

BAFS QUIZ 1 · OFFICIAL SCHEME REVIEW

Inventory valuation · Direct annotation

GPT-6 | High effort | Skill + QP + AS + MS + HKEAA 2025 + HKEAA 2026

RECOMMENDED AWARD · SUPPLIED SCHEME

21 / 21

100% · Exact scheme weights applied

Question breakdown

Q1	Seven adjustments + final inventory: 1 mark each	8 / 8
Q2(a)	Average cost 2; closing quantity 1; inventory value 1	4 / 4
Q2(b)	Exact nine-mark allocation; salaries and rent jointly 1	9 / 9
Section / grand total		21 / 21

Marking authority and acceptance decision

The supplied Quiz 1 Solution, page 2, now controls the point allocation. All assessed amounts and treatments agree. I award the final net-profit point because \$97,350 is clearly the income statement’s final result. Its label is missing and should be added. The scheme gives no explicit rule rejecting this identifiable unlabelled result; acceptance is the marker’s judgement, not an express permission in the scheme.

Source error identified — no deduction

Q1’s printed deduction subtotal is \$11,460. The listed deductions actually sum to \$9,460, as you wrote. $\$52,588 - \$9,460 = \$43,128$, also matching the scheme’s final figure. The erroneous subtotal has no separate mark. This corrects a source error rather than changing your answer.

Green ticks confirm awarded points; blue labels reproduce the scheme’s weights. The red ‘Label’ note marks a presentation omission without an additional deduction. The earlier inferred allocations and 20–21 range are superseded by this recommended scheme-based award. Review record: page 4.

Answers written in the margins will not be marked.

1) Statement to calculate the inventory value as at 31 March 2021		
	\$	\$
Inventory valued as at 8 April 2021		44780
Add: Sales, at cost	6032	✓ +1
(\$7540 ÷ 125%)		
Goods sent to customer on sale-or-return basis, at cost	1200	✓ +1
(\$2000 × (1 - 40%))		
✓ +1 Goods drawn by owner, at cost	576	7806
(\$720 ÷ 125%)		
		52588
Less: Purchases	4560	✓ +1
Returns inwards, at cost (\$2500 ÷ 125%)	2000	✓ +1
Goods revalued at not reliable value		
[\$1100 - (\$700 - \$100)]	500	✓ +1
✓ +1 Goods wrongly recorded	2400	9460
(\$3000 - 400 × \$6)		
Inventory value as at 31 March 2021	✓ +1	43128

Q1: 8 / 8

$$\begin{aligned}
 2a) \text{ Average unit cost} &= \frac{600 \times \$40 + 200 \times \$60 \times (1 - 20\%) + 800 \times \$56}{800 + 200 + 800 + 600} \\
 &= \$51 \quad \checkmark +2 \\
 \text{Amount of closing inventory} &= \$51 \times (800 + 200 + 800 - 100 + 600 - 150 - 700) \\
 &= \$28050 \quad \checkmark +1
 \end{aligned}$$

Q2(a): 4 / 4

MARKER COMMENTS

Answer-sheet page 1 · Mode A

Official quiz scheme · source page 2

Q1 · Reverse the April movements

MS p. 2: sales at cost \$6,032; drawings \$576; purchases \$4,560; returns inwards at cost \$2,000. Correct amounts and adjustment directions: 1 mark each.

Q1 · Ownership and valuation

MS p. 2: sale-or-return adjustment \$1,200; obsolete-goods reduction \$500; overstatement correction \$2,400. Correct: 1 mark each. Your descriptions identify the adjustments adequately.

Q1 · Final inventory

MS p. 2: \$43,128 earns 1 mark. Your deduction subtotal \$9,460 is correct. The scheme misprints it as \$11,460; its final inventory still agrees with yours. No subtotal mark is specified.

Q2(a) · Weighted average cost

MS p. 2 awards 2 marks to the complete weighted-average calculation. Your \$122,400 ÷ 2,400 = \$51 is correct and earns both marks. The earlier two separate inferred points are replaced by this combined 2-mark criterion.

Q2(a) · Quantity and value

Your unsold-unit expression gives 550 units: 1 mark. It is embedded in the closing-inventory calculation, which is accepted as equivalent working. \$51 × 550 = \$28,050 earns the final 1 mark. MS p. 2: 2 + 1 + 1 = 4.

