IQM3007 A4 Teacher marking exercise

Accounting Viva confidential internal synthetic practice pack

The selected synthetic extracts below form an unmarked exercise. Apply the supplied assessment criteria, record evidence and propose marks or bands before consulting the separate teacher reference.

STAFF ONLY — confidential controlled-bank practice. Source basis: IQM3007_2026_Sample_Assessment_4_Staff_Question_Bank_v2 (filename version v2; staff pack index version 2.0), Candidate Viva Guide v2 and Staff Marking Comments Sheet v2. The assessment set is Sample 2026; the separate Staff Delivery Record uses identifier “2026-S”. These identifiers remain distinct. This synthetic practice pack does not complete a delivery record or assert bank approval. Do not distribute controlled questions or responses to candidates.

Four selected fictional extracts only. Questions are controlled staff content; keep this exercise internal. Extracts cannot establish a whole-viva judgement or Communication; no candidate-facing distribution.

Unmarked staff discussion exercise

For each extract, identify evidence relevant to the four whole-viva criteria, then note strengths, limitations and one focused feedback point. Do not assign a question mark or infer a whole-viva result from a selected written extract. Communication must be judged from observed speech, not this written display. These extracts contain controlled questions and are for staff-only practice.

Extract A Q2

Exact prompt context: A workshop is deciding whether to accept a one-off order. It already paid for a design that cannot be reused or sold. Accepting the order would require extra materials and overtime. Explain which costs matter to the decision and why a full-cost total might mislead.

Fictional candidate extract: The design cost is sunk for this decision: it has already been paid and cannot be recovered by accepting or rejecting the order, so it does not change between the alternatives. The relevant comparison is the extra revenue from the order against future incremental costs, including the additional materials and overtime. I would also check whether the overtime is genuinely additional and whether using capacity displaces another order; any contribution sacrificed would matter. A full-cost total may allocate existing overhead or include the sunk design cost, even though neither changes with this short-term choice. That could make an order look unprofitable when its incremental contribution is positive. The reverse matters too: omitting real extra materials or overtime would overstate its benefit. I would accept only if the incremental benefit exceeds relevant cost, capacity is available and the order does not damage longer-term pricing or customer commitments. Wider costs still matter for sustainable pricing over time.

Teacher notes — Subject Knowledge and Understanding: _____

Teacher notes — Application of Knowledge: _____

Teacher notes — Critical Thinking and Analysis: _____

Teacher notes — Communication requires observed speech; do not infer it from the text.

Focused feedback: _____

Extract B Q3

Exact prompt context: A café uses break-even analysis to plan a new lunch service. Its calculation assumes a constant selling price and variable cost per lunch, but discounts may be needed and food prices are uncertain. How useful is the break-even estimate for deciding whether to launch?

Fictional candidate extract: The break-even estimate can show the number of lunches the café needs to sell before revenue covers costs. It is useful for setting a target, but it depends on price and food costs staying close to the assumptions. Discounts mean the café receives less per lunch, and more expensive ingredients increase the cost of each one, so the break-even point could be higher. I would compare it with expected demand and maybe check different price and cost cases before deciding. If the target seems realistic and the café has enough staff and kitchen space, a trial launch might be sensible. The estimate cannot guarantee that the service will succeed because customers may behave differently from the forecast. The owner should update it when prices or sales change.

Teacher notes — Subject Knowledge and Understanding: _____

Teacher notes — Application of Knowledge: _____

Teacher notes — Critical Thinking and Analysis: _____

Teacher notes — Communication requires observed speech; do not infer it from the text.

Focused feedback: _____

Extract C Q4

Exact prompt context: A profitable wholesaler expects customers to pay after its suppliers must be paid. It also plans an equipment purchase next month. Explain how a cash budget could help the owner choose what to do, including one limitation.

Fictional candidate extract: The wholesaler is profitable, so it has enough money to pay suppliers and buy the equipment. A cash budget is a report of profit and loss, so it will show whether the equipment is affordable. The owner can include depreciation because the equipment loses value each month. If the budget shows a profit, the business should buy the equipment. Customers will pay eventually, so there is no real problem with the timing. The budget should be accurate as long as the accountant prepares it.

Teacher notes — Subject Knowledge and Understanding: _____

Teacher notes — Application of Knowledge: _____

Teacher notes — Critical Thinking and Analysis: _____

Teacher notes — Communication requires observed speech; do not infer it from the text.

Focused feedback: _____

Extract D Q5 mandatory follow up

Exact prompt context: A workshop can use its only free afternoon for either a new customer's trial order or a regular customer's repair. Taking the trial would mean giving up the repair's positive contribution. How should the owner use opportunity cost and non-financial information to decide?

Fictional candidate extract: I would compare the trial order's additional revenue and costs with the contribution from the regular repair that would be given up. That lost repair contribution is the opportunity cost of using the only free afternoon for the trial. I would not claim a numerical winner because the question gives no amounts. I would then consider non-financial effects: whether the trial customer is likely to place repeat orders, whether the workshop has promised the repair by a deadline, how a delay might affect trust, and whether the trial could demonstrate a capability the workshop wants to develop. I would seek evidence such as the new customer's likely order schedule, the repair customer's urgency and service history, and the capacity needed after the afternoon. If the trial has credible repeat potential and the repair can be rescheduled without breaching a commitment, the trial may be justified even after recognising the foregone contribution. If repeat demand is speculative or the repair is urgent, protecting the regular relationship may be better. The decision should balance relevant financial cost with evidenced strategic and customer effects.

Mandatory neutral follow-up: What evidence would help you judge the non-financial effects?

Fictional candidate follow-up: I would ask about the new customer's expected repeat-order schedule and check the regular customer's deadline, service history and any commitment already made. Those facts help estimate reputation and future-work effects rather than assuming either outcome.

Teacher notes — Subject Knowledge and Understanding: _____

Teacher notes — Application of Knowledge: _____

Teacher notes — Critical Thinking and Analysis: _____

Teacher notes — Communication requires observed speech; do not infer it from the text.

Focused feedback: _____