

Assurance and Data: Retake Mock – Solutions

2022

This solution has been prepared by CA Education as a complete solution and includes explanatory notes where appropriate. As such, the solution is more detailed than would be expected of a candidate in the allocated time.



QUESTION 1 (40 marks) – Pamper Hotels and Golf Resorts Group Limited

Requirement 1 – Audit workpaper re significant issues arising from component auditors' highlights memoranda – identify and evaluate the issues, design further substantive tests and analyse the impact on the group audit report

	a) Identify and evaluate the impact	b) Further substantive procedures	c) Impact on the group audit report and type of audit opinion
<i>Pamper Hotels UK Limited ('Pamper UK')</i>			
1.	<p>The underpayment of the National Minimum Wage and associated costs and penalties is material and based on the internal review by Mastersons' tax and employment experts, who agree with HMRC's presentation of the case and the estimate, it is probable that Pamper UK will be liable for the amount. (½ mark)</p> <p>If Pamper UK does not make the appropriate provision or contingent liability disclosure then either liabilities and expenses will be understated or disclosures will be incomplete. (1 mark)</p>	<p>Obtain written confirmation from Pamper UK's legal counsel regarding their view as to the likely outcome and their estimate of the related financial exposure. (1 mark)</p> <p>Confirm that the £410,000 includes any other costs such as legal fees that may be incurred. (½ mark)</p> <p>Review correspondence with HMRC, consult with independent tax specialists within the audit firm or externally regarding assessment of likelihood of liability and likely quantification including penalties. (1 mark)</p> <p>(Restricted to 2 marks)</p>	<p>If management refuses to record a provision or contingent liability based on the estimate available, then there is a material misstatement. (½ mark)</p> <p>However, given its size (7% PBT) and that the misstatement only impacts the specific balances for payroll expense, provisions and the related tax impact, it is unlikely to be pervasive to the financial statements. (½ mark)</p> <p>Therefore, a modified audit report with a qualified 'except for' opinion would be issued. (½ mark)</p>
2.	<p>The full amount of the golf club subscriptions paid in advance was recognised as income in Pamper UK's financial statements, rather than the seven months from 1 June to 31 December 2021. (½ mark)</p> <p>This has overstated revenue by £412,500 (£2,250 x 440 x 5/12) as this revenue relates to January 2022 to May 2022. (1 mark)</p>	<p>Obtain the calculation of the revenue to be deferred and re-calculate it based on the pro-rata of the membership year. (1 mark)</p> <p>Obtain documentation to confirm the amounts received (e.g., via bank statements) and agree to list of members on the annual payment plan on a sample basis. (1 mark)</p>	<p>If management do not adjust to record the correct revenue deferral, then there is a material misstatement. (½ mark) However, given its size (7% PBT) and that the impact is restricted to revenue, deferred income and related tax, it is unlikely to be pervasive. (½ mark)</p> <p>Therefore, a modified audit report with a qualified 'except for' opinion would be issued. (½ mark)</p>

3.	<p>A significant amount of revenue, 40%, is derived from the three-year contract with the golf holiday specialist. (½ mark)</p> <p>As negotiations are ongoing, there is a material uncertainty concerning the outcome of these, and if the contract is not renewed this could impact going concern and require disclosure in the financial statements. (1 mark)</p>	<p>Review correspondence with the golf holiday specialist to assess likelihood of the renewal of the contract. (½ mark)</p> <p>Evaluate the relevance and reliability of data used by management to assess going concern such as future cash flow forecasts (½ mark) and evaluate the appropriateness and consistency of the assumptions made. (½ mark)</p> <p>Evaluate management's contingency plans in the event the contracts are not renewed. (½ mark)</p>	<p>As this is a matter of fundamental importance which could impact going concern, a note should be included in the financial statements explaining the uncertainty and reliance on the contract. (½ mark) If this is included, we would issue an unmodified opinion (½ mark) and include commentary within the 'matters relating to going concern' section of the audit report which would refer to the uncertainty of the contract renewal. (½ mark)</p> <p>If this note is not adequate/included, then there is a misstatement within disclosures. (½ mark) The audit report should be modified and a qualified/adverse opinion would be issued dependent on the nature of the disclosure. (½ mark)</p> <p>(Restricted to 2 marks)</p>
<i>Pamper Spain SL ('Pamper Spain')</i>			
4.	<p>Land and buildings are recognised in the financial statements at £9.09m which is significantly higher than the land and buildings valuation provided by the external surveyor, £5.9m, at 1 April 2021. This is due to assumptions made by management on movements in value and subsequent additions. (½ mark)</p>	<p>Request that management obtains an updated external valuation of the land and buildings at 31 December 2021. (½ mark) Evaluate the appropriateness of the work as audit evidence. (½ mark)</p> <p>Obtain an updated valuation from an auditor's expert of the land and buildings at 31 December 2021. (1 mark)</p>	<p>If management does not correct the value of the land and buildings to reflect the external market valuation provided by an independent expert, then there is a potential material misstatement. (½ mark) Although the error only impacts one balance, the overall impact on the financial statements is likely to be pervasive based on the significance of the misstatement (net group assets could be overstated</p>

