



Test Paper for Direct Entry onto Level 3 AAT programme.

If you feel competent to complete this test, please have a go and send to us for marking and feedback prior to enrolment.

If this freaks you out don't worry! You can start at level 2 where we will introduce you to this and a lot more.

Please send in for marking to:

AAT Lecturers
Stourbridge College
Hagley Road
Stourbridge
DY8 1UQ

Please include either a contact number or email address so we can get back to you

Introduction

- Paula Parker is the owner of Parker Paints, a business that supplies a range of paints.
 - You are employed by the business as a bookkeeper.
 - The business uses a manual accounting system.
 - Double entry takes place in the main (general) ledger. Individual accounts of debtors and creditors are kept in subsidiary ledgers as memorandum accounts.
 - Bank payments and receipts are recorded in a
 - Bank receipts cash-book and a
 - Bank payments cash-book.
- The cash-book totals are posted to the Cash at Bank account, which is part of the double entry system.
- Assume today's date is 30 November 2007 unless you are told otherwise.

Section 1 – Processing exercise

You should spend about 90 minutes on this section.

Please use the blank space on pages 10 and 11 to show your workings.

Data

The following balances are relevant to you at the start of the day on 30 November 2007:

	£
Subsidiary (sales) ledger accounts	
High Gloss Ltd	12,564
The Paint Shop	2,398
Decorators World	2,309
Homes of Class	15,091

	£
Main ledger accounts	
Office equipment	20,168
Sales	302,975
Sales returns	13,657
Sales ledger control	125,775
Discount allowed	1,350
Repairs and renewals	6,000
Stationery	134
VAT (credit balance)	22,535

Task 1.1

Enter the above opening balances into the accounts given on pages 5 to 7.

Note:

The lines shown in the accounts on pages 5 to 7 are there to help you present your work neatly and clearly. You may not need to use all the lines.

Data

The following transactions all took place on 30 November 2007 and have been entered into the relevant books of prime entry as shown below. No entries have yet been made into the ledger system. The VAT rate is 17.5%.

Sales day-book

Date 2007	Details	Invoice number	Total £	VAT £	Net £
30 Nov	High Gloss Ltd	1349	893	133	760
30 Nov	The Paint Shop	1350	2,585	385	2,200
30 Nov	Decorators World	1351	1,175	175	1,000
30 Nov	Homes of Class	1352	14,100	2,100	12,000
	Totals		18,753	2,793	15,960

Sales returns day-book

Date 2007	Details	Credit note number	Total £	VAT £	Net £
30 Nov	The Paint Shop	176	188	28	160
30 Nov	Decorators World	177	705	105	600
	Totals		893	133	760

Bank receipts cash-book

Date 2007	Details	Discount allowed £	Bank £
30 Nov	High Gloss Ltd	300	10,150
30 Nov	Homes of Class		2,520

Journal

Account name	Dr £	Cr £
Office equipment	1,500	
Repairs and renewals		1,450
Stationery		50
<i>To correct posting error</i>		

Task 1.2

From the day-books, bank receipts cash-book and journal shown above, make the relevant entries into the accounts in the subsidiary (sales) ledger and main ledger.

Task 1.3

Balance the accounts, showing clearly the balances carried down at 30 November (closing balance).

Task 1.4

Enter the balances brought down at 1 December (opening balance), showing clearly the date, details, and amount.

Subsidiary (sales) ledger

High Gloss Ltd

Date 2007	Details	Amount £	Date 2007	Details	Amount £

The Paint Shop

Date 2007	Details	Amount £	Date 2007	Details	Amount £

Decorators World

Date 2007	Details	Amount £	Date 2007	Details	Amount £

Homes of Class

Date 2007	Details	Amount £	Date 2007	Details	Amount £

Main ledger

Office equipment

Date 2007	Details	Amount £	Date 2007	Details	Amount £

Sales

Date 2007	Details	Amount £	Date 2007	Details	Amount £

Sales returns

Date 2007	Details	Amount £	Date 2007	Details	Amount £

Sales ledger control

Date 2007	Details	Amount £	Date 2007	Details	Amount £

Main ledger

Discount allowed

Date 2007	Details	Amount £	Date 2007	Details	Amount £

Repairs and renewals

Date 2007	Details	Amount £	Date 2007	Details	Amount £

Stationery

Date 2007	Details	Amount £	Date 2007	Details	Amount £

VAT

Date 2007	Details	Amount £	Date 2007	Details	Amount £

Task 1.5

Transfer the balances that you calculated in tasks 1.3 and 1.4 to the trial balance on page 9.

Task 1.6

Data

Other balances to be transferred to the trial balance:

	£
Motor vehicles	18,000
Stock	4,950
Cash at bank (debit balance)	5,762
Petty cash control	100
Purchases ledger control	34,918
Capital	72,502
Loan from bank	15,000
Purchases	198,540
Purchases returns	564
Discount received	337
Wages	56,320
Heat and light	2,984
Motor expenses	3,871
Hotel expenses	2,577
Miscellaneous expenses	1,313

- (a) Transfer the balances shown above to the trial balance.
- (b) Total the debit and credit columns of the trial balance.

Parker Paints
Trial Balance as at 30 November 2007

	Dr £	Cr £
Motor vehicles		
Office equipment		
Stock		
Cash at bank (debit balance)		
Petty cash control		
Sales ledger control		
Purchases ledger control		
VAT		
Capital		
Loan from bank		
Sales		
Sales returns		
Purchases		
Purchases returns		
Discount received		
Discount allowed		
Repairs and renewals		
Stationery		
Wages		
Heat and light		
Motor expenses		
Hotel expenses		
Miscellaneous expenses		
Total		