

LCCI Level 2 Certificate in Bookkeeping and Accounting – Learning outcome 1

4 questions – students to be given 1 random question from this bank of questions. Type of question highlighted in yellow.

Question 1 (Total of 4 marks available – 1 mark for each correct entry completed)

The total of the sales returns daybook at the end of the month shows returns totalling \$594.

Complete the following sentences using the options below.

The entries in the general ledger would show a [debit] entry in the sales returns account and a [credit] entry in the trade receivables account.

The impact on the Statement of Profit or Loss is that the sales returns for the month would [decrease] revenue and [decrease] the net profit for the period.

Options:

[credit]

[debit]

[increase]

[decrease]

[not change]

DRAG AND DROP

Question 2 (4 marks – no partial marks – all 4 entries to be correct to get the 4 marks)

Identify which business document would be used for the purposes below.

Purpose	Document
Detailing a bank payment to a supplier	[Remittance advice]
Detailing goods or services supplied by a seller to a buyer indicating the amount owed and the required payment date	[Invoice]
Detailing a low value payment made in cash for a business expense	[Petty cash voucher]
Detailing bank receipts and payments for a given period, together with the bank balance or overdraft	[Bank statement]

Options:

[Petty cash voucher]

[Invoice]

[Remittance advice]

[Bank statement]

DRAG AND DROP

Question 3 (2 marks)

An entry in the discounts received day book is for a credit note received from Wyvern for \$220.

Which one of the following options shows the correct entry in the payables ledger?

	✓
Account name: Wyvern. Debit entry for \$220.	[✓]
Account name: Wyvern. Credit entry for \$220.	
Account name: Payables Ledger Control Account. Debit entry for \$220.	
Account name: Discounts Received. Credit entry for \$220.	

MCQ**Question 4 (2 marks)**

A purchase invoice from a credit supplier has been entered into the bookkeeping system twice.

Which one of the following is a consequence of this error?

	✓
The total amount owed by receivables will be overstated	
The business may pay for goods that have not been received	[✓]
The business may pay for goods that have not been sold	
The total cost of purchases will be understated	

MCQ