2010 Accounting

Intermediate 1 − Special Instructions

Finalised Marking Instructions

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2010 ACCOUNTING

MARKING CONVENTIONS

CONVENTION	**EXPLANATION**	**MARK(S) ON CANDIDATE PAPER**
Extraneous	Item entered which should not be in the answer	-2E
Consequential	If a figure in a question is wrong, any further calculations are awarded marks if correct, as a consequence of using that figure	C
Nomenclature	The details in an account are wrong/ missing	-1N
Dates	The date for an entry is wrong/missing	-1D
Complete Reversal	All the ledger entries are made the wrong way round The question is marked as if correct and then the total mark is divided by 2	R eg Total Mark = 12 Divided by 2 Mark awarded = 6
Plus/Minus Rule	If an entry is shown correctly it is awarded the mark (+) If the same entry then appears again in another part of the question the mark is deducted (-) ie no mark is gained and there is no penalty	eg Correct entry £60,000 Sales in the Trading Account Mark awarded 1 (+-) Wrong entry £60,000 Sales also entered in the Profit & Loss Mark deducted -1 (+-)
Penalty	The answers given are more than required (4 given instead of 3) and one of them is wrong A heading is wrong/missing from a final account The answer is correct but not given in the format requested ie question asks for an account or a statement	-1P

2010 ACCOUNTING

INTERMEDIATE 1

SPECIAL INSTRUCTIONS

1 Assess pencil figures and workings. If the script is predominantly in pencil, mark it and then refer it to the Principal Assessor.

2 A maximum of 10% of marks gained on any individual question may be deducted for untidy work and poor style. This penalty should only be applied in exceptional circumstances.

3 Work which has been deleted gains no marks even if it is correct. Exceptional cases may be drawn to the attention of the Principal Assessor.

4 Consequential errors MUST NOT be penalised, subject to the marking instructions for each question.

5 Mark workings whether or not they are incorporated in the final answer. Deduct a penalty of 1 mark per question for working which is not incorporated in the final answer.

6 Incorrect figures, supported by adequate workings – award marks for any correct operations performed.

7 Extraneous items – SEE INSTRUCTIONS FOR SPECIFIC QUESTIONS.

8 Indicate awards given for each item. Subtotals for sections and encircled final total should be clearly indicated and easy to check.

Question 1

		Award Marks Lost	Penalties
(a)	**Trading, Profit and Loss Accounts**		
	Gross Profit, Net Profit and Unappropriated Profit must have labels to gain award	1 each	
	Accrual not correctly treated	1	
	Other items right/wrong	1 each	
(b)	**Balance Sheet**		
	Award marks as given		
	Extraneous items		-2E once
	If item under wrong heading (eg stock in fixed assets section) – lose award but no penalty	1	
	If item in 2 sections – apply the +/- rule eg if debenture interest in current assets and current liabilities +/-		
	Capital must be the first item in the financed by section to gain award	1	
	Unappropriated profit consequential on (a) or last figure in Trading, Profit and Loss Account	1	
	If debentures are included in the financed by section of the balance sheet they must be the last item to gain award	1	
	Accept debentures deducted from Net Assets		
	If the fixed assets and current assets are all included in one list without heading award marks to either fixed or current assets whichever gains the greatest number of marks		
(c)	Award marks for any reasonable answer		

Question 2

		Award Marks Lost	Penalties
(a)	Mark as per solution. If entries completely reversed	1 each	
(b)	Mark as per solution		
	Discount allowed omitted/not consequential on balance in Mega Fit Sports Account	3	
	Trade Discount entered		-1P once
	Complete reversal of transactions except calculation mark for discount allowed	10	
	Dates omitted/wrong		-1P once
	Nomenclature omitted/wrong		-1P once
	If copy invoice treated as an invoice and copy credit note treated as a credit note then award 1 mark for purchases, VAT and personal account (or purchases returns, VAT, and personal account)	6	
	If cheque treated as a payment award 1 mark but only if recorded as purchases	1 each	
(c)	Accept any 2 reasonable advantages		
	Award marks for any reasonable answer		

