

## Analysed Cash Book

2004 P2 Q6

- (A) State two reasons why it is important for a business to monitor its overheads. (4)
- (B) The following table shows the Budgeted and Actual figures for a business's overheads for 2003.

**Business Overheads for 2003**

Overheads	Budgeted €	Actual €
Wages	75,000	60,000
Bad Debts	25,000	15,000
Carriage Outwards	14,000	14,000
Telephone	17,000	21,000
Light and Heat	12,000	9,200
Loan Interest	900	1,400

- (i) List the overheads whose actual figures are **greater than** the budgeted figures and give **one** possible reason for the difference in each case.
- (ii) List the overheads whose actual figures are **less than** the budgeted figures and give **one** possible reason for the difference in each case. (15)
- (C) Complete and balance the Analysed Cash Book (Analysed Receipts and Payments Book) of Doctor Ann Healall, for the month of May 2004 from the data below:  
Use the following money column headings:

	Debit (Receipts) side:	Bank; Private Patients; Medical Card Patients; Other.	
	Credit (Payments) side:	Bank; Light; Wages; Telephone; Other.	€
1/5/04	Balance at bank		3,400
2/5/04	Paid receptionist's wages	Cheque No. 1	600
3/5/04	Purchased new office furniture	Cheque No. 2	3,100
5/5/04	Sold second hand office furniture	Receipt No. 1	400
7/5/04	Paid ESB	Cheque No. 3	200
9/5/04	Paul Jones paid his medical bill	Receipt No. 2	80
13/5/04	Department of Health and Children paid for medical card patients	Receipt No. 3	1,000
20/5/04	Paid wages of practise nurse	Cheque No. 4	1,200
22/5/04	Paid Eircom	Cheque No. 5	750
23/5/04	Peggy Gordan paid her medical bill	Receipt No. 4	90
25/5/04	Michael Martin paid his medical bill	Receipt No. 5	100
27/5/04	Paid cleaner's wages	Cheque No. 6	200
31/5/04	Department of Health and Children paid for medical card patients	Receipt No. 6	2,000
31/5/04	Ann withdrew for her own use	Cheque No. 7	3,000 (21)

(40 marks)

2008 P2 Q6

This is an Analysed Cash Book and Monitoring of Overheads Question.

Answer all parts of this question:

- (A) Identify three procedures a business should have in place to monitor its overheads. (6)
- (B) Prepare the Analysed Cash Book of LP PLUMBERS Ltd from the data set out below.  
Note: Use the following money column headings:

Debit (Receipts) Side:		Bank					
Credit (Payments) Side:		Bank	Wages	Advertising	Van	Telephone	Interest.
							€
1/5/2008	Owed to the bank						1,200
2/5/2008	Paid for advertising				Cheque No. 1		3,000
4/5/2008	Received from WALSHÉ Ltd				Receipt No. 1		4,300
7/5/2008	Paid Eircom				Cheque No. 2		800
9/5/2008	Paid wages				Cheque No. 3		700
11/5/2008	Received from JONES Ltd				Receipt No. 2		6,700
14/5/2008	Paid diesel bill				Cheque No. 4		480
16/5/2008	Paid interest on loan				Cheque No. 5		500
18/5/2008	Paid wages				Cheque No. 6		550
22/5/2008	Received from St. Mary's GAA Club				Receipt No. 3		1,600
24/5/2008	Paid for advertising				Cheque No. 7		4,500
27/5/2008	Paid road tax for van				Cheque No. 8		800
29/5/2008	Paid insurance for van				Cheque No. 9		3,200
31/5/2008	Received from KELLY Ltd				Receipt No. 4		8,500

(17)

- (C) On the sheet supplied with this paper you will find a partially completed table showing Budgeted Overheads for May 2008.
- (i) Complete the Actual Column using the totals from the Analysed Cash Book.
- (ii) List the overheads whose actual figures are greater than the budgeted figures and give one possible reason for the difference in each case in the relevant section of the sheet supplied with this paper.
- (iii) List the overheads whose actual figures are less than the budgeted figures and give one possible reason for the difference in each case in the relevant section of the sheet supplied with this paper.

