

LEVEL 2 AWARD IN BOOKKEEPING AND ACCOUNTING SKILLS (MANUAL) MARKING GUIDANCE
M8 Processing Ledger Transactions and Extracting a Trial Balance

DETAILS		FAULT AREAS	FAULT TYPE
<p>Candidates will be allowed 2 hours 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 INTO PURCHASE, SALES AND NOMINAL LEDGER ACCOUNTS			
Enter Opening Balances	<p>Candidate to enter opening balances into purchase, sales and nominal ledger accounts at a specified date.</p> <p>Enter account name, date, narrative and correct amount of balance</p>	<p>Account name spelt incorrectly or omitted</p> <p>Date incorrect or omitted</p> <p>Amount incorrect or omitted</p> <p>Narrative incorrect or omitted</p> <p>Details entered at incorrect side of account</p> <p>Transaction omitted</p>	<p>T</p> <p>T</p> <p>N</p> <p>C</p> <p>C</p> <p>T/N/C</p>
ENTER CORRECT DETAILS FROM DAY BOOKS INTO PURCHASE, SALES AND NOMINAL LEDGER ACCOUNTS			
Enter Transactions from Day Books	<p>Candidate to enter transactions from the day books into purchase, sales and nominal ledger accounts</p> <p>Enter date, narrative and total amount of invoice/credit note in appropriate supplier or customer account</p> <p>Enter date, narrative and day book totals into relevant nominal accounts</p>	<p>Date incorrect or omitted</p> <p>Amount incorrect or omitted</p> <p>Narrative incorrect or omitted</p> <p>Details entered at incorrect side of account</p> <p>Nominal ledger entries shown as individual transactions instead of monthly totals</p> <p>Transaction entered into incorrect account</p> <p>Transaction omitted</p>	<p>T</p> <p>N</p> <p>C</p> <p>C</p> <p>C</p> <p>C</p> <p>T/N/C</p>

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

ENTER CORRECT DETAILS FROM THE CASH BOOK INTO PURCHASE, SALES AND NOMINAL LEDGER ACCOUNTS			
Enter Transactions from Cash Book	Candidate to enter transactions from the cash book into purchase, sales and nominal ledger accounts Enter date, narrative and amount into the relevant account, including monthly discount totals from the cash book	Date incorrect or omitted Amount incorrect or omitted Narrative incorrect or omitted Details entered at incorrect side of account Details entered into incorrect account Cash discounts shown as individual entries instead of as monthly totals Transaction omitted	T N C C C C T/N/C
ENTER CORRECT DETAILS FROM THE PETTY CASH BOOK INTO PURCHASE, SALES AND NOMINAL LEDGER ACCOUNTS			
Enter Transactions from the Petty Cash Book	Candidate to enter both receipts and payments from the petty cash book into purchase, sales and nominal ledger accounts Enter date, narrative and amount into the relevant account	Date incorrect or omitted Amount incorrect or omitted Narrative incorrect or omitted Details entered at incorrect side of account Details entered into incorrect account Nominal ledger transactions shown as individual entries instead of monthly totals Transaction omitted	T N C C C C T/N/C
BALANCE ALL LEDGER ACCOUNTS			
Balance all Ledger Account	Candidate to balance all ledger accounts Balance all ledger accounts with 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

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

PREPARE TRIAL BALANCE			
Prepare a Trial Balance	Candidate to prepare a trial balance	Business account name incorrect or omitted	T
	Enter name of business, date and column headings	Trial Balance headings DR and CR omitted	T
	Enter each account name and the balance brought down	Account name incorrectly spelt	T
	amount into the correct column to prove that double entry has been completed in the case of each transaction.	Date incorrect or omitted	T
	Total the trial balance columns and ensure that they agree	Totals not parallel	T
		Account balance omitted	N
		Balance omitted	N
		Trial balance totals inaccurate	N
		Trial balance totals either debit or credit omitted	N
		Account name incorrect or omitted	C
		Balance entered into incorrect column	C
		Account with zero balance included	C

FAULT TYPES:

T = Textual Accuracy

N = Numerical Accuracy

C = Conceptual Accuracy