Assessment Schedule – 2009

Accounting: Process financial information for a manufacturing job cost subsystem (90502)

Evidence Statement

Q	Evidence / Code				
ONE (a)					

ONE (a)

20/9/09	Work in progress – assembly	13 000		**V**
	Work in progress – moulding		13 000	**V**

Judgement

V correct stem and figure in the correct column

Note: There must be a complete general journal entry for any grades to be awarded.

(b)

28/9/09	Work in progress – assembly	1 200		**V**
	Raw materials		1 200	**V**

Judgement

V correct stem and figure in the correct column.

Note: Do not penalise twice for work in progress if consistent with debit entry in (a).

Note: There must be a complete general journal entry for any grades to be awarded.

(c)

In the Moulding Department, the capital-intensive nature of the department means overhead is mainly incurred when machines are used, thus machine hours are appropriate as the cost driver. In the Assembly Department, the labour-intensive nature of the department means overhead is mainly incurred when labour works on the job, thus labour hours is the appropriate cost driver.

Judgement

- award both **S** for identifying the reasons for the different cost drivers in each department and linking at least one reason to overhead being incurred / generated

- award one **S** if the capital and labour-intensive reasons are identified without a link to the overhead cost of the department being incurred / generated   or

  identifies the capital or labour-intensive nature of one department only and explains how overhead is incurred / generated in that department

S
S

TWO (a)

Description	Quantity	Amount $	
Kitchen cabinets	4	60 000	**S**
	Sub-total	60 000	
	GST	7 500	
	Total $	67 500	**V#**

Judgement

S appropriate description and $60 000

V# GST and a total based on division by 8 on the number in subtotal

(b) (i)

$4 000 ÷ 80 = **$50 per labour hour**

Judgement

Correct answer only   **S**

(ii)

The actual direct labour hours involved in the production of Job 87 will be multiplied by the allocation rate to determine how much overhead will be allocated to the job.

Judgement

S Must make it clear how actual labour hours of Job 87 will be used to determine overhead, ie multiplied by allocation rate (or idea of multiplication)

Direct labour hours are used to calculate overhead

S
or
V

Q	Evidence/Code					

(iii)

19/5/09	Finished goods	18 000			V	**Judgement**
	Work in progress		18 000		V	**V**

appropriate stem and correct figure in the correct column

Note: There must be a complete general journal entry for any grades to be awarded.

(iv) **3-Column**

30/5/09	Balance			150 000	Dr	
	Cost of goods sold		18 000	132 000	Dr	**V & S**

V   appropriate stem with a figure entered in the credit column and correctly treated

S   award for $18 000 or can award for a figure consistent with answer in (iii) – can award only if **V** awarded for stem

(c) (i) **3-Column**

30/6/09	Work in progress		225 000	225 000	Cr	**V# OR S**
	Lease (expense)	42 000		183 000	Cr	**V OR S**
	Factory expenses	72 000		111 000	Cr	**V OR S**
	(Factory supervisor) salary	75 000		36 000	Cr	**V or S**
	Cost of goods sold	36 000		--------		**S# & S***

Judgement 3-Column

V#   balance 225 000 Cr

V   appropriate stem with a figure entered in the correct column and correctly treated

S   appropriate stem with correct figure in correct column treated correctly

S#   Cost of goods $36 000 debit treated correctly or cost of goods with a figure closing factory overhead account to zero treated correctly or cost of goods figure treated correctly that gives balance of $225 000 dr

S*   award for three correct stems with debit or credit entries correctly treated. Not awarded if Lease Showroom or Showroom staff salaries included.

Note: A balance indicator must be shown for any grades to be scored.

(ii)   Over-applied   **S**

Judgement

There must be a cost of goods sold entry in (c) (i) closing the overhead control account to zero

(or $225 000 Dr.) The answer could be under applied if the cost of goods entry is credit in (i).

Judgement Statement

Achievement	Achievement with Merit	Achievement with Excellence
10 grades *OR* 8 grades including 2 completely correct journals *or* general ledger from Question One (a), One (b) or Two b (iii), 2 b (iv)	7 **S** 6 other grades *OR* 6 **S** 9 other grades	11 **S** 7 other grades *OR* 10 **S** including 1 from Question 1 (c) *or* 2 (b ii) *and* 9 other grades

Lower case **a**, **m**, **e** may be used throughout the paper to indicate contributing evidence for overall grades for questions.

The following Accounting-specific marking codes may have been used when marking this paper:

V   correct / appropriate stem and a figure (sometimes correct figure)

S   correct / appropriate stem and correct figure

F   foreign items