



Worksheet 1: How to answer the question answers

- 1 Identify two advantages to the company of a rights issue of ordinary shares.

What are you identifying?

Advantages of rights issue of ordinary shares.

Is it demonstration or application of knowledge and understanding or both?

Demonstration of knowledge and understanding.

- 2 State two benefits of preparing regular bank reconciliation statements.

What are you identifying?

Benefits of bank reconciliation statement.

Is it demonstration or application of knowledge and understanding or both?

Demonstration of knowledge and understanding.

- 3 Calculate the revenue for the year ended 31 December 2020.

What are you identifying?

Revenue.

Is it demonstration or application of knowledge and understanding or both?

Both, demonstration, and application of knowledge and understanding.

- 4 Calculate the interest cover ratio of Z plc at 31 December 2020.

What are you identifying?

Interest cover ratio.

Is it demonstration or application of knowledge and understanding or both?

Both, demonstration, and application of knowledge and understanding.

- 5 Prepare Sergio's bank reconciliation statement at 31 May 2020 to show the balance in the cash book before it is updated.

What are you identifying?

Bank reconciliation statement.

Is it demonstration or application of knowledge and understanding or both?

Both, demonstration, and application of knowledge and understanding.



- 6 State three items other than the profit and loss sharing ratio which may be included in a partnership agreement.

What are you identifying?

Three items for partnership agreement.

Is it demonstration or application of knowledge and understanding or both?

Demonstration of knowledge and understanding.

- 7 Prepare the ledger accounts to record these transactions.

What are you identifying?

Ledger accounts.

Is it demonstration or application of knowledge and understanding or both?

Both, demonstration, and application of knowledge and understanding.