

2019 HSC Financial Services Marking Guidelines

Section I

Multiple-choice Answer Key

Question	Answer
1	C
2	B
3	D
4	C
5	B
6	B
7	A
8	C
9	C
10	A
11	B
12	D
13	D
14	A
15	D

Section II

Question 16 (a)

Criteria	Marks
<ul style="list-style-type: none"> Identifies TWO issues 	2
<ul style="list-style-type: none"> Identifies ONE issue 	1

Sample answer:

The loan officer should consider the confidential nature of the information and whether the person making the request has the authority to do so.

Question 16 (b)

Criteria	Marks
<ul style="list-style-type: none"> Shows how the primary roles of professional associations and unions in the financial services industry are similar and/or different 	3
<ul style="list-style-type: none"> Shows a good understanding of the primary role of professional associations or unions in the financial services industry OR <ul style="list-style-type: none"> Outlines a feature of the primary role of professional associations and a feature of the primary role of unions 	2
<ul style="list-style-type: none"> Identifies a feature of professional associations or unions 	1

Sample answer:

Both of them aim to represent the interests of their members. Professional associations seek to maintain standards within a profession while unions focus on the welfare of their members. Professional associations provide ongoing professional development for their members and unions campaign for better pay and working conditions for their members.

Question 17 (a)

Criteria	Marks
<ul style="list-style-type: none"> Distinguishes between a hazard and a risk Includes an example of each 	2
<ul style="list-style-type: none"> Shows the difference between a hazard and a risk OR <ul style="list-style-type: none"> Defines a hazard and provides an example OR <ul style="list-style-type: none"> Defines a risk and provides an example 	1

Sample answer:

A hazard is something that can cause harm, for example water on the floor. A risk is the probability that a hazard will actually cause harm, that is, the chance that someone will slip over in the water.

Question 17 (b)

Criteria	Marks
• Justifies TWO ways to improve the ergonomic design of the workstation	2
• Identifies TWO ways to improve the ergonomic design of the workstation OR • Justifies ONE way to improve the ergonomic design of the workstation	1

Sample answer:

The chair should be height adjustable so that the employee can place her feet flat on the ground and improve posture. To avoid neck strain, the screen should be lowered so that the top of the screen is at or below eye level.

Question 17 (c)

Criteria	Marks
• Outlines why the colour and positioning of the safety signs are important	2
• Shows some understanding of the positioning of safety signs or the use of colour in safety signs	1

Sample answer:

The colours of the safety signs are important because there is an Australian standard setting out the design of safety signs. Safety signs displayed must comply with this standard.

Since the purpose of the signs is to warn people, they need to be in a prominent and relevant location so that people will see them.

Question 18 (a) (i)

Criteria	Marks
• Correctly completes the general journal	3
• Provides some correct entries to the general journal	2
• Provides some relevant information	1

Sample answer:

Date	Account name	Debit (\$)	Credit (\$)
1 June	Petty cash Bank Establish petty cash float	200.00	200.00
23 June	Petty cash Bank Increase petty cash float	100.00	100.00
30 June	Stationery Travel GST Bank Reimbursement of petty cash	180.00 20.00 20.00	220.00

Question 18 (a) (ii)

Criteria	Marks
• Correctly determines the amount of petty cash	1

Sample answer:

\$80

Question 18 (b)

Criteria	Marks
• Explains the difference between fixed costs and variable costs using examples	2
• Shows some understanding of fixed costs or variable costs	1

Sample answer:

Fixed cost does not change when production quantities change. Variable costs vary with production for example, rent is a fixed cost because it does not change whether 2 or 50 chairs are produced. However, the timber required is a variable cost because it will vary depending on the quantity being produced.

Question 18 (c)

Criteria	Marks
<ul style="list-style-type: none"> Correctly calculates the opening carrying amounts, depreciation and closing carrying amounts for both years 	3
<ul style="list-style-type: none"> Provides some relevant workings for the depreciation and/or the carrying amounts 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

<i>Opening carrying amount</i>	<i>Depreciation</i>	<i>Closing carrying amount</i>
18700 less GST = 18700 – 1700 = 17000	$17000 \times 30\% = 5100$ for year 1. $5100 / 12 \text{ months} \times 2$ = 850	As at 30 June 2018 $17000 - 850$ = 16150
16150	$16150 \times 30\% = 4845$ for year 2 = 4845	As at 30 June 2019 $16150 - 4845$ = 11305

Question 19 (a)

Criteria	Marks
<ul style="list-style-type: none"> Identifies the type of document and explains its purpose 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

The document is a delivery docket. It is used to accompany a shipment of goods. It contains the delivery address and the description and quantity of goods. A copy of the delivery docket, signed by the purchaser or the consignee, is returned to the seller or consignor as a proof of delivery.

