
2024 HSC Financial Services Marking Guidelines

Section I

Multiple-choice Answer Key

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

Section II

Question 16 (a)

| Criteria | Marks |
|--|-------|
| • Outlines TWO benefits of a partnership business over a sole trader | 2 |
| • Provides some relevant information | 1 |

Sample answer:

Having more than one owner of the business means start-up costs will be shared so they will be lower. More partners allow more ideas and additional knowledge available to the business.

Question 16 (b)

| Criteria | Marks |
|---|-------|
| • Outlines how industry-specific software can be used in the financial industry | 2 |
| • Provides some relevant information | 1 |

Sample answer:

Industry specific software can be used for maintaining customer profiles and for recording and analysing financial transactions.

Question 17 (a)

| Criteria | Marks |
|--|-------|
| <ul style="list-style-type: none"> Correctly records the vouchers, balances the petty cash book, and calculates the reimbursement | 3 |
| <ul style="list-style-type: none"> Records the vouchers, balances the petty cash book, and calculates the reimbursement with minor errors | 2 |
| <ul style="list-style-type: none"> Provides some relevant information | 1 |

Sample answer:

| Receipt (\$) | Date | Voucher # | Particulars | Amount paid (\$) | Office expenses (\$) | Travel (\$) | Staff amenities (\$) | GST (\$) |
|----------------------|---------|-----------|----------------|----------------------|----------------------|-------------|----------------------|----------|
| 100.00 | 2/9/24 | | | | | | | |
| | 6/9/24 | 009 | Taxi | 16.50 | | 15.00 | | 1.50 |
| | 7/9/24 | 010 | Magazine | 7.98 | 7.25 | | | 0.73 |
| | 12/9/24 | 011 | Tea/coffee | 23.80 | | | 23.80 | |
| | 20/9/24 | 012 | Postage stamps | 11.00 | 10.00 | | | 1.00 |
| | | | Totals | 59.28 | 17.25 | 15.00 | 23.80 | 3.23 |
| | | | Balance | 40.72 | — | — | — | — |
| <u>100.00</u> | | | | <u>100.00</u> | | | | |
| 40.72 | | | Balance | | — | — | — | — |
| 59.28 | | | Reimbursement | | — | — | — | — |

Question 17 (b)

| Criteria | Marks |
|---|-------|
| • Completes the journal entries correctly | 4 |
| • Completes most parts of most journal entries correctly | 3 |
| • Completes some part of each journal entry correctly OR • Completes most parts of some journal entries correctly | 2 |
| • Provides some relevant information | 1 |

Sample answer:

| <i>Account name</i> | <i>Debit (\$)</i> | <i>Credit (\$)</i> |
|---------------------|-------------------|--------------------|
| Office equipment | 2000 | |
| GST | 200 | |
| Accounts payable | | 2200 |
| | | |
| Bad debts | 400 | |
| GST | 40 | |
| Accounts receivable | | 440 |
| | | |
| Drawings | 300 | |
| Bank | | 300 |

Question 18 (a)

| Criteria | Marks |
|--|-------|
| <ul style="list-style-type: none"> Provides a sound description of why a business may be in breach of anti-discrimination legislation Uses an appropriate example Identifies a strategy to prevent this | 2 |
| <ul style="list-style-type: none"> Provides some relevant information | 1 |

Sample answer:

A business may be in breach of anti-discrimination legislation because it did not protect a minority group from being disadvantaged. For example, the rejection of candidates over 60 years old for consideration for promotions. This could be prevented by requesting that applicants do not need to include their date of birth.

Question 18 (b)

| Criteria | Marks |
|--|-------|
| <ul style="list-style-type: none"> Outlines TWO strategies a supervisor can use to help resolve conflict between these co-workers | 3 |
| <ul style="list-style-type: none"> Shows some understanding of what the supervisor can do to help resolve conflict | 2 |
| <ul style="list-style-type: none"> Provides some relevant information | 1 |

Sample answer:

Supervisor needs to encourage communication between co-workers to understand each other's perspective and underlying causes of missed deadlines. If the conflict is not resolved, supervisor can use negotiation or mediation, which may involve collaboration with a neutral party.

