

Accounting

Advanced GCE A2 H411

Advanced Subsidiary GCE AS H011

Mark Schemes for the Units

June 2009

H011/H411/MS/R/09

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All Examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

Mark schemes should be read in conjunction with the published question papers and the Report on the Examination.

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Advanced GCE Accounting (H411)

Advanced Subsidiary GCE Accounting (H011)

MARK SCHEMES FOR THE UNITS

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F012 Unit 2 - Accounting Applications	7
Grade Thresholds	Error! Bookmark not defined.

F011 Unit 1 - Accounting Principles

Question Number	Expected Answer	Marks																																																																																										
	<p>1*</p> <p><u>Paula Redwood</u></p> <p><u>Trading and Profit and Loss Account for the year ended 30 April 2009</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Sales</td> <td style="width: 20%; text-align: right;">108,000</td> <td style="width: 20%;"></td> </tr> <tr> <td>Sales returns</td> <td style="text-align: right;"><u>4,800</u></td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">103,200</td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Opening stock</td> <td style="text-align: right;">3,600</td> <td></td> </tr> <tr> <td>Purchases</td> <td style="text-align: right;"><u>56,000</u></td> <td style="text-align: right;">(1)</td> </tr> <tr> <td></td> <td style="text-align: right;">59,600</td> <td></td> </tr> <tr> <td>Drawings</td> <td style="text-align: right;">1,800</td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Purchase returns</td> <td style="text-align: right;"><u>2,500</u></td> <td style="text-align: right;">(1)</td> </tr> <tr> <td></td> <td style="text-align: right;">55,300</td> <td></td> </tr> <tr> <td>Closing stock</td> <td style="text-align: right;"><u>4,200</u></td> <td></td> </tr> <tr> <td>Cost of sales</td> <td style="text-align: right;"><u>51,100</u></td> <td></td> </tr> <tr> <td>Gross Profit</td> <td style="text-align: right;">52,100</td> <td></td> </tr> <tr> <td>Commission received</td> <td style="text-align: right;">880</td> <td style="text-align: right;">(2)</td> </tr> <tr> <td>Discounts received</td> <td style="text-align: right;">400</td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Decrease in provision for doubtful debts</td> <td style="text-align: right;"><u>216</u></td> <td style="text-align: right;">(2)</td> </tr> <tr> <td></td> <td style="text-align: right;">53,596</td> <td></td> </tr> <tr> <td>Rent</td> <td style="text-align: right;">4,000</td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>General expenses</td> <td style="text-align: right;">4,800</td> <td style="text-align: right;">(2)</td> </tr> <tr> <td>Insurance</td> <td style="text-align: right;">2,840</td> <td style="text-align: right;">(2)</td> </tr> <tr> <td>Salaries</td> <td style="text-align: right;">14,000</td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Electricity</td> <td style="text-align: right;">2,380</td> <td style="text-align: right;">(2)</td> </tr> <tr> <td>Motor expenses</td> <td style="text-align: right;">4,900</td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Bad debts</td> <td style="text-align: right;">200</td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Loan interest</td> <td style="text-align: right;">1,500</td> <td style="text-align: right;">(2)</td> </tr> <tr> <td>Carriage outwards</td> <td style="text-align: right;">700</td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Discounts allowed</td> <td style="text-align: right;">600</td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Depreciation equipment</td> <td style="text-align: right;">4,920</td> <td style="text-align: right;">(2)</td> </tr> <tr> <td>Depreciation motor vehicles</td> <td style="text-align: right;"><u>6,300</u></td> <td style="text-align: right;">(2)</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>47,140</u></td> <td></td> </tr> <tr> <td>Net Profit</td> <td style="text-align: right;"><u>6,456</u></td> <td style="text-align: right;">(1)</td> </tr> </table>	Sales	108,000		Sales returns	<u>4,800</u>			103,200	(1)	Opening stock	3,600		Purchases	<u>56,000</u>	(1)		59,600		Drawings	1,800	(1)	Purchase returns	<u>2,500</u>	(1)		55,300		Closing stock	<u>4,200</u>		Cost of sales	<u>51,100</u>		Gross Profit	52,100		Commission received	880	(2)	Discounts received	400	(1)	Decrease in provision for doubtful debts	<u>216</u>	(2)		53,596		Rent	4,000	(1)	General expenses	4,800	(2)	Insurance	2,840	(2)	Salaries	14,000	(1)	Electricity	2,380	(2)	Motor expenses	4,900	(1)	Bad debts	200	(1)	Loan interest	1,500	(2)	Carriage outwards	700	(1)	Discounts allowed	600	(1)	Depreciation equipment	4,920	(2)	Depreciation motor vehicles	<u>6,300</u>	(2)		<u>47,140</u>		Net Profit	<u>6,456</u>	(1)	
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	<p><u>Balance Sheet as at 30 April 2009</u></p> <p><u>Fixed Assets</u></p> <p>Equipment 29,880</p> <p>Motor vehicles <u>18,900</u></p> <p>48,780 (2)(1of)</p> <p><u>Current Assets</u></p> <p>Stock 4,200 (1)</p> <p>Debtors 5,096 (2)</p> <p>Insurance prepaid 460 (1)</p> <p>Commission receivable 150 (1)</p> <p>Bank <u>3,400</u> (1)</p> <p>13,306</p> <p><u>Current Liabilities</u></p> <p>Creditors 3,800 (1)</p> <p>Loan interest owing 250 (1)</p> <p>Electricity owing 380 (1)</p> <p>10% Loan <u>7,500</u> (1)</p> <p>11,930</p> <p>Working Capital <u>1,376</u></p> <p>50,156</p> <p><u>Long Term Liabilities</u></p> <p>10% Loan <u>7,500</u> (1)</p> <p><u>42,656</u></p> <p><u>Financed by</u></p> <p>Capital 44,000 (1)</p> <p>Net Profit <u>6,456</u> (1 of)</p> <p>50,456</p> <p>Drawings <u>7,800</u> (2)</p> <p><u>42,656</u></p> <p>QWC</p> <p>Total marks</p>	<p>(2) or (0)</p> <p>(2) or (0)</p> <p>(2) or (0)</p> <p>[45]</p> <p>[2]</p> <p>[47]</p>

