



2011 Accounting & Finance

Standard Grade – Credit

Special Instructions

Finalised Marking Instructions

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2011 Standard Grade – Accounting and Finance

Credit Paper

Special Instructions

ACCEPT consequential errors

LOSE award for any items omitted

Question 1

(a) Mark as per solution

Any entry on wrong side

Dates missing/wrong

Ignore balances (other than opening)

Nomenclature missing/wrong (could be consequential)

01/03 Opening Balance – right or wrong – if wrong
(If debit or credit not indicated check subsequent balance before awarding mark)

07/03 Any other Sales figure with working – mark according

Any other Sales figure without working – on correct side – award 1 mark for entry

If figure correct but Cr

If calculation for Sales shown in Statement award mark accordingly

If amount and VAT shown separately

10/03 Payment/Bank/Cheque – right or wrong – if wrong

Discount (ignore allowed/received) – right or wrong – if wrong

If shown as £524.81 (must say “Bank/Cheque/Payment & Discount”) accept for 2 marks

If £524.81 and only “Bank/Cheque/Payment” award 1 mark

15/03 Returns – right or wrong – if wrong

	Award Marks Lost	Penalties
	1	
		-1 once
		-1 once
	Lose award	
	4	
	1	
		-1
	Accept	
	1	
	1	
	1	
	1	

Question 1 (continued)

(b) Mark as per solution

(c) Document Name (1 mark), if "Copy"
Any 2 reasonable uses for 1 mark each

If document wrong but use explains Credit Note –
accept use

(d) Accept any 2 advantages and any 2 disadvantages

Award Marks Lost	Penalties
Lose Award	

Question 2

- (a) Mark as per solution &
- (b) Wrong/omitted dates
Wrong/omitted nomenclature
Any reasonable nomenclature

Extra entries for any transaction

Do not penalise nomenclature if consequential on transaction

Mark nameless accounts if identifiable by its figures

If entries completely reversed (Opening balances are either right or wrong – no award if wrong)

If one entry correct (apart from balances) mark as per solution

Cash

Opening balance right or wrong – if wrong

Mark as per solution

06/03 Accept Sales £200 and VAT £35 for 1 mark

08/03 Accept Equipment £30 and VAT £5.25 for 1 mark

10/03 Amount is consequential on previous balance

Bank

Opening balance right or wrong – if wrong

Mark as per solution

02/03 Accept Equipment £120 and VAT £21 for 1 mark

10/03 Amount consequential on cash entry

Accept Bank Overdraft and Bank as separate accounts

Equipment

Opening balance right or wrong – if wrong

Mark as per solution

VAT Mark as per solution

Drawings Mark as per solution

Sales Mark as per solution

02/03: If treated as Purchases lose award in Purchases Account only

Do not accept as Sales in ANY account

08/03: If treated as Purchase Returns, accept if **02/03** was treated as Purchases – if not lose award in Purchase Returns Account only

Do not accept as Sales Returns in ANY account

Award Marks Lost	Penalties
ACCEPT	-1 max -1 max
	-1 each time
Lose award	AWARD half marks (7 for entries and 3 for balances = 10 max)
Lose award	
Lose award	

Question 2 (continued)

(c) Mark as per solution

“Increased Sales” accept only once unless justified
If just a list with no attempt to distinguish between
Advantages/Disadvantages – mark **first 2** as
Advantages and then only award Disadvantage marks if
they appear as **next 2**.

Has to be benefits to the business, not the customer

(d) Mark as per solution

1 for each Financial Statement name
2 marks for explanation of each Financial Statement

Award Marks Lost	Penalties

Question 3

- (a) Watch out for consequentiality – especially Selling Price and Variable costs
- Fixed Costs – right or wrong – if wrong lose award (but accept in consequential questions)
- Unit Contribution – Consequential on SP & VC
- (b) New Fixed Costs – (Previous figure + £200) – accept
- Previous Unit Contribution accept
- (c) Required Contribution – (Previous Fixed Costs + £5,000) – accept
- Previous Unit Contribution accept
- (d) Mark as per solution
- (i) Decrease – right or wrong – if wrong
No consequentiality for explanation
- (ii) Decrease – right or wrong – if wrong
No consequentiality for explanation
- (e) Mark as per solution
- No consequentiality in part (ii) if part (i) wrong

Award Marks Lost	Penalties
1	
1	
1	

Question 4

(a) Mark as per solution

Be aware of consequentiality throughout

Heading wrong/missing

-1 max

Any figure omitted/wrong

Lose award

Any extraneous items (Debtors, Loan, Drawings, Creditors)

-1 (2 max)

If Carriage In subtracted from Purchases

Lose award

If Returns Out added to Purchases

Lose award

If Closing Stock deducted from Net Purchases lose COS award

If Closing Stock added to Goods Available

Lose award

If Cost of Sales added to Sales, lose award for GP figure

GP must be labelled to gain label award

If Rent Received subtracted from GP

Lose award

Adjustments must be shown as part of item OR directly below item, if not – Lose award

PBD – 1 mark for calculation and 1 mark for entry

If calculation shows a decrease – award 1 mark for decrease entry

Depreciation of Van: £1,500 (2) } Must state
 £3,000 (1) } Depreciation – if
 £10,000 (0) } labelled as Van
 £8,500 (1) } deduct one mark
 £4,500 (1) } – no negatives

If Van and Depreciation shown apply +/-

If Exp added to Profit, lose NP figure award

NP must be labelled to gain NP label award

(b) Both terms must be fully explained to gain full marks.

Maximum 2 marks per term

Award Marks Lost	Penalties
Lose award	
Lose award	
Lose award	
Lose award	
Lose award	

Question 5

(a) Mark as per solution

Ignore dates but, wrong/missing nomenclature

If opening balance credited

If opening balance without debit or credit entry check subsequent balance before awarding one mark

(b) **If not an account only award one mark for £500 and £216 calculations**

Sales Returns

£500 debit

£250 credit

£250 debit

Drawings

Right or wrong – if wrong

Cash

£216 debited

Any other figure credited

Any other figure debited

Purchases

Right or wrong – if wrong

(c) Right or wrong – must be in correct order – if wrong

If only one named award one mark

(d) Accept any of the errors in solution –

1 mark if only error name given each time

2 marks for description or example each time

Accept errors from part (c) if not used in part (c)

Maximum 2 marks per error

(e) Mark as per solution – must be some mention of debits and credits or double entry to gain award

Award Marks Lost	Penalties
1	-1 max
1	
1	
2	
Lose award	
1	
1	
2	
1	
1 each time	

Question 6

(a) Mark as per solution

Correct and no working – Award full marks

Wrong answer and no working

One of the constituent parts of the ratio must be correct to gain consequential mark for answer

ACCEPT WC Ratio wrong way round

Return on Capital figures inverted

(b) Any 2 appropriate ratios

1 mark for ratio name/formula

2 marks for explanation

Accept Current Ratio and ROCE if not used in part (a)

(c) Type of business – right or wrong – if wrong

No consequentiality for reason

Reason – Mark as per solution

(d) Any 2 valid reasons

(e) Any 2 correct banking services – ACCEPT for one mark each

Any acceptable justification of DD

Award Marks Lost	Penalties
Lose award	
4	
Lose award	
ACCEPT	
ACCEPT	

[END OF MARKING INSTRUCTIONS]