Question 18 (c)

| Criteria | Marks |
|--|-------|
| <ul style="list-style-type: none"> Provides a sound explanation of the difference between risk assessment and risk control Includes appropriate example of risk assessment and risk control | 3 |
| <ul style="list-style-type: none"> Demonstrates a sound understanding of risk assessment OR risk control, using an example OR <ul style="list-style-type: none"> Demonstrates some understanding of risk assessment AND risk control | 2 |
| <ul style="list-style-type: none"> Provides some relevant information | 1 |

Sample answer:

A risk assessment identifies and evaluates the chances of an injury occurring eg evaluating a new workstation and identifying a computer cable across the floor as a trip hazard. A risk control is a strategy implemented to reduce the chance of an injury eg taping the computer cables across the floor.

Question 18 (d)

| Criteria | Marks |
|--|-------|
| <ul style="list-style-type: none"> Identifies the features of a Chart of Accounts | 2 |
| <ul style="list-style-type: none"> Provides some relevant information | 1 |

Sample answer:

A Chart of Accounts features include names and numbers of typical accounts used in a business, classified into assets, liabilities, owner’s equity, revenue and expenses.

Question 19 (a)

| Criteria | Marks |
|---|-------|
| <ul style="list-style-type: none"> Outlines how an <i>act</i> and a <i>code of practice</i> differ | 2 |
| <ul style="list-style-type: none"> Provides some relevant information | 1 |

Sample answer:

An act outlines broad responsibilities in the form of a law whereas a code of practice provides practical procedures and is not a law.

Question 19 (b)

| Criteria | Marks |
|---|-------|
| • Outlines correctly the order of the steps in an accounting process to record a transaction from a source document | 3 |
| • Provides some steps in an accounting process to record a transaction from a source document | 2 |
| • Provides some relevant information | 1 |

Sample answer:

Steps in an accounting process to record a transaction are to record a journal from a validated source document, post journals to ledger, balance ledger accounts and prepare a trial balance. The trial balance can provide a check on the accuracy of entries. The income statement and balance sheet are prepared from a trial balance.

Question 19 (c)

| Criteria | Marks |
|---|-------|
| • Prepares a correct income statement to show the loss | 4 |
| • Prepares an income statement with some errors | 3 |
| • Demonstrates an understanding of the items that belong in an income statement | 2 |
| • Provides some relevant information | 1 |

Sample answer:

| Income statement | | |
|---------------------------------|---------------|---------------|
| Income | (\$) | (\$) |
| Service income | 38 000 | |
| Interest received on investment | 300 | |
| Commission income | <u>100</u> | 38 400 |
| <u>Less expenses</u> | | |
| Internet usage | 25 000 | |
| Office stationery | 900 | |
| Electricity | <u>13 000</u> | <u>38 900</u> |
| Loss | | (500) |

Section III

Question 20 (a)

| Criteria | Marks |
|---|-------|
| • Prepares a correct trading account and profit and loss account | 4 |
| • Provides a substantially correct trading account and profit and loss account | 3 |
| • Correctly identifies some items in the trading or the profit and loss account | 2 |
| • Provides some relevant information | 1 |

Sample answer:

Trading account

| | | | |
|--------------------|---------|-------|---------|
| | (\$) | | (\$) |
| Cost of goods sold | 90 000 | Sales | 150 000 |
| Profit/loss | 60 000 | | _____ |
| | 150 000 | | 150 000 |

Profit and loss account

| | | | |
|----------------------|--------|------------------------|--------|
| | (\$) | | (\$) |
| Staff salaries | 5 000 | Trading (gross profit) | 60 000 |
| Insurance | 3 000 | | _____ |
| Capital (net profit) | 52 000 | | _____ |
| | 60 000 | | 60 000 |

