**MARK SHEET –Interpreting financial statements to assess organisational performance using financial ratios**

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| **Centre Number :** | |  | | **Centre Name :** | | |  | | | |
| **Learner Registration No :** | |  | | **Learner Name:** | | |  | | | |
| **INSTRUCTIONS FOR ASSESSMENT AND USE OF MARK SHEET**  Assessment must be conducted with reference to the assessment criteria (AC). In order to pass the unit, every AC must be met.  Assessors will normally award marks for every AC and then total them into a percentage. However, for greater simplicity, there is the option to not use marks at all and merely indicate with a ‘Pass’ or ‘Referral’ in the box (below right). In order to pass the unit every AC must receive a ‘Pass’  **Where marks are awarded according to the degree to which the learner’s evidence in the submission meets each AC, every AC must be met, i.e. receive at least half marks (e.g. min 10/20). Any AC awarded less than the minimum produces an automatic referral for the submission (regardless of the overall mark achieved).**  Sufficiency descriptors are provided as guidance. If 20 marks are available for an AC and the evidence in the submission approximates to the ‘pass’ descriptor, that indicates it should attract 10 marks out of 20, if a ‘good pass’ then ca. 15 out of 20. The descriptors are not comprehensive, and cannot be, as there are many ways in which a submission can exceed or fall short of the requirements. | | | | | | | | 1. **Learner named above confirms authenticity of submission.** 2. **ILM uses learners’ submissions – on an anonymous basis – for assessment standardisation.  By submitting, I agree that ILM may use this script on condition that all information which may identify me is removed.**   **However, if you are unwilling to allow ILM use your script, please refuse by ticking the box: □** | | |
| **Learning Outcome / Section 1:** Understand the purpose of financial statements and the financial expectations of organisational stakeholders | | | | | | | | | | |
| **Assessment Criteria (AC)** | **Sufficiency Descriptors**  *[Typical standard that , if replicated across the whole submission, would produce a referral, borderline pass or good pass result]* | | | | | | | | **Assessor feedback on AC**  *[comments not necessary in every box]* | |
| AC 1.1  Explain, using figures extracted from a set of financial statements, the purpose of each of the financial statements produced by the organisation | **Referral [*5/20*]** | | **Pass [*10/20*]** | | | **Good Pass [*15/20*]** | | |  | |
| * The purpose of each of the financial statements produced by the organisation is not explained, or the purpose of only a selection of financial statements is explained, or the purpose of each of the financial statements is incorrect or inappropriate, or the purpose of each of the financial statements is merely described with no figures extracted from the financial statements to provide an explanation, or the figures extracted from the financial statements are incorrect or inappropriate | | * The purpose of each of the financial statements produced by the organisation is explained using correct and appropriate figures extracted from the financial statements, although the explanations require further development | | | * The purpose of each of the financial statements produced by the organisation is fully explained using correct and appropriate figures extracted from the financial statements | | |
| / 20  (min. of 10) | Pass or Referral |
| AC 1.2  Identify the organisation’s stakeholders and users of accounts and explain their various expectations in terms of the financial performance of the organisation | **Referral [*5/20*]** | | **Pass [*10/20*]** | | | **Good Pass [*15/20*]** | | |  | |
| * The organisation’s stakeholders and users of accounts are not identified or are incorrectly identified, or their various expectations in terms of the financial performance of the organisation are not explained or are explained incorrectly, or their various expectations are merely listed or stated with no reasons given that correctly explain their expectations | | * The organisation’s stakeholders and users of accounts are correctly identified and reasons for their various expectations in terms of the financial performance of the organisation are correctly explained, although the explanations require further development | | | * The organisation’s stakeholders and users of accounts are correctly identified and reasons for their various expectations in terms of the financial performance of the organisation are correctly and fully explained | | |
| / 20  (min. of 10) | Pass or Referral |
| **Section comments** (optional): | | | | | **Verification comments** (optional): | | | | | |
| **Learning Outcome / Section 2:** Understand how to use and interpret financial ratios to assess a range of performance areas relevant to organisational stakeholders | | | | | | | | | | |
| **Assessment Criteria (AC)** | **Sufficiency Descriptors**  *[Typical standard that , if replicated across the whole submission, would produce a referral, borderline pass or good pass result]* | | | | | | | | **Assessor feedback on AC**  *[comments not necessary in every box]* | |
| AC 2.1  Calculate a set of financial ratios across a range of performance areas using actual figures extracted from the organisation’s financial statements | **Referral [*5/20*]** | | **Pass [*10/20*]** | | | **Good Pass [*15/20*]** | | |  | |
| * A set of financial ratios have not been calculated, or have been calculated incorrectly or inappropriately, or have not been calculated using actual figures extracted from the organisation’s financial statements, or the financial ratios are restricted to one performance area or financial aspect of the business | | * A set of financial ratios have been correctly and appropriately calculated using actual figures extracted from the organisation’s financial statements, although the financial ratios are limited to two performance areas or financial aspects of the business | | | * A set of financial ratios for more than two performance areas or financial aspects of the business have been correctly and appropriately calculated using actual figures extracted from the organisation’s financial statements | | |
| / 20  (min. of 10) | Pass or Referral |

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| AC 2.2  Interpret the set of financial ratios to provide an assessment of the organisation’s financial performance in a way that is relevant to each of its stakeholders | **Referral [*7/28*]** | **Pass [*14/28*]** | | **Good Pass [*21/28*]** | |  | | |
| * The set of financial ratios have not been interpreted to provide an assessment, or have been interpreted incorrectly or inappropriately, or the relevance of the interpretation for each stakeholder has merely been listed or described with no assessment to make a judgement based on criteria relevant to each stakeholder | * The set of financial ratios have been correctly and appropriately interpreted and assessed to make a judgement on the organisation’s financial performance for each stakeholder based on criteria relevant to each stakeholder, although the relevance for each stakeholder needs further development | | * The set of financial ratios have been correctly and appropriately interpreted and assessed to make a comprehensive judgement on the organisation’s financial performance for each stakeholder based on criteria relevant to each stakeholder | |
| / 28  (min. of 14) | | Pass or Referral |
| AC 2.3  Explain the limitations of the set of financial ratios as a truly accurate assessment of organisational performance | **Referral [*3/12*]** | **Pass [*6/12*]** | | **Good Pass [*9/12*]** | |  | | |
| * The limitations of the set of financial ratios as a truly accurate assessment has not been explained, or the explanation is incorrect or inaccurate, or the limitations have merely been stated or listed with no explanation based on an assessment of organisational performance | * The limitations of the set of financial ratios as a truly accurate assessment has been explained using criteria relevant to organisational performance, although the evidence base for the explanation is limited | | * The limitations of the set of financial ratios as a truly accurate assessment has been explained using a wide evidence base | |
| / 12  (min. of 6) | | Pass or Referral |
| **Section comments** (optional): | | | **Verification comments** (optional): | | | | | |
|  | | | | | **/ 100** | | **TOTAL MARKS** | |

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| **Assessor’s Decision** | | **Quality Assurance Use** | |
| **Outcome** (*delete as applicable*): **PASS / REFERRAL** | **Signature of Assessor:**  **Date of QA Check:** | **Outcome** (*delete as applicable*): **PASS / REFERRAL** | **Signature of QA:**  **Date of QA check:** |