



**EDUCATIONAL QUALITY  
AND**



***Scoring  
Rubric  
2019***

**South Pacific  
Form  
Seven  
Certificate**

© Educational Quality and Assessment Programme, 2019  
3 Luke Street, Nabua, Private Mail Bag, Suva, Fiji.  
Telephone: (679) 3370233 Fax: (679) 3370021

All rights reserved. No part of this publication may be reproduced by any means without the prior permission of the Educational Quality and Assessment Programme

## 2019 SPFSC ACCOUNTING ASSESSMENT SCHEDULE

Item	Skill Level	Evidence	Level 1 (Unistructural)	Level 2 (Multistructural)	Level 3 (Relational)	Level 4 (Extended Abstract)
1.1a	1	<ul style="list-style-type: none"> <li>-assist the IASB in the development of future IFRSs and in its review of existing IFRSs.</li> <li>- assist preparers of financial statements in developing accounting policies for transactions or events not covered by existing standards.</li> <li>- Helps in understanding and interpreting the accounting standards, developing consistent accounting policies and auditors in forming an opinion</li> </ul>	Any one point			
1.1b	1	<ul style="list-style-type: none"> <li>-provide a global framework for how public companies prepare and disclose their financial statements.</li> <li>-provides general guidance for the preparation of financial statements, rather than setting rules for industry-specific reporting.</li> <li>- It enables financial statements of businesses to be compared internationally.</li> <li>-standardise reporting</li> </ul>	Any one point			
1.1c	1	<ul style="list-style-type: none"> <li>-ensure that financial reporting is transparent and consistent from one organization to another.</li> <li>-ensure that the fundamental rules and <b>accounting principles</b> are followed throughout the accounting period while preparing their financial statements</li> </ul>	Any one point			
1.2a	2	-each partner has unlimited liability. Upon dissolution of the partnership, all partners are legally liable to pay for all the debts of the partnership	-response is limited to 'unlimited liability'	Further elaboration on the partner's responsibility to pay all debts of the partnership in an event of dissolution.		
1.2b	2	<ul style="list-style-type: none"> <li>-Percentage of ownership</li> <li>- Allocation of profits and losses</li> <li>- Who can bind the partnership</li> <li>-Decision making</li> <li>-Dissolution of the partnership</li> <li>-Resolving disputes</li> </ul>	Only 1 feature is stated	Two features or more are listed		
1.2c	1	-an entity where it is reasonable to expect that there are users dependent on a general purpose financial report (GPFR) to gain an understanding of the financial position and performance of the entity, and to make decisions based on this financial information and other information contained in the financial report.	A definition in line with the recommended response			

		- IASB definition in the revised Conceptual Framework is “An entity that is required, or chooses, to prepare financial statements.”				
1.2d	1	-a company that does not have to pay tax or act according to the usual regulations of the country in which it is established	A definition in line with the recommended response			
1.2e	2	-The liability of the shareholders of an exempt company is limited up to the unpaid amount of the shares they hold.	-Vague response e.g. liability is limited	Response fully includes the correct answer		
1.2f	1	A limited liability company (LLC) is a corporate structure whereby the members of the company cannot be held personally liable for the company's debts or liabilities. OR -A company whose owners are legally responsible for its debts only to the extent of the amount of shares they have agreed to buy.	-key words such as shareholders personal assets are not at risk - shareholders are only liable to the outstanding amount of shares they hold			
1.2g	2	-directors are required to act in the best interests of the company, its shareholders, its employees and its creditors. This is called a 'duty of care' or 'fiduciary duty'. -directors are not personally liable for paying the company's debts.	-one idea only is provided e.g. just stating that directors are not liable for the debts of the company	A description of why directors are not personally liable for the debts of the company i.e. two or more appropriate ideas are provided.		
1.2h	1	Relevance means that the financial information should make a difference in the decision of an economic nature by the users	Response mentions decision making			
2.1	3	Distribution of profits to partners is accounted for in the Profit and Loss appropriation account after all adjustments are made as per the Partnership Agreement. Drawings is debited to the partners' capital accounts The share of profit and the drawings are both transferred to the current/capital account of the partners.	Either the distribution of profits or drawings discussed	Distribution of profits and drawings stated vaguely i.e. two or more relevant ideas are stated but linking is not clear.	Clear linking between the distribution of profits and drawings are accounted for in the current/capital accounts of the partners.	
2.2a	3	-a document that specifies the regulations for a company's operations and defines the company's purpose. -The document lays out how tasks are to be accomplished within the organization, including the process for appointing directors and the handling of financial records.	-vaguely outlines the items in the Articles of Association	Brief explanation of the Articles of Association	Detailed explanation of the Articles of Association	

