

LEVEL 1 AWARD IN BOOKKEEPING SKILLS (MANUAL) MARKING GUIDANCE
M4 Recording Receipts and Payments

| DETAILS | | FAULT AREAS | FAULT TYPE |
|--|--|---|-------------------------------------|
| <p>Candidates will be allowed 45 minutes to complete this assessment</p> <p>VAT Rates: The Standard Value Added Tax (VAT) rate in use in this assignment will be stated in the assignment. VAT rounding up or down to the nearest 1p will be accepted without penalty.</p> <p>Note: Monetary amounts MUST be shown to 2 decimal places.</p> <p>It is recommended that candidates approach the tasks in the order in which they are listed in the assignment.</p> | | | |
| ENTER OPENING BALANCES, RECEIPTS AND PAYMENTS INTO CASH BOOK | | | |
| Enter Cash and Bank Balances | Candidate to enter date, narrative and opening balance amounts into appropriate cash and bank columns Opening balances may be in credit or overdrawn as appropriate | Date incorrect or omitted Amount incorrect or omitted Amount entered into incorrect column Narrative incorrect or omitted Amount entered at incorrect side of cash book Opening balance omitted | T N C C C T/N/C |
| Enter Receipts | Enter details of receipts, recording VAT where appropriate Candidate to enter date, narrative and the amount of cheque/cash into appropriate columns Candidate to differentiate between customer receipts and cash sales Enter VAT as a separate entry where appropriate | Date incorrect or omitted Narrative incorrectly spelt Amount of cheque or cash incorrect or omitted Narrative incorrect or omitted Transaction entered at incorrect side of cash book Receipt or VAT entry omitted | T T N C C T/N/C |
| Enter Payments | Enter details of payments, including VAT where appropriate Candidate to enter date, narrative, cheque number and the amount of cheque/cash into appropriate columns Candidate to differentiate between supplier payments, expense payments and cash purchases Enter VAT as a separate entry where appropriate | Date incorrect or omitted Narrative incorrectly spelt Cheque number incorrect or omitted Amount of cheque or cash incorrect or omitted Narrative incorrect or omitted Transaction entered at incorrect side of cash book Payment or VAT entry omitted | T T T N C C T/N/C |

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

| TOTAL AND BALANCE CASH BOOK | | | |
|------------------------------------|--|---|----------|
| Total Cash and Bank Columns | Candidate must balance the cash and bank columns at the end of the month, ensuring that both balances carried down and brought down are entered. Bring down balances ready to update the cash book, still dated as the last day of the month | Date incorrect or omitted | T |
| | | Totals not parallel | T |
| | | Amount of cash balance to carry down incorrect or omitted | N |
| | | Amount of bank balance to carry down incorrect or omitted | N |
| | | Total cash incorrect or omitted | N |
| | | Total bank incorrect or omitted | N |
| | | Cash balance brought down incorrect or omitted | N |
| | | Bank balance brought down incorrect or omitted | N |
| | | Narrative incorrect or omitted | C |
| | | Cash balance to carry down entered at incorrect side of cash book | C |
| | | Bank balance to carry down entered at incorrect side of cash book | C |
| | | Cash balance brought down entered at incorrect side of cash book | C |
| | | Bank balance brought down entered at incorrect side of cash book | C |

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| RECONCILE CASH BOOK WITH BANK STATEMENT | | | |
|--|--|--|---|
| Reconcile Cash Book with Bank Statement and Update the Cash Book | <p>Candidate must identify payments and receipts appearing on the bank statement that need to be entered into the cash book</p> <p>Candidate must make entries to update the cash book. Enter details of payments and receipts which have been identified on the bank statement, into the cash book, using the month end date and the correct narrative. The bank statement reference must be added where applicable:</p> <p>Bank payments: eg standing order, direct debit, Clearing House Automated Payment Services (CHAPS), fund transfers</p> <p>Bank receipts: eg Bank Giro Credit (BGC), Bankers' Automated Clearing Services (BACS), Clearing House Automated Payment Services (CHAPS), fund transfers</p> | <p>Date incorrect or omitted</p> <p>Bank statement references incorrect or omitted</p> <p>Direct Debit (DD) figure inaccurate or omitted</p> <p>Standing Order (SO) figure inaccurate or omitted</p> <p>Bank Giro Credit (BGC) figure inaccurate or omitted</p> <p>Clearing House Automated Payment Services (CHAPS) figure inaccurate or omitted</p> <p>Bankers' Automated Clearing Services (BACS) figure inaccurate or omitted</p> <p>Bank transfer figure inaccurate or omitted</p> <p>Bank charges/bank interest figure inaccurate or omitted</p> <p>Transaction entered on incorrect side of cash book</p> | <p>T</p> <p>T</p> <p>N</p> <p>N</p> <p>N</p> <p>N</p> <p>N</p> <p>N</p> <p>N</p> <p>C</p> |
| Balance the Updated Cash Book | <p>Candidate must balance the bank columns of the cash book and recalculate the bank balance brought down, ensuring that the updated bank balance is brought down on the first day of the following month</p> | <p>Date incorrect or omitted</p> <p>Totals not parallel</p> <p>Amount of bank balance to carry down incorrect or omitted</p> <p>Totals incorrect or omitted</p> <p>Balance brought down incorrect or omitted</p> <p>Narrative incorrect or omitted</p> <p>Balance to carry down entered at incorrect side of cash book</p> <p>Balance brought down entered at incorrect side of cash book</p> | <p>T</p> <p>T</p> <p>N</p> <p>N</p> <p>N</p> <p>C</p> <p>C</p> <p>C</p> |

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| COMPLETE BANK RECONCILIATION STATEMENT | | | |
|---|---|---|----------|
| Complete Bank Reconciliation Statement | Candidate to date the bank reconciliation statement as at the last day of the month | Date incorrect or omitted | T |
| | Enter balance as per cash book | Unpresented cheques entered as bank lodgements | C |
| | Identify unpresented cheque(s) and enter the amounts individually and as a total | Bank lodgements entered as unpresented cheques | C |
| | Calculate sub total calculation | Balance as per cash book incorrect or omitted | N |
| | Identify lodgement(s) not yet entered on the bank statement and enter individually and as a total | List and total of unpresented cheque(s) incorrect or omitted | N |
| | Calculate balance and reconcile with the bank statement | Sub total calculation incorrect or omitted | N |
| | | List and total of bank lodgement amount(s) incorrect or omitted | N |
| | | Balance as per bank statement incorrect or omitted | N |

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