(17)

(40 marks)

Overheads	Budgeted €	Actual €
Wages	2,000	
Advertising	6,200	
Van	3,700	
Telephone	800	
Interest	610	

2011 P2 Q5

(A) State **three** reasons why it is important for a business to monitor its overheads. (6)

(B) Prepare the Analysed Cash Book of BURKES BAKERY Ltd from the data supplied below. Use the following money column headings:

Debit (Receipts) Side: Bank

Credit (Payments) Side: Bank; Van; Wages; Interest; Waste Collection.

Date	Transaction	Receipt No	Cheque No.	Amount €
1/5/2011	Owed to bank			1,700
2/5/2011	Paid wages		1	1,100
3/5/2011	Paid for van repairs		2	950
6/5/2011	Paid for waste collection		3	400
7/5/2011	Paid interest on loan		4	1,400
10/5/2011	Received from MURPHY Ltd	35		2,600
12/5/2011	Paid for diesel		5	200
14/5/2011	Paid wages		6	850
17/5/2011	Paid for waste collection		7	240
20/5/2011	Received from SMYTH Ltd	36		4,000
23/5/2011	Paid wages		8	630
26/5/2011	Paid for van insurance		9	850
31/5/2011	Paid for diesel		10	320

(18)

(C) On the sheet supplied with this paper you will find a partially completed table showing Business Overheads for May 2011.

- (i) Complete the Actual Column using the totals from the Payments side of the Analysed Cash Book in part (B).  
Show the difference between the Actual and Budgeted figures by completing the column marked Difference.
- (ii) List the overheads whose actual figures are greater than the budgeted figures and give one possible reason for the difference in each case on the sheet supplied with this paper.
- (iii) List the overheads whose actual figures are less than the budgeted figures and give one possible reason for the difference in each case on the sheet supplied with this paper.

(16)

(40 marks)

Business Overheads for May 2011

Overheads	Budgeted €	Actual €	Difference €
Van	1,800		
Wages	3,500		
Interest	1,100		
Waste Collection	1,200		

This is a question on an Analysed Cash Book and Managing the Finances of a Business.

Answer all parts of this question:

SPARKS Ltd, an electrical contracting business, sells its services on a cash and credit basis.

- (A) Prepare the Analysed Cash Book of SPARKS Ltd for the month of May 2014 from the data set out below:

Note: Use the following money column headings:

Debit (Receipts) Side:      Bank      Householders      Companies      Schools

Credit (Payments) Side:      Bank      Wages      Materials      Motor      Advertising

Date	Transactions	Receipt No.	Cheque No.	Amount €
1/5/2014	Owed to the Bank (OD)			8,700
3/5/2014	Received from Mary Cooney householder	1		900
4/5/2014	Paid for materials		1	1,300
10/5/2014	Paid for motor van insurance		2	3,000
12/5/2014	Received from ACCD Ltd	2		6,000
15/5/2014	Paid wages		3	2,000
18/5/2014	Received from St. Jude's National School	3		4,700
20/5/2014	Paid petrol bill		4	210
23/5/2014	Paid advertising bill		5	1,200
26/5/2014	Received from CBS Post Primary School	4		2,800
29/5/2014	Received from John Murphy householder	5		750
30/5/2014	Received from 2U Ltd	6		2,200
31/5/2014	Paid wages		6	3,500

(19)

- (B) The directors of SPARKS Ltd are worried because while their sales are good they are always overdrawn in the bank as they do not get paid on time. They require your help in managing their business more effectively.

SPARKS Ltd wants you to:

- (i) State **three** procedures that it should put in place to monitor its overheads.
- (ii) Explain **two** ways of getting its customers to pay on time.
- (iii) Identify the main overhead of SPARKS Ltd for the month of May 2014. Explain **two** ways of reducing this overhead.

(21)

(40 marks)