

試題編號 Question No.												
1	2	3	4	5	6	7	8	9	10	11	12	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
13	14	15	16	17	18	19	20	21	22	23	24	≥25

每題另起新頁作答。
Start each question on a new page.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

1a.

1b. ~~Account~~ According to business entity concept, a business is treated as an entity separated from its owner, only the transaction related to the business has to be recorded in the ~~a~~ business's accounting record and accounts. In this case, the owner, Annie, took one of the pizzas home for her son's use is ~~there~~ counted as drawing of good which is related to her business, so the record of ~~drawing~~ debit drawings, credit purchase has to be made

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
13	14	15	16	17	18	19	20	21	22	23	24	≥25

每題另起新頁作答。
Start each question on a new page.

In the accounts.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	-------------------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

2a. In a booming local ~~ex~~ economy, people's consumption and ~~expenditure~~ investment expenditure would increase. So, people will be optimistic about the prospect of the property development company in Hong Kong and think that it would make profit and good performance. So, more people would ~~not~~ buy ~~the~~ the share of the property development company which lead to an increase in demand for this company's share and hence increase ~~the~~ its share price.

2b. Firstly, investors can know the general trend of share price movement in Hong Kong from the Hang Seng Index and know ~~the~~ whether ~~it~~ ~~is~~ the prospect of ~~Hong Kong~~ investing in Hong Kong's share is good or not. Since Hang Seng Index are ~~calculated~~ calculated ~~to~~ using the share price of those ~~company~~ companies with

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

very large market capitalization.

Secondly, the investors can use Hang Seng Index to know more about the prospect of four major market in Hong Kong and know whether it is good or not to invest in certain markets, for example properties, commerce and finance, etc.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	-------------------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

3a. If Carlo establish the branches in the form of franchising, Carlo would become the ~~franchisee~~ franchisor.

The first reason is that Carlo can have the market penetration of his restaurants locally ~~and~~ in Hong Kong with the effort and time paid by the franchisees but ^{using} not his own capital to open more branches in Hong Kong. As a result, the risk for him to ~~get~~ make loss ~~because~~ because of opening branches will be lower.

The second reason is that Carlo can ~~not~~ receive ~~an initial~~ regular ~~total~~ loyalty from his franchisee which is an income for ~~Carlo~~ Carlo.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

3b. The legal factor is that Carlo ~~shou~~ should consider the employment regulation in Hong Kong, for example, whether there ~~is~~ is minimum wage regulation in ~~the~~ Hong Kong because it would affect his labour cost and ~~hence~~ hence affect ~~the~~ his cost of production of ~~a~~ restaurants in Hong Kong.
operating

The ~~a~~ cultural factor is that Carlo should consider the lifestyle of Hong Kong people. For example, whether a majority of Hong Kong people are having green ~~life~~ and -healthy lifestyle who always want to eat vegetables and even organic food because it would affect his setting of menu and buying of raw material (foodstuff) for ~~a~~ setting up restaurant in Hong Kong.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

4a(i) Gross profit ratio = $\frac{40000}{100000} \times 100\% = 40\%$

4a(ii) Net profit ratio = $\frac{10000}{100000} \times 100\% = 10\%$

4a(iii) Return on capital employed

$$\frac{10000}{(37000 + 30000)} \times 100\% \approx \frac{10000}{67000} \times 100\% \approx 14.93\% \approx 29.85\%$$

4b. The gross profit ratio of John's supermarket is 40% which is higher than that of the supermarket of Man Kee who is with gross profit ratio 35%. This shows John is doing better than Man Kee on ~~cost~~ pricing strategy and also on reducing the cost of good sold. The profitability of John's supermarket ~~is~~ based on gross profit ratio ~~is not as good~~ better than Man Kee's. The net profit ratio of John's ^{supermarket} supermarket is 10% which is lower than that of the supermarket of Man Kee who is with net profit ratio 15%. This show ~~the~~

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.												
1	2	3	4	5	6	7	8	9	10	11	12	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
13	14	15	16	17	18	19	20	21	22	23	24	≥25

1. 每題另起新頁作答。
Start each question on a new page.
2. 補充答題紙不可撕開使用。
Do not tear the supplementary answer sheet apart.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

~~to amount of net profit generated from sale revenue of~~

John is doing poorer than Man Kee on controlling ~~the~~ the operating expense of ~~his~~ his supermarket. The profitability of John's supermarket based on net profit ratio is not as good as Man Kee's supermarket.