	There is a risk that the value recognised is not appropriate and fixed assets are overstated. (1 mark)		by £3,190,000) which represents 40% of net group assets (1 mark) and net group assets is a key area of focus for Pamper UK's bank as part of sought funding for a new group acquisition. (½ mark) If pervasive a modified audit report with an adverse opinion would be issued. (½ mark) (Restricted to 2 marks)
5.	The stock value is overstated as a result of the damaged items valued at £19,000 not being written off. (½ mark) However, the value is not material and is below the trivial threshold of £20,000. (½ mark)	No procedures are required as the amount is clearly trivial. (½ mark)	No impact on the opinion even if it is not corrected as the amount is immaterial. (½ mark)
<i>Pamper Mexico SA ('Pamper Mexico')</i>			
6.	Pamper Mexico has a possible undisclosed related party transaction with Owen Ross. (½ mark) Although the value of the related party loan is not material to the group, failure to disclose would represent a material misstatement as it is likely to be material by nature. (1 mark)	Obtain a copy of the bank statement to confirm the value of the payment made was £175,000. (1 mark) Obtain a copy of the loan agreement including the amount and the loan terms. (1 mark) Review board minutes for all the Pamper Group companies and discuss with management to ensure that there are no other undisclosed related party transactions in the consolidated financial statements. (1 mark) (Restricted to 2 marks)	If management refuses to make the appropriate disclosure, then there is a material misstatement (item is material in nature) due to a lack of appropriate disclosure. (½ mark) This is a specific matter and therefore, in isolation, is not considered pervasive. (½ mark) Therefore, a modified audit report with a qualified 'except for' opinion would be issued. (½ mark)

7.	<p>A bank balance of £600,000 was omitted from the bank confirmation letter and this balance is material to the financial statements. ($\frac{1}{2}$ mark) We therefore have no third-party confirmation of this balance to confirm its existence and the company's right to recognise the balance. (1 mark)</p>	<p>Re-contact the bank to request confirmation of the balance in writing. (1 mark)</p> <p>The external confirmation should then be reconciled to the balance included in the financial statements including the audit of any reconciling items. ($\frac{1}{2}$ mark)</p>	<p>If the third-party evidence is not obtained and as the balance is material, there is an ability to get sufficient and appropriate evidence. ($\frac{1}{2}$ mark) Given its size (8% of net assets) and that it is specific to bank and cash it is unlikely to be pervasive. ($\frac{1}{2}$ mark)</p> <p>Therefore, a modified audit report with a qualified 'except for' opinion would be issued. ($\frac{1}{2}$ mark)</p>
	Requirement 1(a)	Requirement 1(b)	Requirement 1(c)
	Total marks (10 marks)	Total marks (12 marks)	Total marks (10½ marks)
	Restricted to (9 marks)	Restricted to (11 marks)	Restricted to (10 marks)

