500.
- Vehicles are depreciated at 25% on a diminishing (reducing) balance basis.
- Computer equipment is depreciated at 30% on a straight-line basis assuming no residual value.
- Non-current assets are depreciated in the year of acquisition but not in the year of disposal.

Record the following information in the non-current assets register below:

- (a) any acquisitions of non-current assets during the year ended 31 March X9
- (b) any disposals of non-current assets during the year ended 31 March X9
- (c) depreciation for the year ended 31 March X9.

Non-current assets register

Description	Acquisition date	Cost £	Depreciation charges £	Carrying amount £	Funding method	Disposal proceeds	Disposal date
Computer equipment							
Server main office	30/09/X6	2,800.00			Cash		
Year end 31/03/X7			840.00	1,960.00			
Year end 31/03/X8			840.00	1,120.00			
Year end 31/03/X9							
Motor vehicles							
AB08 DRF	01/04/X6	12,000.00			Cash		
Year end 31/03/X7			3,000.00	9,000.00			
Year end 31/03/X8			2,250.00	6,750.00			
Year end 31/03/X9							
AB 07 FRP	31/01/X8	9,600.00			Cash		
Year end 31/03/X8			2,400.00	7,200.00			
Year end 31/03/X9							

- (d) The main office has been rewired to accommodate the new computer equipment. The work carried out was completed by some employees of the business as opposed to external contractors. On the same day, the room was given a coat of paint to the new office manager’s favourite colour – egg shell blue. The costs of the rewiring and the painting were:

Wages to rewire the room: £250

Materials to rewire the room: £410

Office re-paint: £100

What is the additional cost to be recorded as capital expenditure?

£ _____

NB You are not required to enter any additional capital expenditure from part (d) into the non-current assets register.

2 TK FABRICATIONS

The following is a purchase invoice received by TK Fabrications, who is registered for sales tax (VAT):

Invoice 514		
To: TK Fabrications Block 6 Pipps Hill Industrial Estate Southwold ST5 9PQ	Welding Wizards 22 Springfield Grove Southwold ST8 4RY	Date: 28 January X9
		£
Welding iron	Equipment no 289XP4	850.00
Delivery		15.00
Welding material pack		60.00
VAT @20%		185.00
Total		1,110.00
Settlement terms: strictly 30 days net		

The following information relates to the sale of a vehicle:

Registration number	PF07 THY
Date of sale	20 January X9
Selling price excluding VAT	£8,500.00

- TK Fabrications has a policy of capitalising expenditure over £500.
- Vehicles are depreciated at 25% on a diminishing (reducing) balance basis.
- Equipment is depreciated at 15% on a straight-line basis assuming no residual value.
- Non-current assets are depreciated in the year of acquisition but not in the year of disposal.

Record the following information in the non-current assets register below:

- (a) any acquisitions of non-current assets during the year ended 31 January X9
- (b) any disposals of non-current assets during the year ended 31 January X9
- (c) depreciation for the year ended 31 January X9.

Non-current assets register

Description	Acquisition date	Cost £	Depreciation charges £	Carrying amount £	Funding method	Disposal proceeds	Disposal date
Equipment							
Workshop fit out	17/07/X6	5,400.00			Cash		
Year end 31/01/X7			810.00	4,590.00			
Year end 31/01/X8			810.00	3,780.00			
Year end 31/01/X9							
Motor vehicles							
PF07 THY	04/06/X6	13,500.00			Cash		
Year end 31/01/X7			3,375.00	10,125.00			
Year end 31/01/X8			2,531.25	7,593.75			
Year end 31/01/X9							
SR08 EKE	24/01/X8	7,300.00			Part-exchange		
Year end 31/01/X8			1,825.00	5,475.00			
Year end 31/01/X9							

3 BYTES TECHNOLOGY GROUP

The following is a purchase invoice received by Bytes Technology Group, who is registered for sales tax (VAT):

Invoice 84297		
To: Bytes Technology Group 119 Abbots Close Petersfield PF10 1FR	PC Universe 13 Heron Drive Petersfield PF4 9QZ	Date: 28 March X9
		£
Printer	Serial number 1807G92	550.00
Delivery		10.00
Printer cartridges		40.00
VAT @20%		120.00
Total		720.00
Settlement terms: strictly 30 days net		

The following information relates to the sale of a vehicle:

Registration number	EJ09 TYZ
Date of sale	20 March X9
Selling price excluding VAT	£3,200.00

- Bytes Technology Group has a policy of capitalising expenditure over £500.
- Vehicles are depreciated at 30% on a diminishing (reducing) balance basis.
- Computer Equipment is depreciated at 20% on a straight-line basis assuming no residual value.
- Non-current assets are depreciated in the year of acquisition but not in the year of disposal.

Record the following information in the non-current assets register below:

- (a) any acquisitions of non-current assets during the year ended 31 March X9
- (b) any disposals of non-current assets during the year ended 31 March X9
- (c) depreciation for the year ended 31 March X9.

Non-current assets register

Description	Acquisition date	Cost £	Depreciation charges £	Carrying amount £	Funding method	Disposal proceeds	Disposal date
Computer equipment							
Mainframe Server	17/07/X6	14,000.00			Cash		
Year end 31/03/X7			2,800.00	11,200.00			
Year end 31/03/X8			2,800.00	8,400.00			
Year end 31/03/X9							
Motor vehicles							
EJ09 TYZ	14/09/X6	9,000.00			Cash		
Year end 31/03/X7			2,700.00	6,300.00			
Year end 31/03/X8			1,890.00	4,410.00			
Year end 31/03/X9							
EA55 SAR	12/02/X8	10,000.00			Part-exchange		
Year end 31/03/X8			3,000.00	7,000.00			
Year end 31/03/X9							

(d) Which of the following could be added to the non-current assets register to improve its usability?

	Tick
The colour of the asset	
The user of the assets	
The age of the asset	
The location of the asset	