Question 20 (b)

| Criteria | Marks |
|--|-------|
| <ul style="list-style-type: none"> Provides a correct reconciliation and a thorough explanation on how the two discrepancies should be fixed | 6 |
| <ul style="list-style-type: none"> Provides a mostly correct reconciliation and a sound explanation on how the two discrepancies should be fixed | 5 |
| <ul style="list-style-type: none"> Provides a partially correct reconciliation and some explanation on how the discrepancies should be fixed OR <ul style="list-style-type: none"> Provides an incomplete reconciliation with a sound understanding on how the discrepancies should be fixed | 4 |
| <ul style="list-style-type: none"> Prepares a partially correct reconciliation with some understanding of how to fix errors OR <ul style="list-style-type: none"> Demonstrates some understanding of how the discrepancies can be fixed | 2–3 |
| <ul style="list-style-type: none"> Provides some relevant information | 1 |

Sample answer:

These errors can be solved by ringing or emailing the supplier to discuss how the two incorrect invoices can be adjusted with their accounts payable clerk. An enquiry should also be made to determine the location of the missing goods.

**Reconciliation for the supplier
as at 30 September 2024**

| | |
|--|-------|
| | (\$) |
| Balance as per supplier’s statement | 2 260 |
| Less: Goods not received on invoice #145 | 300 |
| Less: Error in invoice #239 | 90 |
| Balance as per general ledger | 1 870 |

Question 20 (c)

| Criteria | Marks |
|---|-------|
| • Prepares a correct classified balance sheet that may include insignificant errors | 9–10 |
| • Prepares a mostly correct balance sheet with mostly correct balance day adjustments | 7–8 |
| • Prepares a substantially correct balance sheet with some correct figures from balance day adjustments | 5–6 |
| • Demonstrates some understanding of a balance sheet and some understanding of balance day adjustments | 3–4 |
| • Provides some relevant information | 1–2 |

Sample answer:

| | (\$) | (\$) | (\$) |
|------------------------------------|-----------------|---------|----------------|
| <u>Assets</u> | | | |
| Cash at bank | | 4 150 | |
| Accounts receivable | 75 000 | | |
| Less: Allowance for doubtful debts | <u>(3 750)</u> | 71 250 | |
| Inventory | | 10 400 | |
| Prepayment | | 300 | |
| Equipment | 69 700 | | |
| Less: Accumulated depreciation | <u>(11 270)</u> | 58 430 | |
| Total assets | | | 144 530 |
| <u>Liabilities</u> | | | |
| Accounts payable | | 1 600 | |
| Income received in advance | | 5 000 | |
| Loan | | 30 000 | |
| Total liabilities | | | 36 600 |
| Net Assets | | | <u>107 930</u> |
| Owners' equity | | | |
| Capital | | 20 580 | |
| Net Profit | | 87 350* | |
| | | | <u>107 930</u> |

*Net profit:

$$(147\ 000 + 17\ 500) - (53\ 200 + 3000 + 8500 + 5900 + 2800 + 3750) = \$87\ 350$$

Question 21 (a)

| Criteria | Marks |
|--|--------------|
| • Demonstrates a thorough understanding of how the elements are used in processing transactions in an agency | 4 |
| • Demonstrates a sound understanding of how some elements are used in processing transactions | 3 |
| • Demonstrates some understanding of how some elements are used in processing transactions | 2 |
| • Provides some relevant information | 1 |

Sample answer:

When processing transactions, agencies need to check that the monetary values being charged accurately match their documentation.

Agencies must also validate the authenticity of the transaction with the correct ID of the customer with valid documents.

Agencies must also complete the transaction by including relevant account codes, BPay references, BSB details so that the transaction can be tracked or reconciled. All steps in the process are followed to ensure completeness.

Question 21 (b)

| Criteria | Marks |
|--|-------|
| <ul style="list-style-type: none"> • Demonstrates a comprehensive understanding of policies and procedures for recording-keeping throughout the records continuum | 6 |
| <ul style="list-style-type: none"> • Demonstrates a thorough understanding of the record continuum with sound policies and procedures for record keeping | 5 |
| <ul style="list-style-type: none"> • Demonstrates a sound understanding of the record continuum with some policies and procedures for record keeping | 4 |
| <ul style="list-style-type: none"> • Demonstrates some understanding of the records continuum <p>OR</p> <ul style="list-style-type: none"> • Demonstrates some understanding of policies and procedures for record keeping | 2–3 |
| <ul style="list-style-type: none"> • Provides some relevant information | 1 |

Sample answer:

Before a record is created, a business must have a policy that considers what minimum information is essential to collect and how the information will be collected and stored ie, essential delivery addresses, email, and credit card details could be collected via verbal phone-calls, paper-based applications, online customer profiles.

