



National
Qualifications
2026

2026 Accounting

National 5

Question Paper Finalised Marking Instructions

These marking instructions have been prepared by examination teams for use by Qualifications Scotland appointed markers when marking external course assessments.

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General marking principles for National 5 Accounting

This information is provided to help you understand the general principles you must apply when marking candidate responses to questions in this paper. These principles must be read in conjunction with the detailed marking instructions, which identify the key features required in candidate responses.

- (a) Marks for each candidate response must **always** be assigned in line with these general marking principles and the detailed marking instructions for this assessment.
- (b) Marking should always be positive. This means that, for each candidate response, marks are accumulated for the demonstration of relevant skills, knowledge and understanding: they are not deducted from a maximum on the basis of errors or omissions.
- (c) If a specific candidate response does not seem to be covered by either the principles or detailed marking instructions, and you are uncertain how to assess it, you must seek guidance from your team leader.
- (d) Consequentiality subsequent to a calculative error must be followed through, with credit being given for any errors in subsequent calculations or working.
- (e) Scored out or erased working **which has not been replaced** should be marked where still legible. However, if the scored out or erased working has been replaced, only the work which has not been scored out should be marked.
- (f) When marking theory questions, it is important to read the candidate's full answer as the correct answer may be invalidated by further contradictory statements. Use professional judgement.

General marking instructions

Entries

For an entry to get a mark it must appear in the correct 'section'. For example, in the Income Statement, Carriage Out must be in Expenses and in the SOFP, Wages Payable would not get a mark if it was in Current Assets. If a section was to have all wrong entries for example Non-Current Assets heading had all Current Assets (and vice-versa), DNA Headings mark only. However, if there is one item that is under the correct heading then mark that section as per solution.

Wrong Effect

If wrong treatment of any entry (eg added Loan instead of subtracted) - DNA (this doesn't affect arithmetic mark).

+/- Rule

Income Statement (IS) and Statement of Financial Position (SOFP), it would be marked correct in the IS and as extraneous in the SOFP (there are some exceptions to this - see next section). If Discount Allowed appeared twice in the Income Statement, the mark would not be awarded.

Extraneous Items

These are items which appear in the wrong statement. The following exceptions are:

For Depreciation: In the Income Statement if both £1,200 and £4,000 appear then £1,200 is correct and £4,000 is extraneous.

In the Income Statement if only the £4,000 (or £400) appears it is wrong but not extraneous.

but NOT

extraneous.

If £250 bad debt appears anywhere else in SOFP - it is extraneous.

If PBD is £540 (290 & 250), award both marks for Trade Receivable and PBD. Bad Debts is extraneous.

If there are more than 5 extraneous entries - the maximum each statement can score is 9 marks.

Layout Mark - Income Statement

- Need to have "for the year ended" with date (must have year). Accept "for the period ended". Name of firm not needed.
- Layout must have inclusion of ticked labels and no extraneous/SOFP labels.
Although other headings are not required, do not award if they are clearly wrong (ie Expenses called Current Liabilities).
- If candidate has made no attempt at calculating a Profit for the Year, then it is impossible for them to give the Profit for the Year label. In this instance award 1 mark for Layout for just having the Gross Profit label.
- Accept Other Income before Expenses.

Layout Mark - Statement of Financial Position

- Need Main Heading (name of firm not required). Accept 'on', 'of', 'at' 31 Dec Yr2. Accept SOFP abbreviation. relevant heading). If SOFP only partially complete then layout mark can still be awarded, providing what layout they have done is correct.
- No extra/wrong headings (eg having an extra heading "Other income").
- Ignore labels on balancing totals.
- Equity section can be Financed/Represented By:
- Must have Working Equity figure (Must be Current Assets -Current Liabs). Label not required although DNA Layout mark if wrongly labelled, eg Labelled as profit. This principle also applies to "Balancing Figures".

Accept "Net Current Assets" for Working Equity label, Do not accept "Net Assets".

Must have balancing figures.

DNA for Current Assets before Non-Current Assets, Current Liabilities before Current Assets etc.

If Current Assets is added to Non-Current Assets - DNA layout mark at Working Equity.

Accept Loan in the Equity Section (providing it is added).

Arithmetic Mark

DNA If Arithmetic is incorrect, or if subtotals are incorrect, missing, or have wrong treatment.