Question Number	Expected Answer	Marks																									
2 (a) (i)	<p style="text-align: center;">Jose Violet</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; border-right: 1px solid black;">Bal b/d</td> <td style="width: 25%; text-align: right;">300 (1)</td> <td style="width: 5%;"></td> <td style="width: 20%; border-right: 1px solid black;">Bank</td> <td style="width: 25%; text-align: right;">75 (1)</td> </tr> <tr> <td style="border-right: 1px solid black;"></td> <td style="text-align: right;"><u>300</u></td> <td></td> <td style="border-right: 1px solid black;">Bad debts</td> <td style="text-align: right;"><u>225 (1)</u></td> </tr> <tr> <td style="border-right: 1px solid black;"></td> <td></td> <td></td> <td style="border-right: 1px solid black;"></td> <td style="text-align: right;"><u>300</u></td> </tr> </table>	Bal b/d	300 (1)		Bank	75 (1)		<u>300</u>		Bad debts	<u>225 (1)</u>					<u>300</u>	[3]										
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(ii)	<p style="text-align: center;">Bret Purple</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; border-right: 1px solid black;">Bal b/d</td> <td style="width: 25%; text-align: right;"><u>190 (1)</u></td> <td style="width: 5%;"></td> <td style="width: 20%; border-right: 1px solid black;">Bad Debts</td> <td style="width: 25%; text-align: right;"><u>190 (1)</u></td> </tr> <tr> <td style="border-right: 1px solid black;"></td> <td style="text-align: right;"><u>190</u></td> <td></td> <td style="border-right: 1px solid black;"></td> <td style="text-align: right;"><u>190</u></td> </tr> </table>	Bal b/d	<u>190 (1)</u>		Bad Debts	<u>190 (1)</u>		<u>190</u>			<u>190</u>	[2]															
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Jose Violet	225 (1)		Profit and Loss(1)	655 (1)																							
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(iv)	<p style="text-align: center;">Provision for Doubtful Debts</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; border-right: 1px solid black;">Profit and Loss</td> <td style="width: 25%; text-align: right;">193 (1)</td> <td style="width: 5%;"></td> <td style="width: 20%; border-right: 1px solid black;">Bal b/d</td> <td style="width: 25%; text-align: right;">1,890 (1)</td> </tr> <tr> <td style="border-right: 1px solid black;">Bal c/d (1)</td> <td style="text-align: right;"><u>1,697 (1)</u></td> <td></td> <td style="border-right: 1px solid black;"></td> <td></td> </tr> <tr> <td style="border-right: 1px solid black;"></td> <td style="text-align: right;"><u>1,890</u></td> <td></td> <td style="border-right: 1px solid black;"></td> <td style="text-align: right;"><u>1,890</u></td> </tr> </table>	Profit and Loss	193 (1)		Bal b/d	1,890 (1)	Bal c/d (1)	<u>1,697 (1)</u>					<u>1,890</u>			<u>1,890</u>	[4]										
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(e)	<p>Past history, by looking at the percentage of debts which have turned bad in past years.</p> <p>Economical factors, by analysing the state of the economy as to whether it is a boom time or recession.</p> <p>Knowledge of a particular debtor who may be having financial difficulties.</p> <p><i>Candidates are expected to identify two reasons and explain each of them.</i></p> <p style="text-align: right;">[(1 + 1)x2] Total marks</p>	<p>[4] [33]</p>