Requirement 2 – Evaluation of the continuance risks at Pamper Group

	Identification of risk	Evaluation
1.	Pamper UK will receive grant funding and has asked Masterson to carry out a review of their grant funding revenue recognition policy. (½ mark)	There is a risk of self-review threat to independence as Masterson will be providing recommendations on the revenue recognition policy which will then be audited during next year's audit. (1 mark)
2.	Pamper Group has the potential to acquire a 50% share in a joint venture in Dubai. (½ mark)	There is a risk that we do not have the available resources to carry out an audit in Dubai. We may not have access to staff with the correct experience, expertise or capacity to perform the audit. (1 mark)
3.	If Mike Tanning becomes a director of Pamper Group, we will need to carry out the appropriate anti-money laundering (AML) checks under UK legislation. However this may be difficult as he is based overseas. (½ mark)	If we are unable to obtain suitable AML information then this would prevent us from being able to fulfil our statutory responsibilities and we would not be able to continue as auditors of Pamper Group. (1 mark)
4.	Carol has stated that she feels that the audit fees are too high and would like a reduction for next year. (½ mark)	We may be placed under fee pressure from the client which may impact our ability to complete the audit to the required standard or to fully recover the costs of the engagement. (1 mark)
5.	Carol would also like to finalise the audit earlier than usual. It was noted that staff availability is limited in January and February. (½ mark)	We may not have the available resources to complete the audit in line with this time frame preventing us from being able to complete the audit work with appropriate due care. (1 mark)
6.	Carol has suggested that she is willing to negotiate an audit fee bonus if the audit is completed by 31 January. (½ mark)	Pamper Group is proposing a contingent fee based on the performance of the audit. This is prohibited under the FRC Ethical Standard and the audit could not be taken on under these conditions. (½ mark)
7.	Based on David's research, Mike Tanning appears to be a controversial individual who has previously been investigated by HMRC and has been involved in a number of failed business ventures. (½ mark)	If Mike becomes involved with Pamper Group, we must consider the overall integrity of management and the potential risk to our reputation from being associated with a controversial individual. (1 mark)
8.	The Mexico finance manager has left to work for a competitor and has recruited two of the remaining team members to join him. (½ mark)	There is a risk that Pamper Mexico may not be able to produce timely financial information for the purpose of our audit, impacting on the ability to meet the requested acceleration of the audit timetable. (1 mark)

Total marks available (11½ marks)**Restricted to (10 marks)**

QUESTION 2 (15 marks) – Chips and Dips Limited

Requirement 1 – Recommend appropriate materiality for the group and the group trivial threshold

The appropriate benchmark for calculating materiality is profit before tax as C&D continues to be a profit-making group and this is likely of most interest to shareholders. **(1 mark)** The appropriate range for materiality is therefore between 5%-10% of profit before tax. **(½ mark)**

Overall group materiality has been calculated as follows:

Average profit before tax due to fluctuations **(½ mark)** between annualised 2022 figure and 2021:

$$((4,247/8 \times 12) + 5,948)/2 = £6,159 \text{ (½ mark)}$$

Range of materiality of £308k to £616k **(½ mark)**

OR

The appropriate benchmark for calculating materiality is revenue as although C&D continues to be a profit-making group, revenue has been more stable than PBT. **(1 mark)** The appropriate range for materiality is therefore between ½%-2% of revenue. **(½ mark)**

Annualised 2022 revenue: $22,095 \times 12/8 = £33,143\text{k}$ **(1 mark)**

Range of materiality of £166k to £663k **(½ mark)**

Overall group materiality has been set at £350k, **(½ mark)** at the lower end of threshold as a result of the higher risk of material misstatement as a result of the audit risks identified within the group. **(1 mark)**

Trivial threshold has been set at 5% of overall materiality, £17,500. **(½ mark)**

Total marks available (5 marks)

Restricted to (5 marks)

Requirement 2 – Design tests of controls to confirm the operating effectiveness of controls over the group’s consolidation process

1. Confirm, by enquiry, that Sian has attended the annual financial reporting standards training course held by her accounting institute. **(½ mark)**
2. Obtain a copy of the group consolidation instructions and inspect them to confirm that they include the reporting timetable, group accounting policies to be adopted, procedures for agreeing intra-group balances, stocktaking procedures, details of foreign exchange rates used and procedures for identifying related parties. **(1 mark)**
3. Inspect the standard consolidation pack to confirm that it is suitable and requests the necessary information to complete the consolidated financial statements and disclosures. **(1 mark)**
4. Inspect each consolidated reporting pack to confirm that it has been completed by the correct person (Sian for C&D and finance managers for subsidiaries) and that there is evidence of the relevant authorising party’s signature confirming approval prior to submission (Lesley for C&D and managing directors for subsidiaries). **(1 mark)**
5. For each component, inspect the email receipt to confirm that the reporting pack was received within 21 working days of the year end and that each was complete. **(1 mark)**
6. Attempt to access the consolidation spreadsheet to confirm it is password protected. **(1 mark)**
7. Enquire of other staff members as to who has access to the consolidation spreadsheet to confirm it is only Sian and Lesley. **(½ mark)**
8. Reperform consolidation transcription from the reporting packs to the consolidation spreadsheet (as well as the deliberate inclusion of transcription errors) to confirm that transcription errors are identified by the control totals. **(1 mark)**
9. For a sample of consolidation adjustments, inspect that Sian has used the automated pro-forma templates. **(1 mark)**
10. Inspect the year end consolidation adjustment checklist to ensure all adjustments have been date and time stamped by Sian. **(½ mark)**
11. Inspect consolidated financial statements for evidence of Lesley’s initials as evidence of his review. **(1 mark)**
12. Inspect the disclosure checklist to confirm compliance with relevant accounting standards and Companies Act disclosures. **(1 mark)**