4c (i) The objectives are set ~~under~~ after the discussion of John ~~with~~ (who is the owner) ~~and~~ with his employees which is used to align the employee's objectives with company's objectives.

4c (ii) One advantage is that John's employees will be greatly motivated to achieve the company's goal because his employees ~~could~~ can receive a lot of feedback from John or their supervisors and hence the employees would know how

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

1. 每題另起新頁作答。

Start each question on a new page.

2. 補充答題紙不可撕開使用。

Do not tear the supplementary answer sheet apart.

well they are doing their tasks
and know ~~where~~ should they
make improvement. which areas

The disadvantage is that it will
be very time-consuming and costly
to do Management by objective
because there are a lot of
administrative works needed to
be done, for example, minutes ~~after~~
writing
for meetings.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

--

Comments

The candidate was able to demonstrate comprehensive knowledge and understanding of business and accounting concepts and was able to apply these concepts and knowledge to tackle business problems in unfamiliar case situations. He/She was also able to communicate ideas, opinions and suggestions in a logical and coherent manner, using appropriate business terminology.

In Question 1, though the journal entry was not shown in part (a), the entry was well explained in words in part (b) with reference to the business entity concept. In Question 2, the change in share price of a property development company in a booming economy was illustrated in detail. The use of the Hang Seng Index in assessing the general performance of the stock market was well explained. In Question 3, the reasons for easy penetration of the Hong Kong market with lower risk, and receiving regular income in the form of royalties were justified clearly. The legal and cultural factors were also well explained. In Question 4, the ratios were calculated correctly and an in-depth analysis of the profitability of John's supermarket as compared with Man Kee was given. The advantage and disadvantage of adopting Management by Objective were clearly explained.

The answers provided by the candidate were comprehensive, logical and showed very good analysis and evaluation of different business scenarios. This piece of work is of Level 5 in the HKDSE reporting scale.

試題編號 Question No.												
1	2	3	4	5	6	7	8	9	10	11	12	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	14	15	16	17	18	19	20	21	22	23	24	≥25

2538330

2108400

每題另起新頁作答。
Start each question on a new page.

Section A

1. (a)

P&R Limited

Corrected Trial Balance as at 31 December 2015

	Dr.	Cr.
	\$	\$
Equipment, at cost	1,922,000	
Accumulated depreciation - equipment		218,000
Inventory	155,070	
Unearned revenue		240,400
Retained profits		429,930
Share capital		1,650,000
Trade receivables	461,260	
	<u>2,538,330</u>	<u>2,538,330</u>

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

(b) Although the debit side is equal to credit side, there may be still errors but trial balance cannot recognise them.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。
Start each question on a new page.

2. (1) Office rental expenses

(17) Accrued interest income

(2) general ledger

(18) general ledger

(3) Bank

(19) Interest income

(4) Cashbook

(20) general ledger

(5) purchases

(6) general ledger

(7) creditors

(8) purchases ledger

(9) Bank

(10) Cashbook

(11) Bank loan

(12) general ledger

(13) Returns inwards

(14) general ledger

(15) Debtors

(16) sales ledger.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

3. (a) Predetermined manufacturing overhead absorption rate

$$= \frac{450000 + 50000 \times 6}{50000} = \$15 \text{ per machine hour}$$

(b) manufacturing overhead absorbed

$$= 15 \times 48000$$

$$= \$720000$$

$$720000 - 717000 = \$3000$$

> 0

∴ The over-absorption of manufacturing overheads

is \$3000.

(c) For over-absorption, the over-absorbed manufacturing overheads \$3000 is deducted in the cost of goods sold.

Net profit will increase by \$3000.

(d) Indirect materials used in machines.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

4. (a) The going concern concept states that a business is going to operate in a foreseeable future, therefore its assets should be valued at historical costs.

(b) valued at current market values.

(c) Historical cost principle is violated. It states that assets of a firm should be valued at their original costs of production or purchase, any changes in their market values should be ignored.

In this case, the firm should record its original cost instead of the fair value.

(d) Balance of the allowance for doubtful debts accounts
 $= 450000 \times 1\% + (180000 - 20000) \times 3\% + 60000 \times 10\%$
 $= \$15300$

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

--

600000 525000 375000

試題編號 Question No.												
1	2	3	4	5	6	7	8	9	10	11	12	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	14	15	16	17	18	19	20	21	22	23	24	≥25

每題另起新頁作答。
Start each question on a new page.