Question	AO1	AO2	AO3	Total
1	20	22	5*	47
2(a)	4	6	5	15
2(b)		2		2
2(c)		2		2
2(d)		2	8*	10
2(e)		2	2	4
Totals	24	36	20	80

*Includes QWC

F012 Unit 2 - Accounting Applications

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1 (a)*	<p><u>Hannah and Louise</u> <u>Profit and Loss and Appropriation Account for the year ended 30 April 2009</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Sales commission received</td> <td style="width: 20%;"></td> <td style="width: 20%; text-align: right;">100,000 (1)</td> </tr> <tr> <td>Bank interest</td> <td></td> <td style="text-align: right;"><u>800 (1)</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">100,800</td> </tr> <tr> <td>Rent</td> <td style="text-align: right;">18,200 (1)</td> <td></td> </tr> <tr> <td>Electricity</td> <td style="text-align: right;">7,100 (1)</td> <td></td> </tr> <tr> <td>Wages</td> <td style="text-align: right;">6,000</td> <td></td> </tr> <tr> <td>General expenses</td> <td style="text-align: right;">17,000 (1)</td> <td></td> </tr> <tr> <td>Provision for doubtful debts</td> <td style="text-align: right;">800 (1)</td> <td></td> </tr> <tr> <td>Provision for depreciation</td> <td style="text-align: right;"><u>5,100 (1)</u></td> <td></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>54,200</u></td> </tr> <tr> <td>Net Profit</td> <td></td> <td style="text-align: right;">46,600</td> </tr> <tr> <td>Interest on drawings</td> <td>Hannah</td> <td style="text-align: right;">1,080 (1)</td> </tr> <tr> <td></td> <td>Louise</td> <td style="text-align: right;"><u>1,320 (1)</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>2,400</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">49,000</td> </tr> <tr> <td>Interest on capital</td> <td>Hannah</td> <td style="text-align: right;">2,000 (1)</td> </tr> <tr> <td></td> <td>Louise</td> <td style="text-align: right;"><u>1,500 (1)</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>3,500</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">45,500</td> </tr> <tr> <td>Salaries</td> <td>Hannah</td> <td style="text-align: right;">20,000 (1 for both)</td> </tr> <tr> <td></td> <td>Louise</td> <td style="text-align: right;"><u>15,000</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>35,000</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">10,500</td> </tr> <tr> <td>Share of profits</td> <td>Hannah</td> <td style="text-align: right;">6,300 (1 for both)</td> </tr> <tr> <td></td> <td>Louise</td> <td style="text-align: right;"><u>4,200</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>10,500</u></td> </tr> </table>	Sales commission received		100,000 (1)	Bank interest		<u>800 (1)</u>			100,800	Rent	18,200 (1)		Electricity	7,100 (1)		Wages	6,000		General expenses	17,000 (1)		Provision for doubtful debts	800 (1)		Provision for depreciation	<u>5,100 (1)</u>				<u>54,200</u>	Net Profit		46,600	Interest on drawings	Hannah	1,080 (1)		Louise	<u>1,320 (1)</u>			<u>2,400</u>			49,000	Interest on capital	Hannah	2,000 (1)		Louise	<u>1,500 (1)</u>			<u>3,500</u>			45,500	Salaries	Hannah	20,000 (1 for both)		Louise	<u>15,000</u>			<u>35,000</u>			10,500	Share of profits	Hannah	6,300 (1 for both)		Louise	<u>4,200</u>			<u>10,500</u>	
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	<p data-bbox="336 293 783 327"><u>Balance Sheet as at 30 April 2009</u></p> <p data-bbox="336 331 507 365"><u>Fixed Assets</u></p> <p data-bbox="336 369 1310 403">Equipment 16,900 (1)</p> <p data-bbox="336 407 533 441"><u>Current Assets</u></p> <p data-bbox="336 445 1023 479">Debtors 39,200 (1)</p> <p data-bbox="336 483 970 517">General expenses 1,000</p> <p data-bbox="336 521 970 555">Rent 1,800</p> <p data-bbox="336 560 1023 593">Loan interest 800 (1)</p> <p data-bbox="336 598 970 631">Bank <u>55,000</u></p> <p data-bbox="874 636 970 669">97,800</p> <p data-bbox="336 674 564 707"><u>Current Liabilities</u></p> <p data-bbox="336 712 970 745">Creditors 36,000</p> <p data-bbox="336 750 1023 784">Electricity <u>400</u> (1)</p> <p data-bbox="874 788 970 822">36,400</p> <p data-bbox="336 826 1310 860">Working capital <u>61,400</u> (1)</p> <p data-bbox="1145 864 1241 898"><u>78,300</u></p>	