In the maintenance of records, a business must have a policy and procedure that allows for the opportunity to review transactions or entries. For example, monthly statements would be sent to account holders with the opportunity to discuss/amend errors.

In the disposal of records, a business must have a policy and procedure that ensures that records cannot be on-sold or reconstructed but are deleted after being kept for the required length of time. For example, credit card numbers, expiry dates, CVC/CVV numbers must not be stored without authority.

Question 21 (c)

| Criteria | Marks |
|---|-------|
| <ul style="list-style-type: none"> • Demonstrates a comprehensive understanding of the processes and procedures a business would implement in processing client payments to prevent errors | 9–10 |
| <ul style="list-style-type: none"> • Demonstrates a thorough understanding of the processes and procedures a business would implement in processing client payments to prevent errors | 7–8 |
| <ul style="list-style-type: none"> • Demonstrates a sound understanding of the processes and procedures in processing payments | 5–6 |
| <ul style="list-style-type: none"> • Demonstrates some understanding of the processes and procedures in processing payments | 3–4 |
| <ul style="list-style-type: none"> • Provides some relevant information | 1–2 |

Answers could include:

Information needs to be extracted from databases when making payments.

Database controls

- System controls include user access control that preserve the integrity of the data by preventing non authorised persons from modifying or corrupting data. Also include security controls of authorised staff using a password to sign in to ensure authorised access, then sign out as soon as the information has been sourced.
- Data entry controls require accuracy input controls by reconciling batch totals. The timeframe of entering data must be succinct with the real time accessibility. Designated times as outlined in the policies and procedures of the organisation need to be adhered to ensure data released for payment information is accurate. Related systems reconciliation of transaction batches between systems and version control is required.

Payment controls

- Source documents need to be filed.
- Verification requires validation checks for amounts and recipients.
- Payments must be authorised by the personnel as per the policies and procedures.
- The different levels of payment status need to be clearly defined in the policies and procedures.
- Ensure scheduled payments are authorised, accurate and ready to process.
- Check payment totals for common discrepancies using a checklist.
- Record discrepancies and their correction with narratives to allow an audit trail.

Section IV

Question 22

| Criteria | Marks |
|---|-------|
| <ul style="list-style-type: none"> Provides an extensive explanation of the skills that financial services workers need Demonstrates extensive application of communication, customer service and teamwork skills within the financial services industry Uses industry terminology and workplace examples accurately and appropriately Presents a logical and cohesive response | 13–15 |
| <ul style="list-style-type: none"> Provides a thorough explanation of the skills that financial services workers need Demonstrates thorough application of communication, customer service and teamwork skills within the financial services industry Uses industry terminology and workplace examples accurately and appropriately Presents a logical response | 10–12 |
| <ul style="list-style-type: none"> Provides a sound explanation of skills that financial services workers need Demonstrates sound application of communication, customer service and teamwork skills within the financial services industry Uses some industry terminology appropriately with some workplace examples Communicates in an organised manner | 7–9 |
| <ul style="list-style-type: none"> Provides some features of skills that financial services workers need Demonstrates some application of communication, customer service and teamwork skills within the financial services industry Uses some industry terminology | 4–6 |
| <ul style="list-style-type: none"> Makes general statements about the skills financial services workers need OR application of these skills | 1–3 |

Answers could include:

Communication skills

- Questioning and listening techniques can be applied in circumstances where a customer's needs must be interpreted eg when a customer is applying for a loan and needs to be matched to a suitable loan-product.
- Report writing, email or written skills can be applied when accounting reports need to be interpreted for owners, or when a customer emails a complaint.
- Handling positive/negative feedback from supervisors, colleagues and clients can be applied when productivity is low or when errors need to be corrected. A worker needs to react in an accepting manner to feedback, showing a commitment to improve relationships.
- Culture can often be a barrier to communication. Verbal and non-verbal cues must be noticed during conversation so that a communication cycle remains open.

