

**LEVEL 2 AWARD IN BOOKKEEPING AND ACCOUNTING SKILLS (MANUAL) MARKING GUIDANCE
M10 MAINTAINING THE JOURNAL**

DETAILS		FAULT AREAS	FAULT TYPE
<p>Candidates will be allowed 2 hours to complete this assessment 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. Note: Monetary amounts MUST be shown to 2 decimal places. It is recommended that candidates approach the tasks in the order in which they are listed in the assignment.</p>			
PART 1 – OPEN NEW LEDGER ACCOUNTS AND CORRECT ERRORS VIA THE JOURNAL			
ENTER TITLE AND COLUMN HEADINGS FOR THE JOURNAL			
Enter Title and Column Headings for the Journal	Candidate to enter the correct title and column headings for the journal Enter the name of the business, the date and the column headings; Dr and Cr When column headings are omitted it will be assumed that the first column is the debit column	Company name incorrect or omitted Date incorrect or omitted Column headings incorrect or omitted	T T T
PREPARE JOURNAL ENTRIES FOR ASSETS, LIABILITIES AND CAPITAL TO OPEN THE BOOKS			
Prepare Journal Entries to Open the Books	Candidate to prepare journal entries for assets, liabilities and capital with a suitable narration to open the books of the company at a specified date Enter the name of each account and the opening balance amount in the relevant debit or credit column Enter the capital account name and calculate the balance on this account, using the formula: 'Assets minus Liabilities equals Capital' Total each column (which should be equal) and enter a narration to explain the reason for completing the journal	Account name incorrectly spelt Narration incorrect or omitted Account balance incorrect or omitted Total incorrect or omitted Account name omitted Figures entered into incorrect column	T T N N C C

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

ENTER OPENING BALANCES IN THE PURCHASE, SALES AND NOMINAL LEDGERS			
Enter Opening Balances in the Ledgers	Candidate to enter opening balances in the purchase, sales and nominal ledgers Enter each account name, preferably in the order in which they appear in the opening journal In each account enter the date, narrative and opening balance on the correct side of the account	Account name incorrectly spelt Date incorrect or omitted Opening balance amount incorrect or omitted Account name incorrect or omitted Opening balance entered on incorrect side of account	T T N C C
PREPARE JOURNAL ENTRIES WITH SUITABLE NARRATIONS			
Prepare Journal Entries with Suitable Narrations	Candidate to identify and record journal entries with suitable narrations to record information provided and correct errors not disclosed by the trial balance Enter the name of the business, the date specified and column headings; Dr and Cr When column headings are omitted it will be assumed that the first column is the debit column For each journal entry: Enter the date, the name of the account(s) to be debited and the amount(s) in the debit column. Enter the date, the account(s) to be credited and the amount(s) in the credit column Enter the narration to clearly explain the reason for the journal entry. Candidates are expected to use the following terms to identify the types of error involved: Error of: Omission, commission, principle, compensating error, original entry, reversal of entries, duplicating an entry A journal entry to write off a bad debt will also be requested	Business name incorrectly spelt or omitted Date incorrect or omitted Account name incorrectly spelt Column heading incorrect or omitted Narration incorrect or omitted Amount to be debited or credited incorrect or omitted Account to be debited incorrect or omitted Account to be credited incorrect or omitted Amount entered into wrong column (debit or credit) Journal entry omitted will be penalised per line	T T T T T N C C C T/N/C

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ENTER JOURNAL ENTRIES INTO THE DOUBLE ENTRY ACCOUNTS			
Enter Journal Entries into the Double Entry Accounts	Candidate to enter the journal entries into the double entry accounts, creating any new accounts which may be required Open any new accounts by entering the account name Enter each part of the journal entry into the correct side of the double entry accounts Enter the date, the narrative (the name of the other account in the journal entry) and the journal entry amount	New account name incorrectly spelt Date incorrect or omitted Amount incorrect or omitted New account name incorrect or omitted Narrative incorrect or omitted Entry made on incorrect side of account Entry made in wrong account Entry omitted	T T N C C C C T/N/C
BALANCE THE DOUBLE ENTRY ACCOUNTS			
Balance the Double Entry Accounts	Candidate to balance the double entry accounts Balance all ledger accounts where there is more than one entry, clearly showing balances brought down for the start of the next month	Date incorrect or omitted Totals not parallel Amount of balance to carry down incorrect or omitted Totals incorrect or omitted Amount of balance brought down incorrect or omitted Narrative incorrect or omitted Balance to carry down entered at incorrect side of account Balance brought down entered at incorrect side of account	T T N N N C C C

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COMPLETE A TRIAL BALANCE TO REFLECT OPENING BALANCES AND JOURNAL CORRECTIONS			
Enter Trial Balance Headings	Candidate to enter the correct title, month end date and column headings to open a trial balance Enter the name of the business and the trial balance date Enter the column headings: Dr and Cr When column headings are omitted it will be assumed that the first column is the debit column	Business name incorrect or omitted Date incorrect or omitted Column headings incorrect or omitted	T T T
Enter Account Names and Balances	Candidate to enter the account names and balances from the sales, purchase and nominal ledgers Enter each account name which has a balance brought down or only one entry (do not enter any accounts which have been closed) Enter the account balance into the correct debit or credit column Total both columns in the trial balance (they should both be the same amount)	Account name incorrectly spelt Account balance incorrect or omitted Debit total incorrect or omitted Credit total incorrect or omitted Account incorrect or omitted Account with zero balance entered Figures entered into incorrect column	T N N N C C C

