

**LEVEL 2 AWARD IN BOOKKEEPING AND ACCOUNTING SKILLS (COMPUTERISED) MARKING GUIDANCE**  
**C4 Setting Up Accounting Software to Manage Accounting Information using a Computerised System**

DETAILS		FAULT AREAS	FAULT TYPES
<p><b>Failure to Process:</b> When candidates fail to process, they will be penalised as if the task had been completed, but all elements are incorrect, ie, one fault per missing component.</p> <p><b>Nominal Accounts:</b> This assignment is <b>not</b> software specific. Candidates must use the nominal accounts specified. They must not create or amend or use any other nominal accounts unless instructed to do so.</p> <p><b>Descriptive Text:</b> Candidates are expected to enter a brief descriptive text for each transaction.</p> <p><b>VAT Codes:</b> Various VAT rates will be included in the assignment: standard rate (the standard VAT% will be stated in the assignment), zero rated VAT, VAT exempt, 5% VAT and 'not liable to VAT'.</p> <p>Candidates must use the VAT Code/Rate shown on the transaction. Candidates who use an incorrect VAT Code will be penalised with a concept penalty for each incorrect code.</p> <p><b>Note:</b> Centres must ensure that the VAT rates noted above are all available on their centre software.</p>			
<b>AMEND THE COMPANY NAME</b>			
Company Name	Amend company name as requested	New company name incorrect or omitted	T
<b>IDENTIFY AND ENTER MISSING CUSTOMER ACCOUNTS AND DETAILS</b>			
Customer Accounts and Details	Identify and enter missing customer accounts and details from company customer list	Customer name Customer address Customer contact Customer telephone number	T T T T

**FAULT TYPES:**      T = Textual Accuracy      N = Numerical Accuracy      C = Conceptual Accuracy

<b>ENTER MISSING CUSTOMER OPENING BALANCES</b>			
Customer Opening Balances	Enter missing customer opening balance invoices, credit notes and payments on account.	Date incorrect Reference incorrect or omitted Descriptive text completely omitted Amount incorrect Customer account incorrect Transaction type incorrect (invoice/credit note/pay on acc) Bank account incorrect	T T T N C C C
<b>IDENTIFY AND ENTER MISSING SUPPLIER ACCOUNTS AND DETAILS</b>			
Supplier Accounts and Details	Identify and enter missing supplier accounts and details from company supplier list.	Supplier name Supplier address Supplier contact Supplier telephone number	T T T T
<b>ENTER MISSING SUPPLIER OPENING BALANCES</b>			
Supplier Opening Balances	Enter missing supplier opening balance invoices, credit notes and payments on account.	Date incorrect Reference incorrect or omitted Descriptive text completely omitted Amount incorrect Supplier account incorrect Transaction type incorrect (invoice/credit note/pay on acc) Bank account incorrect	T T T N C C C
<b>ENTER MISSING NOMINAL ACCOUNTS, OPENING BALANCES AND BUDGETS</b>			
Nominal Accounts, Opening Balances and Budgets	Enter missing nominal accounts, nominal account opening balances and budgets from complete trial balance listing.	Date incorrect Reference omitted Nominal account name incorrect or omitted Nominal account reference incorrect or omitted Nominal account balance incorrect or omitted Budget amount incorrect or omitted Transaction type incorrect (Dr/Cr)	T T T C N N C