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	<p><u>Financed by</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Capital</td> <td style="width: 20%;">Hannah</td> <td style="width: 10%;">40,000</td> <td style="width: 10%;">(1 for both)</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td></td> <td>Louise</td> <td><u>30,000</u></td> <td></td> <td>70,000</td> <td></td> </tr> <tr> <td colspan="6"><u>Current Accounts</u></td> </tr> <tr> <td></td> <td></td> <td>Hannah</td> <td>Louise</td> <td></td> <td></td> </tr> <tr> <td>Bal b/d</td> <td></td> <td>(2,300)</td> <td>4,000</td> <td></td> <td>(1)</td> </tr> <tr> <td>Salaries</td> <td></td> <td>20,000</td> <td>15,000</td> <td></td> <td>(1)</td> </tr> <tr> <td>Interest on capital</td> <td></td> <td>2,000</td> <td>1,500</td> <td></td> <td>(1of)</td> </tr> <tr> <td>Profit</td> <td></td> <td><u>6,300</u></td> <td><u>4,200</u></td> <td></td> <td>(1of)</td> </tr> <tr> <td></td> <td></td> <td>26,000</td> <td>24,700</td> <td></td> <td></td> </tr> <tr> <td>Drawings</td> <td></td> <td>18,000</td> <td>22,000</td> <td></td> <td>(1)</td> </tr> <tr> <td>Interest on drawings</td> <td></td> <td><u>1,080</u></td> <td><u>1,320</u></td> <td></td> <td>(1of)</td> </tr> <tr> <td>Bal c/d</td> <td></td> <td><u>6,920</u></td> <td><u>1,380</u></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td><u>8,300</u></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td><u>78,300</u></td> <td></td> </tr> </table> <p style="text-align: right; margin-right: 20px;">QWC</p>	Capital	Hannah	40,000	(1 for both)				Louise	<u>30,000</u>		70,000		<u>Current Accounts</u>								Hannah	Louise			Bal b/d		(2,300)	4,000		(1)	Salaries		20,000	15,000		(1)	Interest on capital		2,000	1,500		(1of)	Profit		<u>6,300</u>	<u>4,200</u>		(1of)			26,000	24,700			Drawings		18,000	22,000		(1)	Interest on drawings		<u>1,080</u>	<u>1,320</u>		(1of)	Bal c/d		<u>6,920</u>	<u>1,380</u>							<u>8,300</u>						<u>78,300</u>		<p style="text-align: right;">[25] [3] [28]</p>
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(a)	(i) Gross profit $\frac{60,000}{120,000} = 50\%$ (1) $\frac{42,000}{150,000} = 28\%$ (1) % of sales	[12]
	(ii) Net profit $\frac{24,000}{120,000} = 20\%$ (1) $\frac{18,000}{150,000} = 12\%$ (1) % of sales	
	(iii) Current ratio $\frac{20,000}{20,000} = 1:1$ (1) $\frac{22,000}{8,000} = 2.75:1$ (1)	
	(iv) Acid test $\frac{8,000}{20,000} = 0.4:1$ (1) $\frac{8,000}{8,000} = 1:1$ (1)	
	(v) ROCE $\frac{24,000}{480,000} = 5\%$ (1) $\frac{18,000}{200,000} = 9\%$ (1)	
	(vi) Stock turnover $\frac{60,000}{10,000} = 6$ times (1) $\frac{108,000}{15,000} = 7.2$ times (1)	