2.2b	4	Date	Particulars	Debit	Credit		One correct entry with incorrect amount.	Both entries correct but with wrong amounts; or one correct entry with correct amount	3 correct entries	Correct entry for dr and cr with the amount
		Dec 31	Amortisation of Goodwill	\$7 500						
			Goodwill		\$7 500					
			(to record the amortisation of Goodwill)							
3.1a	1	-indirect costs are costs that are not directly accountable to a cost object (such as a particular project, facility, function or product).					Correctly defined			
3.1b	1	-A cost driver is the unit of an activity that causes the change in activity's cost.					Correctly defined			
3.1c	1	Cost Driver for a garment factory					labour hrs			
3.1d	2	Working: FOH Budgeted/Labour Cost =\$2700 000/\$1500 000=\$1.80					<u>Working correct but incorrect answer</u>	<u>Working and answer correct</u>		
3.1e	2	FOH= Budgeted FOH Applied- Actual FOH =\$2700 000-\$2800 000 =\$100 000 underapplied					Working and answer correct but underapplied not stated	Working and answer correct and stating underapplied		
3.1f	1	Variable Cost for soap production-Costs of raw materials such as oil, coconut, fragrance					Variable Cost identified			
3.1g	1	Fixed cost for soap production- Factory rent, insurance, Salary for Supervisors, etc					Fixed Cost identified			
3.2a	2	Job order costing or job costing is a system for assigning manufacturing costs to an individual product or batches of products. Generally, the job order costing system is used only when the products manufactured are sufficiently different from each other. OR -Job costing is based on individual jobs based on customer specification or preference. Each product manufactured is custom made or unique with its own set of costs.					Briefly noted without further details of assigning costs which are different to each other	Detailed description of the job cost system, i.e. two or more appropriate ideas are stated		

3.2b	2	Job-Order Cost Sheet (WIP) Materials Stockcards Cost (DM) Finished Goods Stock card (FG) Factory Overhead Control Cost Record (FOH) Materials Requisition, Time Ticket and Clock Card (DL)			Only 1 identified	2 or more source documents identified		
3.2c	1	Direct Materials (DM), Direct Labour (DL) Factory overhead (FOH)			1 correctly stated			
3.2d	1	To determine the FOH rate, a cost driver is used- machine hours, labour hours			Correctly stating the cost driver			
4.1a	2	To allocate profits/losses as per the partnership agreement after adjustments for partnership entitlements/charges have been account for.			Only noted the allocation of profits/losses	Stated both profit/losses and adjustments for partnership entitlements and charges		
4.1b	2	Prepare a profit and loss summary to calculate the net profit which is then transferred to the Profit Distribution Account to determine the residual profit or loss. Adjustments are made on partners entitlements and charges as per the partnership agreement. The residual profit or loss is then transferred to the partners' current or capital accounts in the Balance Sheet			Part of the process outlined.	The process is detailed. At least two appropriate ideas are provided.		
4.1c	3			\$	\$	One correct entry with incorrect amounts OR One correct amount with incorrect entries	1 entry correct with correct amount OR correct entries with incorrect amounts	Both entries correct with correct amounts
		Legal Fees accrued	3000					
		Legal Fees		3000				
		(For legal fees earned but yet to be received)						
4.1d	3			\$	\$	One correct entry with incorrect amounts OR One correct amount with incorrect entries	1 entry correct with correct amount OR correct entries with incorrect amounts	Both entries correct with correct amounts
		Insurance Prepaid	8000					
		Insurance expense		8000				
		(For insurance prepaid for 8 months)						

5.1a	1	The purpose of financial statement analysis is to examine past and current financial data so that a company's performance and financial position can be evaluated and future risks and potential can be estimated	Purpose correctly stated; one appropriate idea, e.g. ...'to examine past and current financial data' is sufficient for level 1.			
5.1b	2	XZY Ltd- strengths is its financial stability and liquidity ratios -Another strength is the Turnover of Accounts Receivable is better than ABC Ltd and Industry average. Shareholders say in the business is more than the outsiders.	1 ratio identified	2 ratios identified		
5.1c	2	ABC Ltd- weaknesses is its liquidity and management effectiveness	1 ratio identified	2 ratios identified		
5.1d	1	Net Profit ratio-reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income taxes recognized - NP made per dollar of sales or net margin after all expenses	Correctly stated			
5.1e	1	Quick Asset ratio- shows the ability of the firm to meet its short term debts	Correctly stated			
5.2	3	Management effectiveness and efficiency of XYZ Ltd- is very efficient in terms of selling its stock as well as collecting its debts. It's inline with the industry in terms of selling its stock and it's collecting its debt faster than the industry. This indicates management performance well.	The 2 ratios unidentified but incorrectly discussed	Only 1 of the 2 correctly discussed	Stock Turnover and Debtors turnover discussed	
6.1a	1	Routine decisions	Correctly stated			
6.1b	1	-Restaurant manager will need to assess portion control to prevent food wastage -Estimate the number of customers per day	Correctly stated			
6.2a	2	Determine the beginning <b>cash</b> balance. Determine how much <b>cash</b> will be available at the beginning of the period (fiscal year or quarter or month). Add receipts Deduct disbursements Calculate the <b>cash</b> excess or deficiency Determine financing needed Establish the ending <b>cash</b> balance.	Only receipts & Payments stated OR Opening and Closing cash balance stated	The process correctly stated in order		
6.2b	2	Opening cash balance, Expected Receipts and Payments, Borrowings, repayments, Closing Cash balance	Key components not listed (Cash balance, receipts/payment)	All the components listed		

6.2c	4	Cash Budget for <i>Subrails Window Supplies Ltd</i> for 200 window blinds			1-2 entries correct	3-5 entries correct	6-7 entries correct	All 8 entries correct
			\$	\$				
		<b>Receipts</b>						
		Sales		62 000				
		<b>Total Receipts</b>		62 000				
		<b>Payments</b>						
		Variable costs	24 000					
		Fixed cost(excluding depreciation)	7 500					
		Dividend	3 100					
		<b>Total Payments</b>		34 600				
		<b>Surplus / (Deficit)</b>		27 400				
		<b>Budgeted Bank Balance 30 April</b>		97 500				
		<b>Bank Balance 30 April</b>		124 900				