3 The Sporting Excellence Club provides sports facilities for its members. It also runs a shop where members can buy sportswear.

The club's assets and liabilities included the following.

	31 December 2022	31 December 2023
	$	$
Subscriptions received in advance	610	570
Subscriptions received in arrears	480	465
Insurance paid in advance	240	250
Shop inventory	2500	2750
Trade payables for shop supplies	2140	2470

The following totals have been taken from the club's receipts and payments account for the year ended 31 December 2023.

Receipts	$
Subscriptions received	11950
Shop sales	31890
Payments	
Trade payables for shop supplies	23290
Shop wages	3268
Club rent and insurance	7390
Other club expenses	1122

REQUIRED

(a) Prepare the subscriptions account for the year ended 31 December 2023. Balance the account and bring down the balances at 1 January 2024.

The Sporting Excellence Club
Subscriptions account

Date	Details	$	Date	Details	$
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....

[6]

(b) Prepare the rent and insurance account for the year ended 31 December 2023. Balance the account and bring down the balance at 1 January 2024.

The Sporting Excellence Club
Rent and insurance account

Date	Details	$	Date	Details	$
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....
....	....	....	....	....	....

[4]

(c) Calculate the shop purchases for the year ended 31 December 2023.

....

....

....

....

....

.... [3]

(d) Prepare the income statement for the shop for the year ended 31 December 2023

The Sporting Excellence Club
Shop income statement for the year ended 31 December 2023

	$	$
....	....	....
....	....	....
....	....	....
....	....	....
....	....	....
....	....	....
....	....	....
....	....	....
....	....	....
....	....	....
....	....	....

[5]

(e) State the meaning of the following terms.

(i) accumulated fund

....

.... [1]

(ii) income and expenditure account

....

.... [1]

[Total: 20]

Question	Answer	Marks
3(a)	**The Sporting Excellence Club** **Subscriptions account**	6

Date	Details		$	Date	Details		$
2023				2023			
Jan 1	Balance b/d	**(1)**	480	Jan 1	Balance b/d	**(1)**	610
Dec 31	Income and expenditure	**(1)OF**	11 975	Dec 31	Bank/cash/cash book	**(1)**	11 950
	Balance c/d		570		Balance c/d		465
			13 025				13 025
2024				2024			
Jan 1	Balance b/d	*(1)both	465	Jan 1	Balance b/d	*	570

+(1) dates

Question	Answer	Marks
3(b)	**The Sporting Excellence Club** **Rent and insurance account**	4

Date	Details		$	Date	Details		$
2023				2023			
Jan 1	Balance b/d	**(1)**	240	Dec 31	Income and expenditure	**(1)OF**	7 380
Dec 31	Bank/cash/cash book	**(1)**	7 390		Balance c/d		250
			7 630				7 630
2024							
Jan 1	Balance b/d	**(1)**	250				

Question	Answer	Marks

3(c)	$
	 Payments to trade payables 23 290 **(1)**
	 Add Closing trade payables 2 470 *
	                       25 760
	 Less Opening trade payables 2 140 *(1) both
	 Purchases 23 620 **(1) OF**
	
	 OR
	
	 Bank 23 290 Balance b/d 2 140
	 Balance c/d 2 470 Purchases * 23 620
	          25 760 25 760
	
	 Bank **(1)**
	 2 Balances **(1)**
	 Purchases **(1)OF**
		3

3(d)	**The Sporting Excellence Club** Shop income statement for the year ended 31 December 2023 $ $ Revenue 31 890 Cost of sales Opening inventory 2 500 * Purchases 23 620 **(1)OF** Closing inventory (2 750) **(1)** * 23 370 Gross profit 8 520 Shop wages 3 268 **(1)** Profit on shop **(1)** 5 252 **(1)OF** *** for both**	5
3(e)(i)	The accumulated fund of a club consists of the total surpluses less total deficits which have arisen over the life of the club. **(1)**	1

Question	Answer	Marks
3(e)(ii)	The income and expenditure account of a club shows the surplus or deficit it has made, by deducting the expenses from its gains/income. **(1)**	**1**