

Candidate Name \_\_\_\_\_

Centre Number	Candidate Number

**CAMBRIDGE INTERNATIONAL EXAMINATIONS**  
**General Certificate of Education**  
**Advanced Subsidiary Level and Advanced Level**

**ACCOUNTING**  
PAPER 2 Structured Questions

**9706/2**

**MAY/JUNE SESSION 2002**  
1 hour 30 minutes

Candidates answer on the question paper.  
No additional materials are required.

**TIME** 1 hour 30 minutes

**INSTRUCTIONS TO CANDIDATES**

Write your name, Centre number and candidate number in the spaces at the top of this page.

Answer **all** questions.

Write your answers in the spaces provided on the question paper. If you require extra space for your answers or workings, use pages 15 and 16.

**INFORMATION FOR CANDIDATES**

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

You may use a calculator.

FOR EXAMINER'S USE	
1	
2	
3	
<b>TOTAL</b>	

---

**This question paper consists of 14 printed pages and 2 lined pages.**





Dotted lines for writing.

[8]



Dotted lines for writing.

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....[14]

(c) Identify and comment on **four** trends shown in the company's results for the three years.

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....[8]

2 Janice Jersey's first 6 months of trading showed the following purchases and sales of stock:

1990	Purchases	Sales
January	280 @ \$65 each	
February		140 @ \$82 each
March	100 @ \$69 each	
April		190 @ \$85 each
May	220 @ \$72 each	
June		200 @ \$90 each

Calculate Janice's profit for the 6 months ended 30 June 1990 using the following methods of stock valuation:

(a) FIFO (First In First Out)

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....[7]

**(b)** LIFO (Last In First Out)

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....[4]

**(c)** AVCO (Weighted Average Cost). Calculate to 2 decimal places.

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....[5]





(f) Janice achieved her decrease in expenses by altering her method of depreciation.

Comment on this change.

.....

.....

.....

.....

.....

.....

.....[3]





(c) Calculate the contribution to be made for order number 123/P to make a profit of 25% on total cost, using each machine.

(i) Machine X .....

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....

(ii) Machine Y .....

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....

[8]





A series of 25 horizontal dotted lines spanning the width of the page, providing a template for handwriting practice.