PART 2 – SUSPENSE ACCOUNTS			
COMPLETE A TRIAL BALANCE TO REFLECT THE LIST OF ACCOUNTS AND BALANCES PROVIDED			
Enter Trial Balance Headings	Candidate to enter the correct title, month end date and column headings to open a trial balance Enter the name of the business and the trial balance date Enter the column headings: Dr and Cr When column headings are omitted it will be assumed that the first column is the debit column	Business name incorrect or omitted Date incorrect or omitted Column headings incorrect or omitted	T T T
Enter Account Names and Balances	Candidate to enter the account names and balances from the list provided Enter each account name and the account balance into the correct debit or credit column Total both columns in the trial balance	Account name incorrectly spelt Account balance incorrect or omitted Debit total incorrect or omitted Credit total incorrect or omitted Account incorrect or omitted Figures entered into incorrect column	T N N N C C

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Enter Suspense Account Balance	Candidate to enter the difference between the two columns of the trial balance into a suspense account Enter the name of the suspense account and the amount in the relevant debit or credit column to make the trial balance totals equal	Suspense account name incorrectly spelt Suspense amount incorrect or omitted Debit column total incorrect or omitted Credit column total incorrect or omitted Suspense account name omitted Suspense account figure entered into wrong column	T N N N C C
Open a Suspense Account	Candidate to open a suspense account Enter the account name and the date, narrative and the trial balance difference amount	Account name incorrect or omitted Date incorrect or omitted Amount incorrect or omitted Narrative incorrect or omitted Entry made on incorrect side of account	T T N C C
PREPARE JOURNAL ENTRIES WITH SUITABLE NARRATIONS			
Prepare Journal Entries with Suitable Narrations	Candidate to identify and record journal entries with suitable narrations to record information provided Enter the name of the business, the date specified and column headings; Dr and Cr When column headings are omitted it will be assumed that the first column is the debit column For each journal entry: Enter the date, the name of the account(s) to be debited and the amount(s) in the debit column. Enter the date, the account(s) to be credited and the amount(s) in the credit column Enter the narration to clearly explain the reason for the journal entry. Identify the types of errors that are disclosed by extracting a trial balance: Addition, single entry transactions, recording two debits or two credits for a transaction, errors in transferring balances to the trial balance and omission of a general ledger account A journal entry to process payroll transactions, including voluntary contributions, will also be requested	Business name incorrectly spelt or omitted Date incorrect or omitted Account name incorrectly spelt Column heading incorrect or omitted Narration incorrect or omitted Amount of to be debited or credited incorrect or omitted Account to be debited incorrect or omitted Account to be credited incorrect or omitted Amount entered into wrong column (debit or credit) Journal entry omitted will be penalised per line	T T T T T N C C C T/N/C

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WRITE UP AND BALANCE THE SUSPENSE ACCOUNT			
Write up and Balance the Suspense Account	<p>Candidate to write up the suspense account to include any entries arising from the correction of errors</p> <p>Enter the date, the narrative and the balances referring to the suspense account in the journal corrections, entering them on the correct side of the suspense account</p> <p>Balance the suspense account. The totals on both the debit and credit side should be the same, which will close the account.</p> <p>If the totals are not equal the account should be treated as any double entry account and correctly balanced and totalled with a balance carried down and a balance brought down</p>	<p>Date incorrect or omitted</p> <p>Narrative incorrectly spelt</p> <p>Debit amount incorrect or omitted</p> <p>Credit amount incorrect or omitted</p> <p>Totals incorrect or omitted</p> <p>Balance carried down (if necessary) incorrect or omitted</p> <p>Balance brought down (if necessary) incorrect or omitted</p> <p>Balance carried down (if necessary) entered at incorrect side of account</p> <p>Balance brought down (if necessary) entered at incorrect side of account</p> <p>Narrative incorrect or omitted</p> <p>Entry made on incorrect side of account</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>C</p> <p>C</p> <p>C</p> <p>C</p>
COMPLETE A REVISED TRIAL BALANCE TO REFLECT JOURNAL CORRECTIONS			
Enter Trial Balance Headings	<p>Candidate to enter the correct title, month end date and column headings to open a revised trial balance</p> <p>Enter the name of the business and the revised trial balance date</p> <p>Enter the column headings: Dr and Cr</p> <p>When column headings are omitted it will be assumed that the first column is the debit column</p>	<p>Business name incorrect or omitted</p> <p>Date incorrect or omitted</p> <p>Column headings incorrect or omitted</p>	<p>T</p> <p>T</p> <p>T</p>
Enter Account Names and Balances	<p>Candidate to enter the account names and recalculated balances from the original trial balance figures and the journal entries</p> <p>Enter each account name (do not enter any accounts which have been closed)</p> <p>Enter new account(s) if necessary</p> <p>Enter the recalculated account balance into the correct debit or credit column</p> <p>Total both columns in the trial balance (they should both be the same amount)</p>	<p>Account name incorrectly spelt</p> <p>Account balance incorrect or omitted</p> <p>Debit total incorrect or omitted</p> <p>Credit total incorrect or omitted</p> <p>Incorrect account adjusted</p> <p>Account incorrect or omitted</p> <p>Figures entered into incorrect column</p> <p>Account with zero balance entered</p>	<p>T</p> <p>N</p> <p>N</p> <p>N</p> <p>C</p> <p>C</p> <p>C</p> <p>C</p>

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