Marking Code

Markers should indicate at the bottom of the page where a generic mark has been given by using the following order:

L = Layout/headings correct

E = no extraneous items

A = All arithmetic and subtotals correct.

Markers should also indicate the point where a generic mark is not awarded by using these codes.

Nomenclature

reasonable nomenclature, eg 'Heat & Light' and 'Wages' as nomenclature for the receivable/payable. Do not accept labels like 'Closing Balance' for Inventory. No need for PBD label if just subtracting from Trade Receivables. Use Professional Judgement (UPJ).

Depreciation/Non-Current Assets

- For Property and Fixture & Fittings only an NBV is acceptable - no need to show cost and depreciation.

Current Assets

- Provision for Bad Debts may be shown detached from Trade Receivables provided it is in the line directly underneath. Otherwise - DNA mark.
- Must be correct effect for Provision for Bad Debts to gain award.
- Accept Bad Debts as nomenclature.
- If Opening Inventory shown instead of Closing Inventory mark as wrong but not extraneous. However, if both shown mark Opening Inventory as extraneous.

Current Liabilities

- If Provision for Bad Debts is deducted from Trade Payables or Other Payables then still award 1 mark for Trade/Other Payables as candidate will have used correct payable in the calculation. (for example Trade Payables figure shows £2,600 - award 1

Bank Loan

- If candidate puts Bank Loan in Equity - accept although it must be in a separate section to gain the award. If it is just included along with the other items in the Equity section - DNA mark.

Equity Section

- Profit for the Year and Drawings must be the correct effect to gain the award. (Note - wrong effects here do not count towards Subtotal mark).

General

If sections are the wrong way round eg labels wrong way round so that Current Assets section contains all Current Liabilities entries (and vice versa) then do not award marks for the first "section", but treat second section as consequential. Also applies to NCA/CA and CL/NCL. Can still award Layout mark in this instance. If one entry is in the correct section then this negates the "complete reversal" instruction and mark as per solution.

A candidate should have attempted (not scored) 5 marks worth in each statement to qualify for the Layout and No Extraneous marks awarded in each statement. If the candidate has completed at least one bit of correct arithmetic then the Arithmetic mark can be awarded.

If the candidate has not really made an attempt at producing either statement - entries are just a list of figures without any structure, then treat as follows:

Income Statement - a maximum of 4 marks can be awarded for

Wages & Salaries £14,900 - 1 mark, Heat & Light £1,700 - 1 mark, Depreciation £1,200 - 1 mark, PBD £290 - 1 mark

SOFP - a maximum of 4 marks can be awarded for:

Fixtures and Fittings NBV £6,800 - 2 marks (1 mark can be awarded if only £5,200 appears)

Trade Receivables £5,510 - 2 marks (1 mark can be awarded if only £290 appears)

If the correct treatment of a figure cannot be ascertained as it has not been added/subtracted to a total - Accept (providing it is in the correct section). For example, if the Loan is correctly entered into Non-Current Liabilities, but then no further calculation has taken place - accept.

If a section should have a subtotal, and the subtotal has been incorrectly treated, then DNA Arithmetic mark but the individual entries would get the award. For example, if the Other Income entries of 320 and 430 had been subtotaled to 750, and then deducted instead of added, the combined entry mark would be awarded and the Arithmetic mark would be not be awarded.

	A	B	C	D	E	F	G	H
1	Question	Expected Response					Mark	Additional Guidance
2	1. (a)	(S Blackwood)					17	
3		Income Statement for year ended 31 December Year 2 ✓						
4			£	£	£			
5		Sales Revenue			75,200			
6		Less Sales Revenue Returns			1,200	(1) both		
7					74,000			
8		COST OF SALES ✓						
9		Opening Inventory		6,960		*		
10		Purchases	34,200			(1)		
11		Less Purchases Returns	800			(1)		
12				33,400				
13				40,360				
14		Add Carriage in		230		(1)		
15				40,590				
16		Less Closing Inventory		4,800	35,790	(1)*both		
17		Gross Profit ✓			38,210			
18								If Discount Allowed and Received
19		Less Expenses						netted off and shown as 40 in
20		Carriage Out		180	}			expenses, award full marks for both (providing
21		Bad Debts		250		(1) both		the other grouped element is present
22		Rent		12,600	}			
23		Discount Allowed		360		(1) both		
24		Wages and Salaries (£14,700 + £200)		14,900		(2)		Accept 14,700, 14,500 and 200 for 1 mark
25		Heat and Light (£1850 - £150)		1,700		(2)		Accept 1,850 and 2,000 for 1 mark. If 150
26		Depreciation of Fixtures and Fittings (£12,000 x 10%)		1,200		(1)		shown on its own it would need to be a
27		Provision for Doubtful Debts (£5,800 x 5%)		290	31,480	(1)		negative figure to gain the award.
28					6,730			Award marks for detached adjustment if
29		Add Other Income						directly under main figure, DNA if not
30		Discount Received		320				directly under.
31		Interest Received		430	750	(1) both		
32		Profit for the Year ✓			7,480			If a consequential Loss for the Year is labelled
33								as "Profit for the Year" - accept (providing that
34		Layout /Headings				(1)		the figure is highlighted as negative).
35		No Extraneous Items				(1)		
36		All Arithmetic/Subtotals correct				(1)		

