

AAT

AQ2016

Bookkeeping Controls

EXAM KIT

This Exam Kit supports study for the following AAT qualifications:

- AAT Foundation Certificate in Accounting – Level 2
- AAT Foundation Diploma in Accounting and Business – Level 2
- AAT Foundation Certificate in Bookkeeping – Level 2
- AAT Foundation Award in Accounting Software – Level 2
- AAT Level 2 Award in Accounting Skills to Run Your Business
- AAT Foundation Certificate in Accounting at SCQF Level 5

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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 ten 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	Understand payment methods	5%
2	Understand controls in a bookkeeping system	5%
3	Use control accounts	20%
4	Use the journal	50%
5	Reconcile a bank statement with the cash book	20%
	Total	100%

Time allowed

1½ 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 assessments (CBA) – 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

THE JOURNAL

1 INTREPID INTERIORS

- (a) Intrepid Interiors has started a new business, Intrepid Exteriors, and a new set of accounts are to be opened. A partially completed journal to record the opening entries is shown below.

Record the journal entries needed in the accounts in the general ledger of Intrepid Exteriors to deal with the opening entries.

Account name	Amount £	Debit ✓	Credit ✓
Cash at bank	7,250		
Bank loan	5,000		
Capital	10,625		
Motor vehicles	4,750		
Insurances	575		
Stationery	300		
Sundry expenses	225		
Motor expenses	135		
Advertising	990		
Rent and rates	1,400		
Journal to record the opening entries of new business			

- (b) From the list below, select which one of the following transactions would be recorded in the journal.

--

Picklist: Credit sale, contra, electricity expense, reimbursement of petty cash

2 BEDROOM BITS

- (a) Record the journal entries needed in the accounts in the general ledger of Bedroom Bits to show if each item is a debit or credit.

Account name	Amount £	Debit ✓	Credit ✓
Cash	325		
Cash at bank	9,625		
Capital	22,008		
Fixtures and fittings	4,250		
Insurance	1,050		
Loan from bank	15,000		
Miscellaneous expenses	413		
Motor vehicle	19,745		
Office expenses	350		
Rent and rates	1,250		

- (b) From the list below, select which one of the following transactions would be recorded in the journal.

--

Picklist: Prompt payment discount given, the return of goods to a supplier, interest received from the bank, irrecoverable debt written off

3 GARDEN GATES

- Record the journal entries in the general ledger of Garden Gates to show if each item is a debit or a credit

Account name	Amount £	Debit ✓	Credit ✓
Cash	450		
Cash at bank	11,125		
Capital	26,248		
Plant and machinery	5,050		
Insurance	990		
Loan from bank	12,500		
General office expenses	378		
Motor vehicle	20,755		

PAYROLL**4 IVANO**

Ivano's pay details for June are listed below:

Transaction	Amount £
Gross pay	2,400
PAYE	480
Employee's NIC	245
Employee's contribution to pension	80
Employer's NIC	255

Fill in the boxes required below:

(a)

	Amount £
Net pay	

(b)

	Amount £
Wages and salaries (Employer's expense)	

(c)

	Amount £
Liabilities (HMRC and pension)	

5 ANNA

Anna's pay details for June are listed below:

Transaction	Amount £
Gross pay	1,400
PAYE	280
Employee's NIC	125
Employer's contribution to pension	70
Employee's contribution to pension	60
Employer's NIC	135

Fill in the boxes required below:

(a)

	Amount £
Net pay	

(b)

	Amount £
Wages and salaries (Employer's expense)	

(c)

	Amount £
Liabilities (HMRC and pension)	

6 GROSS PAY 1

Which of the items listed below would be added to an employee's gross pay to calculate the total wages expense?

Item	Added to gross pay ✓	Not added to gross pay ✓
Trade Union subscription		
Employer's NIC		
Employee's Pension		
Employer's Pension		
Employee's NIC		

7 GROSS PAY 2

Which of the items listed below would be deducted from an employee's gross pay to calculate net pay?

Item	Deducted from gross pay ✓	Not deducted from gross pay ✓
Employer's NIC		
Commission		
Employee's NIC		
Employee pension contribution		
PAYE		