Question Number	Expected Answer	Marks
(b)*	<p>Gross profit margin significantly lower for Jennings, higher cost of sales or lower selling price.</p> <p>Net profit margin significantly lower for Jennings; Jennings has very high expenses compared to those of Bentley.</p> <p>Current ratio Bentley 1:1 too low, may have problems paying liabilities Jennings 2.75:1 can comfortably pay current liabilities; a little higher than average of 2:1</p> <p>Acid test ratio Bentley 0.4:1, again indicating a very poor liquidity company does not have enough liquid assets to pay liabilities, high creditors figure and bank overdraft. Jennings acceptable ratio of 1:1, in line with average.</p> <p>Return on capital employed Bentley (5%) not a very high return for the amount of capital invested. Jennings has a higher return for amount of capital invested.</p> <p>Stock-turn for Jennings is higher than that of Bentley showing that they are moving in stock quicker, perhaps due to lower selling price.</p> <p>Bentley may have higher gross and net profit percentages, but the relative profitability is higher and Jennings has better liquidity than Bentley.</p> <p>(3 points x 3 marks - maximum 8 marks)</p>	<p>[8]</p> <p>QWC [2]</p> <p>[22]</p>

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3 (a)	<p><u>Fern Gully</u> <u>Trading and Profit and Loss Account for the year ended 31 March 2009</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Sales (85,000-7,200+8,300+1,400+24,000)</td> <td style="width: 10%;"></td> <td style="width: 10%; text-align: right;">111,500</td> <td style="width: 10%;"></td> <td style="width: 10%; text-align: right;">(4)</td> </tr> <tr> <td>Opening stock</td> <td style="text-align: right;">8,000</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Purchases (37,000-3,400+3,700+500-2,400)</td> <td style="text-align: right;"><u>35,400</u></td> <td></td> <td></td> <td style="text-align: right;">(4)</td> </tr> <tr> <td></td> <td style="text-align: right;">43,400</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Closing stock</td> <td style="text-align: right;"><u>9,200</u></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Cost of sales</td> <td></td> <td style="text-align: right;"><u>34,200</u></td> <td></td> <td></td> </tr> <tr> <td>Gross Profit</td> <td></td> <td style="text-align: right;">77,300</td> <td></td> <td></td> </tr> <tr> <td>Discounts received</td> <td></td> <td style="text-align: right;"><u>500</u></td> <td></td> <td style="text-align: right;">(1)</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">77,800</td> <td></td> <td></td> </tr> <tr> <td>Motor expenses</td> <td style="text-align: right;">3,800</td> <td></td> <td></td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Rent</td> <td style="text-align: right;">5,800</td> <td></td> <td></td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Rates</td> <td style="text-align: right;">1,700</td> <td></td> <td></td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Wages</td> <td style="text-align: right;">18,000</td> <td></td> <td></td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Discounts allowed</td> <td style="text-align: right;">1,400</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Loan interest</td> <td style="text-align: right;">700</td> <td></td> <td></td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Provision for doubtful debts</td> <td style="text-align: right;">249</td> <td></td> <td></td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Depreciation fixtures</td> <td style="text-align: right;">8,000</td> <td></td> <td></td> <td style="text-align: right;">(1)</td> </tr> <tr> <td>Depreciation delivery van</td> <td style="text-align: right;"><u>2,500</u></td> <td></td> <td></td> <td style="text-align: right;">(1)</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><u>42,149</u></td> <td></td> <td></td> </tr> <tr> <td>Net Profit</td> <td></td> <td