	A	B	C	D	E	F	G	H	I	J
1	Question	Expected Response							Mark	Additional Guidance
2	1. (b)	(S Blackwood)							18	
3		Statement of Financial Position as at 31 December Year 2 ✓								
4			£		£		£			
5		NON-CURRENT ASSETS ✓	Cost		Agg Dep		NBV			
6		Property	40,000				40,000	(1)		
7		Fixtures and Fittings	12,000		5,200	(1)	6,800	(1)		
8			52,000		5,200		46,800			Accept Trade Receivables as £5,510 for 2 marks.
9										
10		CURRENT ASSETS ✓								£5,510 subtotal not needed to be shown (290 must be correct effect).
11		Closing Inventory			4,800	(1)				
12		Trade Receivables	5,800	(1)						If PDD is labelled 'Bad/Doubtful Debt' then accept providing figure is £290.
13		Less Provision for Doubtful Debts	290	(1)	5,510					
14		Other Receivables - Heat and Light			150	(1)				If PDD detached from Trade Receivables (not directly underneath) then DNA -
15		Cash & Cash Equivalents			32,000	(1)				even if correct treatment. If detached and added to Current Assets, still award
16					42,460					arithmetic mark.
17										
18		CURRENT LIABILITIES ✓								
19		Trade Payables	7,300	(1)						If interest received of £430 is added to other receivables for a figure of £580
20		VAT	380	(1)						award 1 mark for other receivables and treat interest received as
21		Other Payables - Wages and Salaries	200	(1)	7,880					extraneous.
22		Working Equity					34,580			If Other Receivables is £1,850 it is extraneous. If it is £1,700 or
23							81,380			£2,000 it is wrong but not extraneous.
24										
25		NON-CURRENT LIABILITIES ✓								
26		Loan					10,000	(1)		If Other Payables is £14,700 it is extraneous. If it is £14,500 or
27							71,380			£14,900 it is wrong.but not extraneous.
28										
29		EQUITY ✓								If adjustments treated incorrectly in Income Statement (eg Wages
30		Opening Equity					70,000	(1)		Payable of £200, treated as receivable and shown as £14,500) then accept
31		Profit for the Year					7,480	(1)		£200 in the Current Assets (and vice versa if candidate did the same with
32							77,480			Heat & Light). If candidate did this in the Income Statement, also accept
33		Less Drawings					6,100	(1)		the £200 in the Current Liabilities (as if it is standalone from the wrong
34							71,380			effect in the Income Statement. This would also apply to Heat & Light.
35										
36		Layout/Heading						(1)		
37		No Extraneous Items						(1)		
38		All Arithmetic/Subtotals correct						(1)		