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<b>ALLOCATE RECEIPTS TO THE CORRECT CUSTOMER OR NOMINAL ACCOUNT</b>			
Allocate receipts	<p>Allocate bank, cash or bank transfer receipts to the correct customer or nominal account.</p> <p>Bank, cash or bank transfer receipts processed to the correct customer account using the following methods: pay invoice(s) in full, pay invoice taking into account credit note, part payment, payment taking into account settlement discount, payment taking into account previous payment on account, and payment on account.</p> <p>Candidates must process nominal account receipts using the correct bank or cash account and method.</p> <p>Candidates to calculate the VAT, when given the VAT rate and gross amount.</p>	<p>Date incorrect</p> <p>Reference incorrect or omitted</p> <p>Customer account incorrect</p> <p>Nominal account incorrect</p> <p>Transaction type incorrect (bank/cash/transfer)</p> <p>Allocation incorrect</p> <p>VAT code incorrect</p> <p>Net/VAT amount incorrect</p> <p>Discount amount incorrect</p> <p>Settlement discount omitted</p>	<p>T</p> <p>T</p> <p>C</p> <p>C</p> <p>C</p> <p>C</p> <p>C</p> <p>N</p> <p>N</p> <p>N</p> <p>T/N/C</p>
<b>ALLOCATE PAYMENTS TO THE CORRECT SUPPLIER OR NOMINAL ACCOUNT</b>			
Allocate payments	<p>Allocate bank, cash or bank transfer payments to the correct supplier or nominal account.</p> <p>Bank, cash or bank transfer payments processed to the correct supplier account using the following methods: pay invoice(s) in full, pay invoice taking into account credit note, part payment, payment taking into account settlement discount, payment taking into account previous payment on account, and payment on account.</p> <p>Candidates must process nominal account payments using the correct bank or cash account and method.</p> <p>Candidates to calculate the VAT, when given the VAT rate and gross amount.</p> <p>Remittance Advice Notes may be requested for supplier bank payments.</p>	<p>Date incorrect</p> <p>Reference incorrect or omitted</p> <p>Supplier account incorrect</p> <p>Nominal account incorrect</p> <p>Transaction type incorrect (bank/cash/transfer)</p> <p>Allocation incorrect</p> <p>VAT code incorrect</p> <p>Remittance Advice Note not printed if requested</p> <p>Net/VAT amount incorrect</p> <p>Discount amount incorrect</p> <p>Settlement discount omitted</p>	<p>T</p> <p>T</p> <p>C</p> <p>C</p> <p>C</p> <p>C</p> <p>C</p> <p>C</p> <p>C</p> <p>N</p> <p>N</p> <p>N</p> <p>T/N/C</p>

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<b>PROCESS CONTRA ENTRY</b>			
Process contra entries	Process contra entry for a company who is both a customer and a supplier. Candidates should be encouraged to use the software automatic facility. This may involve allocating credit notes or payments on account before processing the remaining balance by a contra entry.	Date incorrect Customer/supplier account incorrect Allocation of credit note incorrect or omitted Allocation of payment on account incorrect or omitted Contra amount incorrect	T C C C N
<b>PROCESS DISHONoured CHEQUE</b>			
Process customer dishonoured cheque	Candidates are required to process a cheque returned as unpaid. They must ensure that the Customer Account and the Nominal Ledger Accounts are updated.	Date incorrect Customer account incorrect Bank account incorrect Amount incorrect	T C C N
<b>PROCESS BAD DEBT</b>			
Process Bad Debt	Candidates are required to write off a balance in the Sales Ledger as a bad debt. They must ensure that the customer and nominal accounts are updated.	Date incorrect Customer account incorrect Nominal account incorrect Amount incorrect	T C C N
<b>PROCESS JOURNAL ENTRIES</b>			
Process at least three Journals	Candidates are required to process Journals for at least three of the following:  Record the purchase of new fixed assets Make simple corrections to Nominal Ledger accounts Record goods/cash taken by the owner for own use where tax (VAT) is not involved Record assets introduced by the owner Process bad debts from non-credit customers	Date incorrect Reference incorrect or omitted Nominal account incorrect VAT code incorrect Transaction type incorrect (Dr/Cr) amount incorrect	T T C C C N

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<b>REPORTS</b>			
<p>It is important that candidates use the correct date range and ensure all accounts and processing details requested are included in their printouts. They should <b>not</b> add criteria for nominal account references to their report window as this often results in missing transaction data in the printed report. Missing transaction data cannot be evidenced and as a result your candidate may fail the assignment.</p> <p>It is vital that candidates realise the importance of submitting <b>all</b> printouts in the requested format. It is through printouts that their processing can be evidenced. Failure to submit sufficient printouts may result in candidates failing the assignment. Please ask candidates to submit printouts in the order in which they are requested.</p> <p><b>Please note:-</b> A selection of routine reports will be requested and will be varied from one assignment to another.</p>			
Various reports	<p>Reports are used to evidence all payments and receipts, error corrections and transaction processing.</p> <p>They may include any of the following:-            Customer/supplier address lists            Customer/supplier histories/activity reports            Aged debtors'/aged creditors' analysis            Nominal account histories/activity            Bank and/or cash activity reports            Bank receipts/payments day books            Cash receipts/payments day books            Remittance advice notes            Customer statements            Quarterly budget report            Audit trail            Trial balance</p>	<p>Missing or incomplete report            Incorrect date range            Omitted transactions required for evidence will be penalised as if not entered</p>	<p><b>C</b>  <b>C</b>  <b>T/N/C</b></p>

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