style="text-align: right;"><u><u>35,651</u></u></td> <td></td> <td style="text-align: right;">(1)</td> </tr> </table>	Sales (85,000-7,200+8,300+1,400+24,000)		111,500		(4)	Opening stock	8,000				Purchases (37,000-3,400+3,700+500-2,400)	<u>35,400</u>			(4)		43,400				Closing stock	<u>9,200</u>				Cost of sales		<u>34,200</u>			Gross Profit		77,300			Discounts received		<u>500</u>		(1)			77,800			Motor expenses	3,800			(1)	Rent	5,800			(1)	Rates	1,700			(1)	Wages	18,000			(1)	Discounts allowed	1,400				Loan interest	700			(1)	Provision for doubtful debts	249			(1)	Depreciation fixtures	8,000			(1)	Depreciation delivery van	<u>2,500</u>			(1)			<u>42,149</u>			Net Profit		<u><u>35,651</u></u>		(1)	[18]
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3 (b)	<p><u>Balance Sheet as at 31 March 2009</u></p> <table> <tr> <td colspan="2">Fixed Assets</td> <td></td> </tr> <tr> <td>Fixtures</td> <td></td> <td>68,000</td> </tr> <tr> <td>Delivery Van</td> <td></td> <td><u>7,500</u></td> </tr> <tr> <td></td> <td></td> <td>75,500 (1)</td> </tr> <tr> <td colspan="2"><u>Current Assets</u></td> <td></td> </tr> <tr> <td>Stock</td> <td>9,200</td> <td></td> </tr> <tr> <td>Debtors</td> <td>8,051 (1)</td> <td></td> </tr> <tr> <td>Rent</td> <td>600</td> <td></td> </tr> <tr> <td>Rates</td> <td>300</td> <td></td> </tr> <tr> <td>Bank</td> <td><u>31,350</u> (1)</td> <td></td> </tr> <tr> <td></td> <td>49,501 (1)</td> <td></td> </tr> <tr> <td colspan="2"><u>Current Liabilities</u></td> <td></td> </tr> <tr> <td>Creditors</td> <td>3,700</td> <td></td> </tr> <tr> <td>Loan Interest</td> <td><u>700</u></td> <td></td> </tr> <tr> <td></td> <td>4,400 (1)</td> <td></td> </tr> <tr> <td>Working capital</td> <td></td> <td><u>45,101</u></td> </tr> <tr> <td></td> <td></td> <td>120,601</td> </tr> <tr> <td colspan="2"><u>Long Term Liabilities</u></td> <td></td> </tr> <tr> <td>Loan</td> <td></td> <td><u>14,000</u> (1)</td> </tr> <tr> <td></td> <td></td> <td><u>106,601</u></td> </tr> <tr> <td colspan="2"><u>Financed by</u></td> <td></td> </tr> <tr> <td>Capital</td> <td></td> <td>62,350 (1)</td> </tr> <tr> <td>Additional capital</td> <td></td> <td><u>36,000</u> (1)</td> </tr> <tr> <td></td> <td></td> <td>98,350</td> </tr> <tr> <td>Net profit</td> <td></td> <td><u>35,651</u> (1of)</td> </tr> <tr> <td></td> <td></td> <td>134,001</td> </tr> <tr> <td>Drawings</td> <td></td> <td><u>27,400</u> (1)</td> </tr> <tr> <td></td> <td></td> <td><u>106,601</u></td> </tr> </table>	Fixed Assets			Fixtures		68,000	Delivery Van		<u>7,500</u>			75,500 (1)	<u>Current Assets</u>			Stock	9,200		Debtors	8,051 (1)		Rent	600		Rates	300		Bank	<u>31,350</u> (1)			49,501 (1)		<u>Current Liabilities</u>			Creditors	3,700		Loan Interest	<u>700</u>			4,400 (1)		Working capital		<u>45,101</u>			120,601	<u>Long Term Liabilities</u>			Loan		<u>14,000</u> (1)			<u>106,601</u>	<u>Financed by</u>			Capital		62,350 (1)	Additional capital		<u>36,000</u> (1)			98,350	Net profit		<u>35,651</u> (1of)			134,001	Drawings		<u>27,400</u> (1)			<u>106,601</u>	[11]
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Question Number	Expected Answer	Marks
(c)	<p>Advantages:</p> <ul style="list-style-type: none"> • Speed, information can be processed quicker • Up to date, information is up to date • Accurate, for information to be useful it must be accurate • Storage, less storage space needed • Security, passwords can be used to keep information confidential. <p>Disadvantages:</p> <ul style="list-style-type: none"> • Cost, purchase and upgrading of computer equipment • Training, staff need to be trained in use of software • Technical problems, can cause severe problems delays to staff customers and suppliers • Operator error, computer systems will only be effective if correct data is input • Security, outsiders may be able to 'hack' into the system. <p>(4 x 2 marks maximum 8 marks)</p>	<p>[8]</p> <p>Total marks [36]</p>