Question	Expected Response	Mark	Additional Guidance																																																																
2. PART A	- There is no penalty for missing nomenclature in basis column. Marks are awarded purely for the figures for Dept A-D. - Candidates may treat decimal places in a variety of ways eg keep a long decimal in the calculator but cut it to 2 decimal places when writing it down. Accept if candidate slightly out due to decimal rounding. <table><tr><th></th><th>Total</th><th>A</th><th>B</th><th>C</th><th>D</th></tr><tr><td>Indirect Costs</td><td>£46,200</td><td>£15,000</td><td>£13,000</td><td>£9,700</td><td>£8,500</td></tr><tr><td>Value of Machinery</td><td>£1,200,000</td><td>£700,000</td><td>£500,000</td><td>£0</td><td>£0</td></tr><tr><td>No of Machine Hours</td><td>280,000</td><td>120,000</td><td>160,000</td><td>0</td><td>0</td></tr><tr><td>Floor Area (sq m)</td><td>21,000</td><td>10,200</td><td>9,300</td><td>600</td><td>900</td></tr><tr><td>No of Employees</td><td>50</td><td>25</td><td>15</td><td>6</td><td>4</td></tr></table>		Total	A	B	C	D	Indirect Costs	£46,200	£15,000	£13,000	£9,700	£8,500	Value of Machinery	£1,200,000	£700,000	£500,000	£0	£0	No of Machine Hours	280,000	120,000	160,000	0	0	Floor Area (sq m)	21,000	10,200	9,300	600	900	No of Employees	50	25	15	6	4																														
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(a) (i)	<table><tr><th>Overhead</th><th>Basis</th><th>Total</th><th>Rate</th><th>A</th><th>B</th><th>C</th><th>D</th></tr><tr><td>Indirect Expenses</td><td>Allocated</td><td>£46,200</td><td></td><td>£15,000</td><td>£13,000</td><td>£9,700</td><td>£8,500 (1)</td></tr><tr><td>Supervisor Salaries</td><td>Employees</td><td>£80,000</td><td>£1,600</td><td>£40,000 (1)</td><td>£24,000</td><td>£9,600</td><td>£6,400 (1)</td></tr><tr><td>Rent and Rates</td><td>Floor Area</td><td>£126,000</td><td>£6.00</td><td>£61,200 (1)</td><td>£55,800</td><td>£3,600</td><td>£5,400 (1)</td></tr><tr><td>Heat and Light</td><td>Floor Area</td><td>£84,000</td><td>£4.00</td><td>£40,800 (1)</td><td>£37,200</td><td>£2,400</td><td>£3,600 (1)</td></tr><tr><td>Machinery Insurance</td><td>Mach. Value</td><td>£90,000</td><td>£0.075</td><td>£52,500 (1)</td><td>£37,500 (1)</td><td>-</td><td>-</td></tr><tr><td>Machinery Maintenance</td><td>Mach. Hours</td><td>£10,500</td><td>£0.0375</td><td>£4,500 (1)</td><td>£6,000 (1)</td><td>-</td><td>-</td></tr><tr><td>TOTAL</td><td></td><td></td><td></td><td>£214,000</td><td>£173,500</td><td>£25,300</td><td>£23,900</td></tr></table>	Overhead	Basis	Total	Rate	A	B	C	D	Indirect Expenses	Allocated	£46,200		£15,000	£13,000	£9,700	£8,500 (1)	Supervisor Salaries	Employees	£80,000	£1,600	£40,000 (1)	£24,000	£9,600	£6,400 (1)	Rent and Rates	Floor Area	£126,000	£6.00	£61,200 (1)	£55,800	£3,600	£5,400 (1)	Heat and Light	Floor Area	£84,000	£4.00	£40,800 (1)	£37,200	£2,400	£3,600 (1)	Machinery Insurance	Mach. Value	£90,000	£0.075	£52,500 (1)	£37,500 (1)	-	-	Machinery Maintenance	Mach. Hours	£10,500	£0.0375	£4,500 (1)	£6,000 (1)	-	-	TOTAL				£214,000	£173,500	£25,300	£23,900	11	
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(a) (ii)	<table><tr><td>Department C</td><td>Employees</td><td>£25,300</td><td>£575</td><td>£14,375 (1)</td><td>£8,625 (1)</td><td></td><td>£2,300 (1)</td></tr><tr><td>TOTAL</td><td></td><td></td><td></td><td>£228,375</td><td>£182,125</td><td></td><td>£26,200</td></tr></table>	Department C	Employees	£25,300	£575	£14,375 (1)	£8,625 (1)		£2,300 (1)	TOTAL				£228,375	£182,125		£26,200	3																																																	
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(a) (iii)	<table><tr><td>Department D</td><td>%</td><td>£26,200</td><td></td><td>£14,410 (1)</td><td>£11,790 (1)</td><td></td><td></td></tr><tr><td>TOTAL OVERHEADS</td><td></td><td></td><td></td><td>£242,785</td><td>£193,915 (1) for ALL totals</td><td></td><td></td></tr></table> (a) (i) No award for entries in basis or total columns. If wrong basis/figure applied to Dept A, second mark is consequential. (a) (ii) • If split is correct but candidate includes an extra entry in Dept C - max for line is 2. • If split 25/50, 15/50, 4/50 (£12,650, £7,590, £2,024) - 0 marks for Dept A and 1 mark consequential each for Dept B &D. • If wrong basis but identifiable by candidate narrative - 0 marks for first split - consequential marks for 2nd and 3rd split. • Any other split/basis which is not identifiable - 0 marks for line. • Wrong figure reapportioned but apportionment correct (25/44, 15/44 and 4/44) - 2 marks. • Wrong figure reapportioned and apportionment wrong (25/50, 15/50 and 4/50) - 1 mark. • Wrong figure reapportioned and any other split - 0 marks. • If Dept C (or D) split and reapportioned back on to themselves, DNA final total mark. • If reapportionments have decimal points, accept figures rounded up or down to whole numbers correctly. (a) (iii) Dep B reapportionment consequential if multiplying by 45%.Wrong base used & easily identifiable - 2nd mark also consequential. If additional entries in Total Column - Ignore (also applies to (a) (ii)).	Department D	%	£26,200		£14,410 (1)	£11,790 (1)			TOTAL OVERHEADS				£242,785	£193,915 (1) for ALL totals			3																																																	
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(b)	A production cost centre is involved in making/producing the products whereas the service cost centre provides services. NOTE - candidate must say the word "product" or "goods" etc. For example: "Cost Centre produces" - DNA "Cost Centre produces products" - Accept DNA - Any reference to "Selling" the product when describing a Service Dept. DNA examples to highlight the difference.	1	
(c) (i)	Materials, Wages, Patents, Trademarks, Royalties, Power	1	DO NOT ACCEPT Electricity/Heat & Light/Employee Costs/
(ii)	Machine hours/no of machines/speed of machines, Labour hours/employees (Accept "hours" on its own), Materials, Space, Time, Finance	1	
(iii)	Advertising, Rent, Electricity, Insurance, Cleaning, Mortgage repayment, Loan repayment, Salaries	1	DNA - Wages/Employee Costs
(d)	• can use formulae/has built-in calculation function • spreadsheet automatically updates changes • templates can be used • reduces human error/more accurate/less likely to make mistakes • can do IF statements • can do graphs/charts Only 1 mark max from the following list: • easy to format • easier to edit/fix/easier to change • can be sent by email/shared • calculations are easier/quicker/faster/saves time (DNA "calculations are done for you", unless the word "formula" is used) Note - if candidate says this then they cannot get a 2nd mark for referencing the use of formula Note - A candidate may score 2 marks for their written answer when writing about Benefit 1 in the workbook. Eg they may say "has built-in calculation function", removing human error. This scores 2 marks.	2	DNA - any of these "general" benefits: • saves space • reduces paper • easy to read/understand/navigate • displays information neatly/clearly • easier to compare • easier to keep track of records • work can be saved • easy storage • easy to use • Remote Access/Able to work