Answers written in the margins will not be marked.

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Kaspar Company			
Income Statement for the year ended 31 December 2026			
	\$		\$
Sales (1000 x \$120 + 700 x \$140)		✓ +1	218000
Less: cost of goods sold			
Opening inventory (800 x \$40)	32000	✓ +1	
Add: Purchases	90400	✓ +1	
(200 x \$60 x (1-20%) + 800 x \$50 + \$36000)	122400		
Less: Abnormal inventory loss (150 x \$51)	7650	✓ +1	
	114750		
✓ +1 Less: Closing inventory	28050		86700
Gross profit		✓ +1	131300
Less: Other expenses			
Salaries	16800	✓	
Rent	11000	✓	
		+1	
Abnormal inventory loss	6150	✓ +1	33950
(7650 - \$10 x 150)		✓ +1	97350
Q2(b): 9 / 9			

Answers written in the margins will not be marked.

MARKER COMMENTS

Answer-sheet page 2 · Mode A

Official quiz scheme · source page 2

Q2(b) · Trading section

MS p. 2 awards 1 mark each for sales \$218,000; opening inventory \$32,000; purchases \$90,400; damaged goods \$7,650 excluded from cost of sales; closing inventory \$28,050; and gross profit \$131,300. All six points are earned.

Q2(b) · Expenses and insurance

MS p. 2 groups salaries \$16,800 and rent \$11,000 into 1 combined mark; both are correct. The bracket beside them shows that shared point. Actual inventory loss \$7,650 – \$1,500 = \$6,150 earns a further 1 mark.

Q2(b) · Final profit and presentation

The final \$97,350 agrees with the scheme: 1 mark awarded. Add the missing 'Net profit' label. Acceptance rests on its clear position and correct calculation; the supplied scheme states no rejection rule for this omission. It is not an arithmetic error.

Q2(b) · Scheme total and earlier range

Six trading points + 1 combined salaries/rent point + 1 actual-loss point + 1 final-profit point = 9. No separate points are invented for cost of sales, total expenses or statement headings. The earlier conditional range is replaced by this recommended award; the school retains final judgement on the missing label.

Answers written in the margins will not be marked.

SCHEME-BASED RE-MARKING RECORD

Reviewed 19/10/2026 · MS = supplied Quiz 1 Solution, PDF page 2

Authority and scope

The school’s explicit scheme replaces all reconstructed point weights. The HKEAA documents remain background guidance for presentation and acceptance. Their allocations and question-specific penalties have not been substituted for this quiz’s actual marks.

Q1 · 8/8 — source error checked

The scheme assigns 1 mark to each of seven adjustments and 1 to \$43,128. All are earned. Its \$11,460 deduction subtotal is a printing/arithmetic error: $\$4,560 + \$2,000 + \$500 + \$2,400 = \$9,460$. Your subtotal is correct. No independent checking-total mark exists.

Q2(a) · 4/4 — allocation rebuilt

The exact allocation is 2 marks for average cost, 1 for unsold units and 1 for closing value. Earlier numerator/average points are now one combined 2-mark award. The correct 550-unit expression embedded in the valuation is accepted as equivalent working.

Q2(b) · 9/9 — combined expense point preserved

The scheme has six individual trading points, one joint salaries-and-rent point, one actual-inventory-loss point and one net-profit point. The previous half-mark labels on salaries and rent are removed and replaced with the scheme’s single shared point.

Final-profit label · acceptance judgement stated

Earlier, 21/21 was followed by a 20–21 range after reviewing HKEAA 2026 p. 65. With the quiz scheme available, I recommend awarding its final-profit point: the correct amount is unambiguously the final result. The omission remains a valid correction. The scheme does not expressly settle whether a label is mandatory, so this is a reasoned marking decision, not a guaranteed teacher award.

Sources

Primary: supplied Quiz 1 (Inventory Valuation) LCM, S or R, WAC, Delayed stock taking.pdf, p. 2. The point weights, brace grouping and source subtotal were checked visually.

Background: HKEAA 2025 Paper 2A briefing, pp. 2 and 48–49

Background: HKEAA 2026 Paper 2A briefing, pp. 13 and 64–65

Both official HKEAA references are linked from the lines above.