Question 3

		Award Marks Lost	Penalties
(a)	**Cost of Goods Sold**		
	Wrong formula ie not Sales - GP	4	
	Net Profit		
	Wrong formula ie not GP - Expenses	4	
(b)	Wrong formula used for Net Profit Ratio or Rate of Stock Turnover	4 each	
	Net Profit not consequential on (a) (ii)	1 each	
	COGS not consequential on (a) (i)	1 each	
	Average stock wrong	1 each	
	If % or times missing		-1P once for % -1P once for times
	If Net Profit % not multiplied by 100		-1P once
(c)	If bus fare not entered in travel column	1	
	If stamps not entered in postage column	1	
	If milk not entered in miscellaneous column	1	
	If bus fare, stamps and milk amounts not deducted from balance each time	1 each	
	If any analysis column not added up correctly or not consequential	1	
(d)	If cash in to restore the imprest not £50 less candidate's balance	2	
	If £43.20 in wrong column award 1 mark for the calculation	1	
	If £50 not entered in balance column	1	
	Ignore totals at end of cash in/out columns		
(e)	Award marks for any reasonable answer.		

Question 4

		Award Marks Lost	Penalties
	PART A		
(a)	If balance omitted or incorrect	1	
	If issues not 30 @ £6	2	
	If any balance wrong, not consequential	1 each	
	If receipts not 100 @ £6.50	2	
	If balance on 15 Nov shown as £770 award mark as implied correct	2	
	If issues not 20 @ £6	2	
	If issues not 20 @ £6.50	2	
	If all issues @ 6.50	2	
	If final balance value not shown	1	
(b)	Award marks for any reasonable answer but not stock record card	2	
	PART B		
	Award marks as given right/wrong/consequential		
	Value of output units not as given or consequential on balance after waste	1 each	
	If cost per kg wrong or not consequential	1 each	
	If baking materials and/or cost per kg not consequential from mixing	2	
	If value carried forward on it's own without the kg	1	

Question 5

		Award Marks Lost	Penalties
	PART A		
(a) (i)	Wrong formula used	2	
	Mark as per solution		
(ii)	Wrong formula used	2	
	If FC not 20,000	1	
	If CPU not consequential on (i)	1	
(iii)	If units not consequential on (ii)	1	
	If units not × £80	1	
(b)	If new FC not £25,000	1	
	If CPU not consequential on (a) (i)	1	
	If calculation of extra units not 700 less candidate's new break-even units	1 each	
	If extra units not multiplied by CPU from (a) (i)	1 each	
	PART B		
(a)	Mark as per solution		
	If Sunday double time not calculated ie £20 per hour	1	
	If bonus not 60	1	
	If bonus units not × 50p	1	
	If total omitted/not consequential	1	
(b)	**Job Cost Statement**		
	Mark as per solution		
	Labour not consequential on Part B (a)	1	
	Overheads not 16 hours	1	
	If not × £15	1	
	Total omitted/not consequential	1	
(c)	Accept any reasonable base		

Question 6

		Award Marks Lost	Penalties
	PART A		
(a)	Diesel multiplied by 52	1	
	Insurance not multiplied by 12	1	
	Annual hire not 9,140	1	
	Other expenses not multiplied by 12	1	
	If total omitted or not consequential	1	
(b)	Total cost not consequential on (a)	1	
	If not divided by 50,000	1	
(c)	Cost per mile right/wrong/consequential on (b)	2	
	PART B		
	Opening balance not £20,000	1	
	Cash sales as per solution, if not	1 each	
	Purchases not as per solution	1 each	
	Insurance not £100 in March	1	
	Insurance not £125 in April	2	
	Petrol not £200	1	
	Salaries not £1,000	1	
	Van £10,000 in March only	1	
	Any closing balance omitted/not consequential or not including April's opening balance	1	
	PART C		
	Accept any reasonable answer		
	Examples – award 1 mark		

[END OF MARKING INSTRUCTIONS]