Question	Expected Response	Max Mark	Additional Guidance																																																																								
2. PART B	<table border="1"> <thead> <tr> <th></th><th>Hours</th><th>Total</th><th></th></tr> </thead> <tbody> <tr> <td>Clearing & Prep</td><td>basic 51</td><td>£15.00 £765.00</td><td>(1)</td></tr> <tr> <td></td><td>bonus (3x3x£4)</td><td>£36.00</td><td>(2)</td></tr> <tr> <td></td><td></td><td>£801.00</td><td></td></tr> <tr> <td>Planting (Accept £176 + £176 = £352)</td><td>basic 16</td><td>£22.00 £352.00</td><td>(1)</td></tr> <tr> <td></td><td>OT 3</td><td>£33.00 £99.00</td><td></td></tr> <tr> <td></td><td></td><td>£451.00</td><td>(1)</td></tr> <tr> <td>Materials</td><td></td><td></td><td></td></tr> <tr> <td>Bedded Plants and Shrubs</td><td></td><td>£1,950.00</td><td>(1)</td></tr> <tr> <td>Plant seed (120 grams)</td><td></td><td>£180.00</td><td>(1)</td></tr> <tr> <td>Fertiliser (0.2 litres per gram)</td><td></td><td>£120.00</td><td>(1)</td></tr> <tr> <td></td><td></td><td>£2,250.00</td><td></td></tr> <tr> <td>Overheads [(51+16+3) x £2.50] or (127.50 + 47.50)</td><td>(2 marks all or nothing) (1 + 1)</td><td>£175.00</td><td>(2)</td></tr> <tr> <td>Total Cost</td><td></td><td>£3,677.00</td><td></td></tr> <tr> <td>Profit</td><td></td><td>£1,286.95</td><td>(1)</td></tr> <tr> <td></td><td></td><td>£4,963.95</td><td></td></tr> <tr> <td>VAT</td><td></td><td>£992.79</td><td>(1)</td></tr> <tr> <td>Selling Price ✓</td><td></td><td>£5,956.74</td><td>(1)*</td></tr> </tbody> </table> * for ALL correct arithmetic and Selling Price/Charge to Customer Label DNA cost unless it says 'cost to customer'. Note - if candidate has correct answer and then goes on to further adjust it then they cannot score the full mark allocation.		Hours	Total		Clearing & Prep	basic 51	£15.00 £765.00	(1)		bonus (3x3x£4)	£36.00	(2)			£801.00		Planting (Accept £176 + £176 = £352)	basic 16	£22.00 £352.00	(1)		OT 3	£33.00 £99.00				£451.00	(1)	Materials				Bedded Plants and Shrubs		£1,950.00	(1)	Plant seed (120 grams)		£180.00	(1)	Fertiliser (0.2 litres per gram)		£120.00	(1)			£2,250.00		Overheads [(51+16+3) x £2.50] or (127.50 + 47.50)	(2 marks all or nothing) (1 + 1)	£175.00	(2)	Total Cost		£3,677.00		Profit		£1,286.95	(1)			£4,963.95		VAT		£992.79	(1)	Selling Price ✓		£5,956.74	(1)*	12	• There is no need for a heading. - Bonus (3 hrs x £4) - 1 mark. x 3 - 1 mark - Accept bonus of £12 for 1 mark. Any other figure award 0 marks. - Alternative Solution 1 for Basic Labour: (£90, £90, £75) or (£255) - 1 mark £12 - 1 mark - Multiplying ALL figures by 3 - 1 mark - Alternative Solution 2 for Basic Labour: (£270+£270+£225) - 1 mark £36 - 2 marks • Overheads are consequential on candidate's labour answers. • If OH £90 (haven't multiplied 17 by 3 workers), award 1 mark. If OH £3,130 - award 1 mark. • If candidate has applied VAT and/or Mark-up on each line item, mark each item as correct (ignoring VAT/Mark-up) and DNA both VAT and Mark-up marks (even if they are calculated correctly). • If Mark-up/VAT subtracted - DNA mark(s). This does not affect final total mark which would now be consequential. • If there are no Mark-up or VAT figures but correct treatment can be ascertained through subtotals, award marks. • If VAT and Mark-up wrong way round - max 1 for both VAT and Mark-up entries if calculated correctly. If this happens and either VAT or Mark-up calculated incorrectly - 0 marks. • Total Cost needs to be present - if not DNA mark-up (or VAT if mark-up is missing). Total Cost does not need to be labelled. • Subtotal after mark-up not required.
