



Rewarding Learning

ADVANCED SUBSIDIARY (AS)  
General Certificate of Education  
2018

Centre Number

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Candidate Number

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# Professional Business Services

Assessment Unit AS 3  
*assessing*  
Financial Decision Making



SPB31

[SPB31]

WEDNESDAY 30 MAY, MORNING

### TIME

1 hour 30 minutes.

### INSTRUCTIONS TO CANDIDATES

Write your Centre Number and Candidate Number in the spaces provided at the top of this page.

Write your answers in the spaces provided in this question paper.

Answer **all three** questions.

### INFORMATION FOR CANDIDATES

The total mark for this paper is 80.

Quality of written communication will be assessed in Questions **1(d)**, **2(d)** and **3(c)**.

Figures in brackets printed down the right-hand side of pages indicate the marks awarded to each question or part question.

### ADVICE TO CANDIDATES

You are advised to take account of the marks for each question in allocating the available examination time.

If you do not have sufficient space to complete your answers, you may use the additional pages at the back of the paper.

For Examiner's use only	
Question Number	Marks
1	
2	
3	

<b>Total Marks</b>	
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**Cash flow forecast for Bruce's Garage  
for the fourth quarter (October – December) 2018**

Examiner Only	
Marks	Remark

	October (£)	November (£)	December (£)
Opening Bank Balance	6,500	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Receipts:			
Cash Sales	75,000	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Trade Receivables	<input style="width: 100%;" type="text"/>	20,000	<input style="width: 100%;" type="text"/>
Total Receipts:	93,750	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Payments:			
Purchases	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	35,050
Expenses	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Wages	40,000	<input style="width: 100%;" type="text"/>	50,000
Total Payments:	100,250	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Closing Bank Balance	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>

[12]

Use this space for your calculations.











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**(Questions continue overleaf)**

- 3 Bruce's Garage has come to the end of its second year of trading. Seamus has asked you to calculate the following ratios using the financial information below which has been extracted from his financial statements.

	2017 (£)	2018 (£)
Trade Payables	8,300	12,875
Trade Receivables	55,000	26,500
Sales Revenue	325,672	349,748
Cost of Goods Sold	120,500	120,829

- (a) (i) Calculate the trade payables ratio (to the nearest whole number) for 2017 and 2018 using the formula:

$$\frac{\text{Trade Payables}}{\text{Cost of Goods Sold}} \times 365 \text{ days}$$

2017

[2]

2018

[2]

Examiner Only	
Marks	Remark



**(b) (i)** Calculate the trade receivables ratio (to the nearest whole number) for 2017 and 2018 using the formula:

$$\frac{\text{Trade Receivables}}{\text{Sales Revenue}} \times 365 \text{ days}$$

2017

[2]

2018

[2]

**(ii)** Compare the results of this ratio for 2017 and 2018.

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[3]

Examiner Only	
Marks	Remark







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**THIS IS THE END OF THE QUESTION PAPER**

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