Total marks available (10½ marks)

Restricted to (10 marks)

QUESTION 3 (20 marks)

Requirement 1 - Perform the procedures that the audit team should undertake to confirm the accuracy, completeness and validity of the information provided for the planned substantive analytical review of trade receivables. Document and evaluate the results of your procedures including any issues identified with the data and conclude on whether the data is appropriate for use by the audit team.

Results**Data extracted from the ledger**

The number of transactions recorded in the accounting system for trade receivables (1,995) does not agree to the data extraction tool (1,968) (**½ mark**). This highlights that the data extracted may contain an error (**½ mark**) and the data may be incomplete. (**½ mark**)

The total balance of trade receivables at 31 May 2022 per the data extraction tool is £1,091,000 whereas the screenshot taken from the accounting system shows £1,250,000. (**½ mark**) Similarly, this highlights that the data extracted may contain an error and the data may be incomplete. (**½ mark**)

Casa Club Holidays

The commissions balance for May 2022 of £191,000 has been agreed to the supporting invoice 821 for May. (**½ mark**) However, the receipt of £119,000 does not agree to the post year end bank statements of £191,000. (**½ mark**) As the invoice and the bank statements show an amount of £191,000 this appears to be a transposition error in the June receipt entry to the ledger (**1 mark**) which does not indicate any issues with the data to 31 May 2022. (**½ mark**)

The receipt in May of £89,000 has been agreed to the bank statement (**½ mark**).

Xcite outdoor activities

No supporting documentation has been made available for invoice 823 of £462,000. (**½ mark**) This may indicate that the recording of invoice 823 within the dataset is not valid. (**½ mark**)

The bank receipts recorded as received on 25 May 2022 and 22 June 2022 have not been verified to the bank statements. (**½ mark**) It is also noted that the references for these receipts are not in line with the normal format and may relate to journals posted by the finance team rather than actual receipts (**1 mark**). These transactions may be invalid. (**½ mark**)

An expense relating to rent and rates of £25,124 appears to have been allocated to the account in error (**½ mark**), which would result in the data being invalid. (**½ mark**)

Vacanza

Invoice 821 relates to Casa Club holidays and appears to have been posted twice in error (**½ mark**), which results in the data for Vacanza being invalid. (**½ mark**)

Bank receipt REC641 £88,892 has been agreed as received per the bank statements. (**½ mark**). The difference between the original invoice and the receipt and payment of £148 has correctly been recorded as a loss on exchange. (**½ mark**)

Invoice 824 for £90,777 does not agree to the invoice when translated using the provided exchange rate at 31.05.2022 with a difference of £13,609. (**1 mark**) This may indicate that an inappropriate exchange rate has been applied (**½ mark**) and the data is inaccurate. (**½ mark**)

Specialist platinum packages

Bank receipt REC642 has been agreed as received per the bank statements (**½ mark**). However, this is excess of the b/f balance as at 1 May 2022 by £101,280 (**½ mark**) which may indicate that the receipt has been allocated to the wrong customer account. (**½ mark**)

Invoice 827 for £72,072 has been agreed to the supporting invoice (**½ mark**). However, the post year end receipt is only for £68,282 leaving a difference of £3,790. (**½ mark**) This appears to relate to a credit note issued on 31 May 2022 for £3,790. (**½ mark**) However this has not been posted to the ledger resulting in the data being incomplete. (**½ mark**)

Wonderful weather packages

Bank receipts REC643 and REC658 have been agreed as received per the bank statements. (**½ mark**) However, there does not appear to be an invoice recorded in relation to REC658 of £376,333 (**½ mark**). It appears unusual that there are no sales transactions for a priority customer, who normally makes regular purchases, and therefore it is possible that the data is incomplete and some sales transactions have been omitted. (**1 mark**)

Conclusion

Due to the number of issues identified across the dataset, the auditor should not currently place reliance on the data extracted from the system (**½ mark**). Further work is required to confirm the nature and impact of the errors identified and likely risk of material misstatement within trade receivables. (**½ mark**)