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3 (a)	INVENTORY RECORD CARD - PACKETS OF A4 PAPER <table><tr><th></th><th colspan="3">RECEIPTS</th><th></th><th colspan="3">ISSUES</th><th></th><th colspan="3">BALANCE</th></tr><tr><th></th><th>Qty</th><th>CPU (£)</th><th>Value (£)</th><th></th><th>Qty</th><th>CPU (£)</th><th>Value (£)</th><th></th><th>Qty</th><th>CPU (£)</th><th>Value (£)</th></tr><tr><td>01-Jun</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>400</td><td>2.50</td><td>1,000</td></tr><tr><td>05-Jun</td><td>200</td><td>2.70</td><td>540</td><td>*</td><td></td><td></td><td></td><td></td><td>400</td><td>2.50</td><td>1,000</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>200</td><td>2.70</td><td>540</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>1,540</td></tr><tr><td>12-Jun</td><td></td><td></td><td></td><td></td><td>400</td><td>2.50</td><td>1,000</td><td>1</td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td><td>50</td><td>2.70</td><td>135</td><td>1</td><td>150</td><td>2.70</td><td>405</td></tr><tr><td>20-Jun</td><td>350</td><td>3.00</td><td>1,050</td><td>*1</td><td></td><td></td><td></td><td></td><td>150</td><td>2.70</td><td>405</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>350</td><td>3.00</td><td>1,050</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>1,455</td></tr><tr><td>24-Jun</td><td></td><td></td><td></td><td></td><td>80</td><td>3.00</td><td>240</td><td>1</td><td>150</td><td>2.70</td><td>405</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>270</td><td>3.00</td><td>810</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>1,215</td></tr><tr><td>26-Jun</td><td></td><td></td><td></td><td></td><td>150</td><td>2.70</td><td>405</td><td>1</td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td><td>100</td><td>3.00</td><td>300</td><td>1</td><td>170</td><td>3.00</td><td>510</td></tr></table> Important If error is made and question then requires candidate to issue more than they have in balance, DNA in Issues column if this figure is higher than the balance. However, if candidate does this and Balance goes into negative due to earlier error - treat as consequential in Balance column. If candidate issues all the balance available and takes balance to 0, then accept as consequential in both the Issues and Balance columns. If candidates do a form of "running balance" and have additional entries in boxes, treat Balance column as standalone and mark boxes as per solution.		RECEIPTS				ISSUES				BALANCE				Qty	CPU (£)	Value (£)		Qty	CPU (£)	Value (£)		Qty	CPU (£)	Value (£)	01-Jun									400	2.50	1,000	05-Jun	200	2.70	540	*					400	2.50	1,000										200	2.70	540												1,540	12-Jun					400	2.50	1,000	1									50	2.70	135	1	150	2.70	405	20-Jun	350	3.00	1,050	*1					150	2.70	405										350	3.00	1,050												1,455	24-Jun					80	3.00	240	1	150	2.70	405										270	3.00	810												1,215	26-Jun					150	2.70	405	1									100	3.00	300	1	170	3.00	510	11 <
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(b)	Duties of a Financial Accountant Keep a record of transactions of the business Keep ledger accounts up-to-date/ Check accuracy of ledger accounts Prepare a trial balance Prepare final accounts - Income Statement/SOFP) - 1 mark max for both Calculate/Predict Profits and Losses Analysing financial data Calculating Ratios Calculating/Checking tax Auditing Financial Stewardship Paying business expenses	2	DNA - "Manage a company's finances"
(c) (i)	Non-current Liabilities Includes items <u>owed</u> by the business for periods <u>over one year/long-term</u> Examples include <u>mortgages and loans</u>	1	Must have 2 of the 3 following elements in response to gain mark: • Money Owed/Debts • Long-term/Lasts more than 1 year • An example
(c) (ii)	Drawings Money or inventory taken from the business by the owner or owners for their <u>own personal use</u> .	1	Must have "Personal Use" somewhere in answer. "Taken for personal use" - 0 marks. Must have some indication of what is being taken for personal use.

