

Reference	Correction																
Task 6.11, Solution, page 161	<p>The correct answer to (b)(i) is:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #1a3d4d; color: white;"> <th></th> <th style="text-align: center;">Increase ✓</th> <th style="text-align: center;">Decrease ✓</th> <th style="text-align: center;">No change ✓</th> </tr> </thead> <tbody> <tr> <td>Assets</td> <td></td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>Liabilities</td> <td></td> <td></td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Equity</td> <td></td> <td style="text-align: center;">✓</td> <td></td> </tr> </tbody> </table> <p>Explanation: The accounting entry to reverse the accrued income is: DEBIT (↓) Service income (SPL) £210 CREDIT (↓) Accrued income (SOFP) £210 The debit to service income decreases the profit for the year and therefore also decreases retained earnings and equity. Accrued income is an asset account (amounts owed to the business) and therefore a debit balance in the trial balance. Therefore, a credit to accrued income results in a decrease in assets. The above double entry has no impact on liabilities.</p>		Increase ✓	Decrease ✓	No change ✓	Assets		✓		Liabilities			✓	Equity		✓	
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BPP Practice Assessment 1 Questions, Task 1, page 239	<p>The final date in Picklist 2 should be 22/06/X5 not 22/06/X4.</p>																
BPP Practice Assessment 2 Questions, Task 3 (b) (i), page 278	<p>The correct answer to (b)(i) is:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #1a3d4d; color: white;"> <th></th> <th style="text-align: center;">Increase ✓</th> <th style="text-align: center;">Decrease ✓</th> <th style="text-align: center;">No change ✓</th> </tr> </thead> <tbody> <tr> <td>Assets</td> <td></td> <td style="text-align: center;">✓</td> <td></td> </tr> <tr> <td>Liabilities</td> <td></td> <td></td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Equity</td> <td></td> <td style="text-align: center;">✓</td> <td></td> </tr> </tbody> </table> <p>Explanation: The accounting entry to reverse the accrued income is: DEBIT (↓) Commission income (SPL) £175 CREDIT (↓) Accrued income (SOFP) £175 The debit to commission income decreases the profit for the year and therefore also decreases retained earnings and equity. Accrued income is an asset account (amounts owed to the business) and therefore a debit balance in the trial balance. Therefore, a credit to accrued income results in a decrease in assets. The above double entry has no impact on liabilities.</p>		Increase ✓	Decrease ✓	No change ✓	Assets		✓		Liabilities			✓	Equity		✓	
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