Question 19 (b)

Criteria	Marks
<ul style="list-style-type: none"> • Correctly prepares the income statement • Clearly indicates the loss 	4
<ul style="list-style-type: none"> • Provides a substantially correct income statement 	3
<ul style="list-style-type: none"> • Correctly identifies some income and some expenses 	2
<ul style="list-style-type: none"> • Provides some relevant information 	1

Sample answer:

	\$	\$
Income		86 400
Bad debts recovered	1 100	
Rent received	5 300	
Sales	78 000	
Interest on investments	2 000	
Less expenses		102 930
Stationery	5 000	
Interest on mortgage	3 300	
Salaries	22 000	
Discount allowed	830	
Advertising	8 000	
Council rates	2 000	
Equipment repairs	9 800	
Cost of sales	52 000	
	Loss	16 530

Answers could include:

Fully classified format is also acceptable.

Question 20

Criteria	Marks
<ul style="list-style-type: none"> Describes how the workplace may contribute to environmental sustainability 	4
<ul style="list-style-type: none"> Outlines ways for the workplace to contribute to environmental sustainability 	3
<ul style="list-style-type: none"> Identifies ways for the workplace to contribute to environmental sustainability <p>OR</p> <ul style="list-style-type: none"> Outlines one way for the workplace to contribute to environmental sustainability 	2
<ul style="list-style-type: none"> Shows a basic understanding of environmental sustainability 	1

Sample answer:

The workplace may develop environmentally friendly purchasing guidelines and choose products that are reusable (eg ceramic cups instead of foam cups), recyclable, have minimum packaging or have packaging that is reusable. It may also reduce energy waste by switching off lights and electrical equipment overnight.

Environmentally sustainable work practices should be considered when making planning decisions. Information sessions should be conducted to raise awareness and to ensure that employees understand their responsibilities towards environmental sustainability.

Section III

Question 21

Criteria	Marks
<ul style="list-style-type: none"> • Demonstrates extensive knowledge and understanding of the changing nature of the financial services industry and maintaining industry currency • Describes strategies for a financial services worker to maintain industry currency and provides reasons in favour • Communicates ideas and information using industry terminology accurately and appropriately • Supports response with relevant workplace examples • Presents a logical and cohesive response 	13–15
<ul style="list-style-type: none"> • Demonstrates thorough knowledge and understanding of the changing nature of the financial services industry and maintaining industry currency • Describes strategies for a financial services worker to maintain industry currency • Communicates using industry terminology appropriately • Supports response with workplace examples • Presents a logical response 	10–12
<ul style="list-style-type: none"> • Demonstrates sound knowledge and understanding of the changing nature of the financial services industry and maintaining industry currency • Outlines strategies for a financial services worker to maintain industry currency • Uses some industry terminology appropriately • Includes some workplace examples • Communicates in an organised manner 	7–9
<ul style="list-style-type: none"> • Demonstrates some understanding of the changing nature of the financial services industry and/or maintaining industry currency • Uses some industry terminology 	4–6
<ul style="list-style-type: none"> • Makes general statements about changes in the financial services industry or maintaining industry currency 	1–3

Answers could include:

- Training and professional development
- Importance of compliance with legislative, industry and organisational requirements
- Sources of current industry information
 - regulatory bodies
 - industry bodies eg professional associations, unions
 - industry journals
 - internet
 - networks
- Industry standards
- Accreditation requirements in the financial services industry
- Career pathways across the financial services industry and the knowledge and skills required for different job roles

- Emerging technologies affecting work practices and service delivery
- Range of technological skills critical for working in the financial services industry
- Role of employees in quality improvement, auditing and accreditation
- Use personal reflection to seek improvement
- Performance management
- Obtaining and interpreting feedback from supervisor(s), colleagues and clients
- Teamwork.

Section IV

Question 22 (a)

Criteria	Marks
<ul style="list-style-type: none"> Explains the difference between closing journal entries and reversal journal entries 	3
<ul style="list-style-type: none"> Outlines features of closing journal entries and/or reversal journal entries 	2
<ul style="list-style-type: none"> Provides some relevant information 	1

Sample answer:

Closing journal entries close all the income and expense accounts at period end to allow the profit or loss to be calculated. The profit or loss calculated is closed to the balance sheet at year end.

Reversal journal entries are the reversing of the balance day adjustments entered at the end of an accounting period. Reversal entries are for reporting purposes.

Closing journals are completed on the last day of the accounting period, but the reversal entries are completed on the first day of the next period.