Question	Expected Response		Max Mark	Additional Guidance																																								
4. (a)	Bathroom Solutions <table border="1"> <thead> <tr> <th>Date</th><th>Details</th><th>Dr</th><th>Cr</th><th>Balance</th></tr> </thead> <tbody> <tr> <td></td><td></td><td>£</td><td>£</td><td>£</td></tr> <tr> <td>01-Jun</td><td>Balance</td><td>1,500</td><td></td><td>1,500</td></tr> <tr> <td>08-Jun</td><td>Sales Revenue and VAT</td><td>3,312</td><td></td><td>4,812</td></tr> <tr> <td>19-Jun</td><td>Sales Revenue Returns and VAT</td><td></td><td>138</td><td>4,674</td></tr> <tr> <td>21-Jun</td><td>Bank</td><td></td><td>1,440</td><td>3,234</td></tr> <tr> <td></td><td>VAT Refund</td><td></td><td>10</td><td>3,224</td></tr> <tr> <td></td><td>Discount</td><td></td><td>50</td><td>3,174</td></tr> </tbody> </table> Entries on credit side for <u>all</u> transactions on 21 June. (Must have min of all 3 (or 4 ,5 etc if entries) on Cr side for award) (1) Correct dates, any nomenclature and arithmetic (Incorrect nomenclature - Ignore, Missing Nomenclature - DNA) (1) £1,440 on either the Dr or Cr side gains an award. 8 June - 4 marks £3,000 x 8% £240 (1) (£3,000 - £240 = £2,760) x 20% = £552 (1) £2,760 + £552 £3,312 (1) Entry in DR column (1) ALTERNATIVE £3,000 x 92% £2,760 (2) £2,760 x 120% £3,312 (1) Note - If candidate goes on to further adjust these figures then full allocation of marks cannot be awarded. (eg if candidate had 2/3 marks correct but then further adjusted by including cash discount - they would then score 1/3) 21 June Vat Refund - £250 x 4% £10 Discount - £1,500 - £1,440 - £10 £50	Date	Details	Dr	Cr	Balance			£	£	£	01-Jun	Balance	1,500		1,500	08-Jun	Sales Revenue and VAT	3,312		4,812	19-Jun	Sales Revenue Returns and VAT		138	4,674	21-Jun	Bank		1,440	3,234		VAT Refund		10	3,224		Discount		50	3,174		11	• If Candidate has included Cash Discount in 8 June calculation (eg £3,179.52), max award is 3 marks. • If you see £3,529.92 on Dr side for 8 June - award 2 marks. • If Candidate has one entry of Discount £60 on 21 June (and no Vat entry) award 1 mark. However, if £250 appears alongside the £60 - do not award the mark for the £60. If the first entry of either Vat Refund or Discount is incorrect then DNA - but candidate can receive 2nd mark consequentially providing both entries add to £60. For the first 3 entries (1 Jun-19 Jun), if there is a complete reversal, DNA 1st mark for 1st June but subsequent 2 entries can be awarded full marks consequentially. If one of these 3 entries is in correct column - mark as per solution. Treat the 21 June entries as standalone. Consequentially these may appear on the Dr side depending on what the candidate has done earlier. Alternative - £1,500-£250 = £1,250 x 4% = £50
Date	Details	Dr	Cr	Balance																																								
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Question	Expected Response		Max Mark	Additional Guidance
(b)	<u>Advantages</u> • Wider range of customers/increased sales • Attracts more customers as they don't have to pay upfront/can take time to gather funds to pay • Increased customer loyalty • Larger/bulk orders more likely <u>Disadvantages</u> • Don't get paid immediately/Takes longer to get paid • Bad debts • Costs/hassle of chasing up debts • Cashflow problems • More paperwork • Cost of credit checks		2	Max 1 for advantages and max 1 for disadvantages. Candidate responses must be from the point of view of the seller, otherwise DNA.
(c)	• Invoice		1	DNA "Copy Invoice"
(d)	• A business owned/controlled by one person • A business set up by one person • Someone who owns a business		1	Answer must have reference to ownership/control/setting up If candidate says 'a one person business' - award 0 marks. If candidate says 'run by one person' - award 0 marks. If candidate says 'you run your own business' - award 1 mark as there is an acknowledgement of ownership.