Customer service

- Building relationships with customers requires an understanding of respect and tolerance and a use of proactive strategies for dealing with diversity of individual differences.
- Customers and workers need to also operate in safe environments, thus risk assessment and risk control strategies can be applied to physical spaces.
- Customer service skills can be applied through knowledge of ACCC, APRA, ASIIC requirements designed to protect consumers, in particular, dealing with fraud or mismanagement of investments and legal breaches.

Teamwork skills

- A financial services worker understands the benefits of teamwork, in increasing productivity, ranges of solutions, greater unity or sharing knowledge.
- Working in teams can create conflict. A worker can apply conflict-resolution skills eg negotiation and mediation when disagreements occur between parties eg between business owners and employees over working conditions or salaries.
- Personal presentation that is professional can also be applied in the financial services industry to assist in maintaining a desirable corporate image attractive to financial clients.
- Self-reflection or seeking out feedback can be applied at the end of a project to maintain improvement and quality control.

2024 HSC Financial Services Mapping Grid

Section I

| Question | Marks | HSC content – focus area |
|----------|-------|---|
| 1 | 1 | Work – work practices – page 36 |
| 2 | 1 | Financial operations – financial calculations – page 22 |
| 3 | 1 | Work – cultural diversity – page 37 |
| 4 | 1 | Safety – safe work procedures and practices – page 32 |
| 5 | 1 | Financial operations – financial calculations – page 23 |
| 6 | 1 | Industry context – employment – page 28 |
| 7 | 1 | Work – the financial services worker – page 36 |
| 8 | 1 | Financial operations – financial calculations – page 22 |
| 9 | 1 | Financial operations – financial information – page 21 |
| 10 | 1 | Industry context – employment – page 27 |
| 11 | 1 | Financial operations – financial transactions – page 23 |
| 12 | 1 | Industry context – working in the industry – page 26 |
| 13 | 1 | Financial operations – financial calculations – page 23 |
| 14 | 1 | Financial operations – financial transactions – page 24 |
| 15 | 1 | Financial operations – financial transactions – page 24 |

Section II

| Question | Marks | HSC content – focus area |
|----------|-------|---|
| 16 (a) | 2 | Financial operations – financial information – page 21 |
| 16 (b) | 2 | Work – technology – page 38 |
| 17 (a) | 3 | Financial operations – financial transactions – page 24 |
| 17 (b) | 4 | Financial operations – financial transactions – page 23 |
| 18 (a) | 2 | Industry context – anti-discrimination – page 28 |
| 18 (b) | 3 | Work – misunderstandings and conflict – page 37 |
| 18 (c) | 3 | Safety – risk management – page 32 |
| 18 (d) | 2 | Financial operations – financial transactions – page 24 |
| 19 (a) | 2 | Industry context – working in the industry – page 26 |
| 19 (b) | 3 | Financial operations – financial transactions – page 23 |
| 19 (c) | 4 | Financial operations – financial transactions – page 23 |

Section III

| Question | Marks | HSC content – focus area |
|----------|-------|---|
| 20 (a) | 4 | Accounting – financial reports – page 41 |
| 20 (b) | 6 | Accounting – subsidiary accounts and ledgers – page 40 |
| 20 (c) | 10 | Accounting – financial reports – page 41 |
| 21 (a) | 4 | Financial services – agency for financial services institutions – page 45 |

| Question | Marks | HSC content – focus area |
|-----------------|--------------|--|
| 21 (b) | 6 | Financial services – record-keeping in the financial services industry – pages 46 and 47 |
| 21 (c) | 10 | Financial services – payment system – page 46 |

Section IV

| Question | Marks | HSC content – focus area |
|-----------------|--------------|--|
| 22 | 15 | Industry context – working in the industry – page 26 Safety – risk management – page 32 Work – communication – page 35 35Work – the financial services worker – page 36 |