Total marks available (20 marks)

Restricted to (20 marks)

QUESTION 4 (25 marks) – Simpson Computer Games Ltd

Requirement - Paragraphs for inclusion in a letter to management identifying the weaknesses, explaining implications and recommending improvements in the sales system

Weakness (½ mark)	Implication (1 mark)	Recommendation (1 mark)
<i>Managing and processing orders</i>		
The quantity/ quality packed by the warehouse clerk is not independently verified to ensure it is in line with the customer order before being sealed.	The wrong quantity or quality of games could be despatched to a customer in error or deliberately. This would result in dissatisfied customers and an additional cost of lost stock/ increased returns for Simpson.	An independent and trained warehouse team member or a member of the despatch team should review the quality and quantity of games despatched to check the packed goods agree to the delivery note to confirm the correct quantity, prior to sealing the package. Any exceptions should be investigated.
Physical deliveries to customers are confirmed through a daily report received from the national courier contracted for deliveries. This report is not reviewed for completeness or follow-up of outstanding deliveries.	The company could be unaware of delays in fulfilling customer orders or record revenue where the respective orders have not been delivered to customers, resulting in dissatisfied customers who are less likely to repeat business.	The report received from the national courier of deliveries should be reconciled to the despatched orders report to ensure customers have received their orders as despatched.
The company uses a third party (national courier) to deliver orders to customers, retaining liability until the customer acknowledges delivery. However there have been several complaints by customers of goods not being received.	There is a risk of loss due to misappropriation or accidental damage in transit by the courier company resulting in additional cost to Simpson only as there is no mechanism to reclaim it from the courier company.	The company should ensure there is an insurance policy in place for loss of products being handled by the national courier. They should ensure there is clarity between themselves and the national courier regarding who has responsibility and liability for what.
<i>Invoicing, sales returns and adjustments</i>		
Online and retail sales of games are recorded in revenue immediately when despatched by the warehouse/payment is received.	As risks and rewards have not been transferred, revenue could be overstated as Simpson could recognise income for games which have not yet been delivered to the retailers or which have been damaged in transit.	Revenue should be recognised on receipt of delivery information from the national courier.

Weakness (½ mark)	Implication (1 mark)	Recommendation (1 mark)
The marketing manager awards sales discounts at their own discretion and is remunerated based on sales targets.	Fraudulent or excessive discounts could be awarded to some customers in order to meet sales targets. However, the terms may result in poor or negative margins being achieved by Simpson.	An independent senior member of management should periodically review discounts awarded by the marketing manager and evidence their approval of these discounts.
Retail customer credit limits are set based on expected future sales.	This does not give any indication of the credit worthiness of new customers and there is a risk that new retail customers are unable to make payment. This would result in financial loss to the company.	All new customers should be subject to a credit check and credit limits set based on the financial status of the new retail customer.
The sales administrator can override the default payment terms where specific terms have been agreed with a customer.	This could result in customers being awarded excessive payment terms which could result in poor cashflow for Simpson.	A senior finance team member should approve any credit terms which are not in line with the standard 30 days credit and this should be evidenced on the system.
<i>Processing cash receipts</i>		
Customer receipts without remittance details are allocated to outstanding invoices based on the age of invoices.	Cash receipts could be allocated to invoices which are in dispute or not acknowledged by the customer, resulting in inaccurate records for Simpson to chase any outstanding or bad debts. This will eventually impact Simpsons' ability to recover all amounts due.	The cash accountant should request remittance details from the customer prior to allocating receipts to invoices.
Unidentified cash receipts are posted to a suspense account and are reviewed quarterly. This is too infrequent.	There could be a delay in customer receipts being allocated to outstanding invoices resulting in errors in reporting the age of outstanding invoices. This could impact Simpson's ability to chase and recover amounts due. OR	The unidentified receipts in the suspense account should be reviewed and reconciled on a weekly basis by a member of the finance team. The finance manager should review the reconciliation and evidence that this has been completed.