Question 22 (b)

Criteria	Marks
<ul style="list-style-type: none"> Outlines appropriate procedures Includes recovery actions 	5
<ul style="list-style-type: none"> Outlines most of the procedures and recovery actions 	4
<ul style="list-style-type: none"> Outlines some appropriate procedures and recovery actions 	3
<ul style="list-style-type: none"> Identifies some appropriate procedures and/or recovery actions 	2
OR	
<ul style="list-style-type: none"> Outlines an appropriate procedure 	1
<ul style="list-style-type: none"> Provides some relevant information 	

Sample answer:

Examine the Aged Debtors report on a weekly basis and analyse the debtors in the various categories as follows:

- If debts are over 30 days – advise the company accountant and send a reminder to the customer
- If debt is over 60 days – determine if the amount is in dispute.
 - If in dispute, interact with customers and accountant to define status. Implement measures to recover monies.
 - If no dispute, advise customer they will not be able to buy on credit unless the balance is paid. Implement measures to recover monies (send out reminders with due dates and call the customer requesting payment).
- If debt is over 90 days – follow through whether the payment plan is being adhered to by the customer. Do not sell to customer.
 - If no monies received – commence legal action via a debt collector or commence proceedings to take customer to court.
 - If some monies have been received – check if monies have been received as per payment plan, if not, advise customers that legal action will commence.

Question 22 (c)

Criteria	Marks
<ul style="list-style-type: none"> Explains the advantages of using a classified balance sheet over an adjusted trial balance Provides a correct classified balance sheet with no errors 	11–12
<ul style="list-style-type: none"> Describes advantage(s) of using a classified balance sheet over an adjusted trial balance Provides a mostly correct classified balance sheet 	9–10
<ul style="list-style-type: none"> Outlines advantage(s) of using a classified balance sheet over an adjusted trial balance and provides a classified balance sheet with some correct values Provides a substantially correct classified balance sheet 	6–8
<ul style="list-style-type: none"> Demonstrates some understanding of the classified balance sheet format and classifications <p>AND/OR</p> <ul style="list-style-type: none"> Identifies advantage(s) of using a balance sheet over an adjusted trial balance 	3–5
<ul style="list-style-type: none"> Provides some relevant information 	1–2

Answers could include:

Even though a balance sheet includes all the balances from trial balance, using a classified balance sheet has many advantages over an adjusted trial balance.

- The balance sheet clearly shows the worth of the business by looking at the owner's equity.
- It identifies the net profit/loss for the period after all the balance day adjustments have been taken into account.
- It clearly displays the assets and liabilities of the business at the time of presentation, including the balance day assets and liabilities.
- A classified balance sheet is a financial statement which can be used for internal and external purposes. However, the trial balance is not.

The adjusted trial balance merely lists all accounts and their balances, after the balance day adjustments have been taken into account. It does not identify the worth of the business. All five classifications are listed, with no clear interpretation of the health of the business.

Balance sheet as at 30 June 2019

Assets			
Accounts receivable	10 000		
Less allowance for doubtful debts	(500)	9 500	
Prepaid expenses		450	
Motor vehicles	40 900		
Less accumulated depreciation	(2 500)	38 400	
TOTAL ASSETS			48 350
Liabilities			
Accounts payable		2 000	
GST		1 780	
Accrued expenses		2 500	
Revenue received in advance		900	
TOTAL LIABILITES			7180
NET ASSETS			41 170
Owner's equity			41 170
Capital		13 070	
Less drawings		(1 000)	
Plus profit		29 100	

Note:

Calculation of profit

$(50\,000 + 400) - (300 + 1000 + 5000 + 15\,000)$

Question 23 (a)

Criteria	Marks
<ul style="list-style-type: none"> • Outlines ONE financial product and ONE financial service that may be offered 	3
<ul style="list-style-type: none"> • Identifies ONE financial product and ONE financial service that may be offered OR <ul style="list-style-type: none"> • Outlines ONE financial product or ONE financial service that may be offered 	2
<ul style="list-style-type: none"> • Identifies ONE financial product or ONE financial service that may be offered 	1

Sample answer:

One financial product that may be offered is insurance. Home, car, landlord and pet insurances are sold by major supermarket chains on behalf of insurance companies. One financial service that may be offered is banking. Customers may deposit, withdraw, transfer funds or pay their bills at a post office rather than at a bank.

Question 23 (b)

Criteria	Marks
<ul style="list-style-type: none"> • Provides a comprehensive description of how an agency worker should handle complaints from customers 	5
<ul style="list-style-type: none"> • Shows a thorough understanding of how an agency worker should handle complaints from customers 	4
<ul style="list-style-type: none"> • Shows a sound understanding of how an agency worker should handle complaints from customers 	3
<ul style="list-style-type: none"> • Outlines a way to handle a customer complaint 	2
<ul style="list-style-type: none"> • Provides a general statement about customer complaints 	1

Sample answer:

The agency worker should be courteous at all times when handling complaints from customers. They should acknowledge the complaint, listen carefully to the details and clarify any issues if necessary. Complaints handling policy and procedures at the workplace should be adhered to. The issues and the customer’s contact information should be documented for following up and for the agency to improve its products and services.