Question Number	Expected Answer	Marks																								
4 (a)	<p style="text-align: center;">Sales Ledger Control Account</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; border-right: 1px solid black;"> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Balance b/d</td> <td style="width: 50%; text-align: right;">340,000</td> </tr> <tr> <td>Credit sales</td> <td style="text-align: right;">1,407,100 (1)</td> </tr> <tr> <td>Bank (dishonoured)</td> <td style="text-align: right;">10,000 (1)</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;"><u>1,757,100</u></td> </tr> </table> </td> <td style="width: 50%;"> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Bank</td> <td style="width: 50%; text-align: right;">1,500,500 (1)</td> </tr> <tr> <td>Sales returns</td> <td style="text-align: right;">11,000 (1)</td> </tr> <tr> <td>Discounts allowed</td> <td style="text-align: right;">21,600 (1)</td> </tr> <tr> <td>Bad debts</td> <td style="text-align: right;">8,700 (1)</td> </tr> <tr> <td>Contra purchases ledger</td> <td style="text-align: right;">32,000 (1)</td> </tr> <tr> <td>Balance c/d</td> <td style="text-align: right;">183,300 (1)</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;"><u>1,757,100</u></td> </tr> </table> </td> </tr> </table>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Balance b/d</td> <td style="width: 50%; text-align: right;">340,000</td> </tr> <tr> <td>Credit sales</td> <td style="text-align: right;">1,407,100 (1)</td> </tr> <tr> <td>Bank (dishonoured)</td> <td style="text-align: right;">10,000 (1)</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;"><u>1,757,100</u></td> </tr> </table>	Balance b/d	340,000	Credit sales	1,407,100 (1)	Bank (dishonoured)	10,000 (1)		<u>1,757,100</u>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Bank</td> <td style="width: 50%; text-align: right;">1,500,500 (1)</td> </tr> <tr> <td>Sales returns</td> <td style="text-align: right;">11,000 (1)</td> </tr> <tr> <td>Discounts allowed</td> <td style="text-align: right;">21,600 (1)</td> </tr> <tr> <td>Bad debts</td> <td style="text-align: right;">8,700 (1)</td> </tr> <tr> <td>Contra purchases ledger</td> <td style="text-align: right;">32,000 (1)</td> </tr> <tr> <td>Balance c/d</td> <td style="text-align: right;">183,300 (1)</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;"><u>1,757,100</u></td> </tr> </table>	Bank	1,500,500 (1)	Sales returns	11,000 (1)	Discounts allowed	21,600 (1)	Bad debts	8,700 (1)	Contra purchases ledger	32,000 (1)	Balance c/d	183,300 (1)		<u>1,757,100</u>	[8]
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Original balance	147,100										
Purchasing returns	(3,000)	(1)									
	<u>144,100</u>	(1)									
(e)	<p>Control accounts are usually completed by a supervisor whilst the sales and purchases ledger are usually completed by ledger clerks therefore providing a division of duties.</p> <p>The balance on the control account and the balance on the ledger have to be equal.</p> <p>It is therefore harder for fraud to be committed.</p> <p>(2 points x 2 marks) (1 for point plus 1 for development)</p>	[4]									
Total marks		[24]									

Assessment Objectives Grid

Question	AO1	AO2	AO3	Total
1(a)	12	8	8*	28
1(b)	4	3		7
1(c)		1	2	3
2(a)	6	6		12
2(b)		4	6*	10
3(a)	9	9		18
3(b)	3	4	3	10
3(c)		6	2	8
4(a)	2	4	2	8
4(b)		2	2	4
4(c)		3	3	6
4(d)		2		2
4(e)		2	2	4
Totals	36	54	30	120

* Includes QWC

Grade Thresholds

Advanced GCE Accounting (H011 H0411)
June 2009 Examination Series

Unit Threshold Marks

Unit		Maximum Mark	A	B	C	D	E	U
F011	Raw	80	65	58	51	45	39	0
	UMS	80	64	56	48	40	32	0
F012	Raw	120	93	80	68	56	44	0
	UMS	120	96	84	72	60	48	0

Specification Aggregation Results

Overall threshold marks in UMS (ie after conversion of raw marks to uniform marks)

	Maximum Mark	A	B	C	D	E	U
H011	200	160	140	120	100	80	0

The cumulative percentage of candidates awarded each grade was as follows:

	A	B	C	D	E	U	1594
H011	9.7	23.7	39.6	55.9	71.1	0	2163

1594 candidates aggregated this series

For a description of how UMS marks are calculated see:

http://www.ocr.org.uk/learners/ums_results.html

Statistics are correct at the time of publication.

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