Weakness (½ mark)	Implication (1 mark)	Recommendation (1 mark)
	If invoices are incorrectly shown as unpaid due to receipts held in the suspense account, customers could appear to exceed their credit limit on the ledger and be denied further orders which would have an impact on customer relations and future sales levels.	
<i>Maintaining customer master files</i>		
Changes to retail stores' customer data can be made without any formal documentation.	As there is no documentation to support changes, fraudulent or erroneous changes could be made resulting in financial loss to the company.	Change request forms for customer data should be maintained so that all changes are documented by originator and approval is evidenced. Approval should be provided on all changes by a senior member of staff.
The company automatically retains customer credit card details including security information.	Permission must be provided by the customer before Simpson can store personal information. Any breaches of this may result in fines for Simpson.	The company should request approval from the customer before storing any information. All information stored must be secure and only stored as required.

Total marks available (27½ marks)

Restricted to (25 marks)

Marking Schedule Assurance and Data Retake Mock Exam Question 1 – Pamper Group	Candidate No.		
	Batch No.		
	Marker No.		
	Marks available	Marker marks	Marks awarded
Requirement 1(a) – Evaluation of impact of issues			
Underpayment of national minimum wage	1½		
Golf club subscriptions	1½		
Contract with golf holiday specialist	1½		
Land and buildings	1½		
Stock valuation	1		
Related party transaction	1½		
Bank balance	1½		
Other			
Restricted to (10 marks available)	9		
Requirement 1(b) – Further substantive procedures			
Underpayment of National Minimum Wage	2		
Golf club subscriptions	2		
Contract with golf holiday specialist	2		
Land and buildings	2		
Stock valuation	½		
Related party transaction	2		
Bank balance	1½		
Other			
Restricted to (12 marks available)	11		
Requirement 1(c) – Impact on the group audit report and type of audit opinion			
Underpayment of national minimum wage	1½		
Golf club subscriptions	1½		
Contract with golf holiday specialist	2		
Land and buildings	2		
Stock valuation	½		
Related party transaction	1½		
Bank balance	1½		
Other			
Restricted to (10½ marks available)	10		
Requirement 2 – continuance risks			
Review of grant funding revenue policy	1½		
Joint venture in Dubai	1½		
Anti-money laundering checks – Mike Tanning	1½		
Reduction in audit fees	1½		
Timetable	1½		
Contingent fee	1		
Controversial individual	1½		
Mexico finance manager departure	1½		

Other			
Restricted to (11½ marks available)	10		
Total marks awarded	40		

Marking Schedule Assurance and Data Retake Mock Exam Question 2 – Chips and Dips Ltd	Candidate No.		
	Batch No.		
	Marker No.		
	Marks available	Marker marks	Marks awarded
Requirement 1 – Group materiality and trivial threshold			
Benchmark and range	1½		
Calculation	1		
Range	½		
Conclusion	1½		
Trivial threshold	½		
Other			
Restricted to (5 marks available)	5		
Requirement 2 – Tests of control over consolidation			
Training attendance	½		
Inspect group consolidation instructions	1		
Inspect standard consolidation pack	1		
Signatures consolidation pack	1		
Receipt of reporting pack within 21 days	1		
Consolidation spreadsheet password protected	1		
Staff access to consolidation spreadsheet	½		
Reperform consolidation transcription	1		
Inspect pro-forma	1		
Inspect consolidation adjustment checklist	½		
Review of consolidated financial statements	1		
Disclosure checklist	1		
Other			
Restricted to (10½ marks available)	10		
Total marks awarded	15		

Marking Schedule Assurance and Data Retake Mock Exam Question 3 – Sunny Skies Travel Ltd	Candidate No.		
	Batch No.		
	Marker No.		
	Marks available	Marker marks	Marks awarded
Requirement - Procedures to confirm completeness, existence, accuracy, valuation and allocation of information			
Data extracted from ledger	2½		
Casa Club Holidays	3		
Xcite outdoor activities	4		
Vacanza	4		
Specialist platinum packages	3½		
Wonderful weather packages	2		
Conclusion	1		
Other			
Restricted to (20 marks available)	20		

Marking Schedule Assurance and Data Retake Mock Exam Question 4 – Simpson Computer Games Ltd	Candidate No.		
	Batch No.		
	Marker No.		
	Marks available	Marker marks	Marks awarded
Requirement – Evaluation of impact of issues			
No review of daily report for completeness	2½		
No independent verification of packing	2½		
Goods not delivered by courier	2½		
Credit limits set on expected future sales	2½		
Sales administrator can override default payment terms	2½		
Marketing manager awards discounts at discretion	2½		
Revenue recognition	2½		
Receipts allocated based on age of invoices	2½		
Suspense account	2½		
Customer data changes without documentation	2½		
Retaining of customer data	2½		
Other			
Restricted to (27½ marks available)	25		