The agency worker may need to identify the issues and find solutions that are acceptable to both the customer and the business. If it is not possible to find solutions that are appealing to both parties, the agency worker may need to persuade the customer to accept a compromise while avoiding an argument. If the customer with a complaint is in a volatile state, the agency worker may need to apply conflict resolution skills to calm down the situation and navigate a way to a suitable solution.

Answers could include:

Complaints (eg data entry errors) should be addressed promptly and assistance should be sought from colleagues or supervisors for issues that cannot be resolved by the agency worker. In some cases, the complaint may need to be referred to a different section or back to the financial institution. The agency worker should follow up with customers to make sure that complaints are satisfactorily resolved.

Question 23 (c)

Criteria	Marks
<ul style="list-style-type: none"> • Demonstrates extensive knowledge and understanding of the importance of record management by an agency • Develops comprehensive arguments about the need for accurate, effective and secure record management 	11–12
<ul style="list-style-type: none"> • Demonstrates thorough knowledge and understanding of the importance of record management by an agency • Develops sound arguments about the need for accurate, effective and secure record management 	9–10
<ul style="list-style-type: none"> • Demonstrates sound understanding of record management • Develops arguments about the need for accurate, effective and/or secure record management 	6–8
<ul style="list-style-type: none"> • Demonstrates some understanding of record management • Outlines the need for accurate, effective and/or secure record management 	3–5
<ul style="list-style-type: none"> • Demonstrates basic understanding of record management 	1–2

Answers could include:

- Compliance / legislative and regulatory requirements
 - maintaining business records
 - taxation
 - confidentiality
 - privacy
- Range of reports commonly requested by supervisor, colleagues and external sources
- Workplace requirements
- Workplace policy and protocols in relation to record-keeping
- Records continuum
- Range of records commonly used
- Maintain information about payments (cash and non-cash transactions)
- Importance of information management
- Integrity, security (access, release) and accuracy
- Traceability
- Documentation
- Verification
- Reconciliation
- Correction of discrepancies.

2019 HSC Financial Services Mapping Grid

Section I

Question	Marks	HSC content – focus area
1	1	Safety — WHS consultation and participation – page 34
2	1	Industry context — employment – page 31
3	1	Safety — safe work procedures and practices – page 36
4	1	Industry context — working in the industry – page 29
5	1	Financial operations — financial transactions – page 27
6	1	Work — technology – page 41
7	1	Financial operations — financial calculations – page 25
8	1	Industry context — working in the industry – page 29
9	1	Financial operations — financial calculations – page 25 Financial operations — financial information – page 24
10	1	Work — communication – page 38
11	1	Financial operations — financial transactions – page 27
12	1	Safety — incidents, accidents and emergencies – page 36
13	1	Financial operations — financial calculations – page 26
14	1	Financial operations — financial calculations – page 26
15	1	Financial operations — financial transactions – page 27

Section II

Question	Marks	HSC content – focus area
16 (a)	2	Industry context — working in the industry – page 30
16 (b)	3	Industry context — employment – page 30
17 (a)	2	Safety — risk management – page 35
17 (b)	2	Safety — safe work procedures and practices – pages 35–36
17 (c)	2	Safety — WHS compliance – page 34
18 (a) (i)	3	Financial operations — financial transactions – page 27
18 (a) (ii)	1	Financial operations — financial transactions – page 27
18 (b)	2	Financial operations — financial calculations – page 26
18 (c)	3	Financial operations — financial transactions – page 26
19 (a)	2	Financial operations — financial information – page 24
19 (b)	4	Financial operations — financial transactions – page 26
20	4	Work — work practices – page 40

Section III

Question	Marks	HSC content – focus area
21	15	Financial operations — compliance – page 27 Work — sources of information – page 38 Work — technology – page 41 Work — work practices – page 40 Industry context — working in the industry – pages 29–30 Industry context — employment – page 31

Section IV

Question	Marks	HSC content – focus area
22 (a)	3	(stream) Accounting — financial reports – page 45
22 (b)	5	(stream) Accounting — subsidiary accounts and ledgers – page 44
22 (c)	12	(stream) Accounting — financial reports – page 45
23 (a)	3	(stream) Financial services — agency for financial services institutions – page 48
23 (b)	5	(stream) Financial services — agency for financial services institutions – page 48
23 (c)	12	(stream) Financial services — record-keeping in the financial services industry – page 51 (stream) Financial services — compliance – page 51 (stream) Financial services — cash and non-cash transactions – page 49 (stream) Financial services — payment system – page 50