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## **N(A) LEVEL PRINCIPLES OF ACCOUNTS**

*Subject Code 7088*

Years 2015 – 2018      Paper 1 and Paper 2

### **Past Examinations Papers 1 and 2**

<b>Year 2018</b> .....	(2018)1 ~ 12
<b>Year 2017</b> .....	(2017)1 ~ 12
<b>Year 2016</b> .....	(2016)1 ~ 12
<b>Year 2015</b> .....	(2015)1 ~ 12

*Also available*

### **ANSWER BOOK (Separate booklet)**

*Subject Code 7088*

Years 2015 – 2018

Papers 1 and 2 *worked solutions*

*The step-by-step solutions\* serve as a useful reference for self-study purposes.*

\* The answers to the questions compiled in this publication are given by the publisher, Singapore Asia Publishers Pte Ltd. Singapore Examinations and Assessment Board bears no responsibility for these answers. Any queries or comments on the answers should be forwarded to the publisher directly.



MINISTRY OF EDUCATION, SINGAPORE  
in collaboration with  
UNIVERSITY OF CAMBRIDGE LOCAL EXAMINATIONS SYNDICATE  
General Certificate of Education Normal (Academic) Level

CANDIDATE  
NAME

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CENTRE  
NUMBER

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INDEX  
NUMBER

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## PRINCIPLES OF ACCOUNTS

7088/01

Paper 1

September/October 2018

1 hour

Candidates answer on the Question Paper.

No Additional Materials are required.

### READ THESE INSTRUCTIONS FIRST

Write your Centre number, index number and name on all the work you hand in.

Write in dark blue or black pen.

You may use an HB pencil for any rough working.

Do not use staples, paper clips, glue or correction fluid.

The use of an approved calculator is allowed.

**DO NOT WRITE IN ANY BARCODES.**

Answer **all** questions.

Where layouts are to be completed, you may not need all the lines for your answers.

Where the T account format is used, the account should be balanced.

Where applicable, the balance should be brought down to the next financial year.

Where the columnar format is used, the running balance column should be updated for the first and last entries. Where applicable, the balance should be brought down to the next financial year.

The businesses described in this question paper are entirely fictitious.

At the end of the examination, fasten all your work securely together.

The number of marks is given in brackets [ ] at the end of each question or part question.

Answer **all** questions.

- 1 Tiya has a trading business. She maintains a full set of accounting records.

There are six stages in the accounting information system.

**REQUIRED**

- (a) Complete the following table by inserting the name of the **four** missing stages in the correct order.

The first and sixth stages have been completed.

Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
<i>Source documents</i>	.....	.....	.....	.....	<i>Balance sheet</i>
	.....	.....	.....	.....	

[4]

- (b) Explain the objectivity theory.

.....

.....

.....

.....[2]

- (c) State the source document used in the following:

		Source document
(i)	bank charges	
(ii)	sale of goods for cash	
(iii)	purchase of goods on credit	
(iv)	return of goods sold on credit	

[4]

During the year, Tiya took goods, \$320, from her business for her own use.

**REQUIRED**

- (d) Prepare the general journal entry to record this transaction in the books of Tiya's business. A narration **is** required.

General journal

	Debit \$	Credit \$

[3]

[Total: 13]

- 2 Mizan operates an insurance business which he regularly advertises. His business also rents out surplus office space. He prepares his business accounts to 31 July each year.

He provided the following information for the year ended 31 July 2018.

At 1 August 2017

Rental income received in advance	\$ 1500 Credit
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The business undertook the following transactions.

Date		\$
2017		
November 1	Received rental income by cheque	3500
2018		
May 1	Received rental income by cheque	3500
June 1	Paid for advertising by cheque	2100

On 31 July 2018 the following amounts were transferred to:

Rental income received in advance	\$ 1000
Prepaid advertising	1750