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Question	Expected Response	Mark	Additional Guidance
6. (a)	Materials Labour OH £35 £5 (1) £24 (1) £6 (1)	3	Max 2 marks if arithmetic error.
(b)	Selling Price Variable Cost Contribution £15 (2) £50 £35	2	All or nothing. Award 1 mark if arithmetic error.
(c)	Fixed Costs Contribution £15 £36,000 £15 2,400 units (2)	2	All or nothing. Award 1 mark if arithmetic error.
(d)	3,500 2,400 1,100 (2) x £50 (1) = £55,000	3	The first 2 marks are all or nothing. Award 1 mark if arithmetic error. Award 1 mark if 1,100 not stated (question asks for Margin of Safety).
(e)	£30,000 (1) £36,000 (1) £66,000 ÷ £15 (1) = 4,400 units OR £30,000 (1) £15 2,000 (1) + 2,400 (1) = 4,400 units	3	The first 2 marks are all or nothing. Award 1 mark if arithmetic error. Candidates may use a different method to get the correct answer. If answer incorrect, UPJ to allocate marks.
(f)	£40,000 4,000 £10 (1) + £35 = £45 (1) ALTERNATIVE Total Variable Cost x £35 (1) £140,000 + £40,000 / 4,000 = £45 (1)	2	Candidates may use a different method to get the correct answer. If answer incorrect, UPJ to allocate marks.

Watch consequentiality throughout the question.

- If labels missing - Ignore. However, if labels are wrong (eg used units instead of £s) then DNA 1 mark max throughout the question
- Where answer is 2 marks all or nothing, 1 mark may be awarded if there is an arithmetic error.
- Candidates can round to any whole number or decimal places. (Accept if candidate slightly out due to rounding)
- If candidate works correct answer, but then further adjusts it - cannot be awarded full allocation of marks for that question. For example, in (b) if a candidate had the correct contribution of £15 but then further adjusted it - it would score 1/2.

[END OF MARKING INSTRUCTIONS]