



UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS  
 General Certificate of Education  
 Advanced Subsidiary Level and Advanced Level

CANDIDATE  
 NAME

CENTRE  
 NUMBER

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CANDIDATE  
 NUMBER

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**ACCOUNTING**

**9706/21**

Paper 2 Structured Questions

**May/June 2011**

**1 hour 30 minutes**

Candidates answer on the Question Paper.

No Additional Materials are required.

**READ THESE INSTRUCTIONS FIRST**

- Write your Centre number, candidate number and name on all the work you hand in.
- Write in dark blue or black pen.
- You may use a soft pencil for rough working.
- Do not use staples, paper clips, highlighters, glue or correction fluid.
- DO NOT WRITE IN ANY BARCODES.**

- Answer **all** questions.
- All accounting statements are to be presented in good style.
- International accounting terms and formats should be used as appropriate.
- Workings must be shown.
- You may use a calculator.

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.

For Examiner's Use	
1	
2	
3	
<b>Total</b>	

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**(b)** Calculate the profit for the year (net profit) made by the partnership for the year ended 31 May 2011.

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**(c)** Before forming a partnership both Henry and Robin were sole traders.  
State **four** advantages of a partnership compared to a sole trader.

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**[Total: 30]**

2 The Welcome Cricket Club has the following assets and liabilities.

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	30 April 2011	1 May 2010
	\$	\$
Equipment (at cost)	104 000	40 000
Equipment – depreciation provision	14 400	4 000
Café inventory	4 800	6 500
Cash at bank	?	12 800
Subscriptions outstanding	3 600	2 200
Subscriptions paid in advance	3 500	5 000
Café staff wages accrued	4 000	500
Loan from cricket association	20 000	–
Loan interest	?	–

The receipts and payments for the year ended 30 April 2011 are:

<b>Receipts</b>	\$
Café revenue (sales)	90 000
Subscriptions	34 000
Loan from cricket association	20 000
Donations	450
Ticket sales	14 560
<b>Payments</b>	\$
Equipment	64 000
Rent	21 000
Heating and lighting	18 000
Wages of café staff	28 800
Café purchases for resale	36 000

Additional information:

- 1 Wages are a direct cost of the café and are charged to the trading account.
- 2 The rent and heating and lighting are apportioned 40% to the café and 60% to the rest of the club.
- 3 The loan from the cricket association was received on 1 November 2010. Interest is payable at 10% per year.
- 4 Depreciation is charged to the income and expenditure account.











(b) Prepare a statement to show the forecast **total** contribution **and** profit/loss made by **each** product for the year ended 30 June 2012.

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(c) If the forecast output is produced, calculate the break-even point and the margin of safety in units for **each** product. Show your workings.

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