5. (a) (i) Revaluation				
2016	\$	\$	2016	\$
Jan 1 Inventory (266600-733200)		133,400	Jan 1 Property (2020000 - 782000)	1,238,000
Allowance for doubtful debts (220000 x 1%)		2,300	Promotional expenses	26,200
Cash-promotional expenses		26,200		
Capital-gain on revaluation				
- Chu (1/3)	645,660			
- Yam (2/3)	430,440	1,076,100		
		<u>1,238,000</u>		<u>1,238,000</u>

(ii) Capital							
2016	Chu \$	Yam \$	Mark \$	2016	Chu \$	Yam \$	Mark \$
Jan 1 Goodwill (3:2:1)	75,000	50,000	25,000	Jan 1 Balance b/d	705,000	45,000	
Cash	765,660			Revaluation gain	645,660	430,440	
Balance c/d	600,000	525,000	375,000	Goodwill (3:2)	90,000	60,000	
				Cash		39,560	400,000
	<u>1,440,660</u>	<u>575,000</u>	<u>400,000</u>		<u>1,440,660</u>	<u>575,000</u>	<u>400,000</u>

(b) Reputation of the company
Professional knowledge of employees in the company.

Answers written in the margins will not be marked.

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

Answers written in the margins will not be marked.

Answers written in the margins will not be marked.

Answers written in the margins will not be marked.

Answers written in the margins will not be marked.

6. (a) Motor vehicles	
2015	2015 \$
Jan 1 Balance b/d	1,200,000
	Mar 1 Disposal-motor vehicles 120,000
	Apr 1 Disposal-motor vehicles ^(w1) 179,200
	Dec 31 Balance c/d 900,800
	<u>1,200,000</u>

(w1):
$$X \times 0.125 + 0.125X \times \frac{3}{12} = 28000$$

$$X = 179200$$

(b) Accumulated depreciation-motor vehicles	
2015 \$	2015 \$
Mar 1 Disposal-motor vehicles ^(w2) 17,500	Jan 1 Balance b/d 150,000
Apr 1 Disposal-motor vehicles 28,000	Mar 1 Disposal-motor vehicles^(w2) 17,500
Dec 31 Balance c/d 225,200	Apr 1 Disposal-motor vehicles 28,000
	Dec 31 Depreciation ^(w3) 120,700
	<u>270,700</u>

(w2):
$$120000 \times 0.125 + 120000 \times 0.125 \times \frac{2}{12} = 17500$$
(w3):
$$120000 \times 0.125 \times \frac{2}{12} + 179200 \times \frac{3}{12} + 900800 \times 0.125$$

$$= \$ 120700$$

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。
Start each question on a new page.

6.(c) Disposal - motor vehicles

2015	\$	2015	\$
Mar 1 Motor vehicles	120,000	Mar 1 Accumulated depreciation - motor vehicles	17,500
Mar 1 P&L - gain on disposal	12,400	" 1 Cash	114,900
Apr 1 Motor vehicles	179,200	Apr 1 Accumulated depreciation - motor vehicles	28,000
		Nov 1 Others receivables - (w4) insurance compensation	120,960
		Dec 31 P&L: loss on disposal	17,840
	<u>299,200</u>		<u>299,200</u>

(w4) $(179200 - 28000) \times 0.8 = 120960$

(d) General Journal

Date	Details	Dr.	Cr.
2016		\$	\$
Jan 1	Motor vehicles	240,000	
	Motor vehicles	20,000	
	Administration expenses	4,000	
	Bank		264,000

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。
Start each question on a new page.

7. (a)

Anson Company

Income Statement for the year ended 31 December 2015

	\$	\$
Sales (60 x 9000)		540,000
Less cost of goods sold:		
Opening inventory	0	
Add cost of goods manufactured ((18+12) x 10000 + 6 x 10000 - 40000)	320,000	
	320,000	
Less closing inventory ((18+12+2) x 1000)	32,000	288,000
Product contribution margin		252,000
Less variable non-production cost:		
Sales bonus (540000 x 5%)		27,000
Total contribution margin		225,000
Less fixed cost:		
Salaries	128,000	
Fixed manufacturing overheads	40,000	168,000
Net profit		57,000

(b) (i) Under marginal costing, amount of closing inventory

$$= (18+12+2)(1000) = \$ 32000$$

Under absorption costing, amount of closing inventory

$$= (18+12+6)(1000) = \$ 36000$$

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。
Start each question on a new page.

7.(b)(ii) It is because fixed manufacturing overheads are only included in absorption costing, while marginal cost only calculates variable production cost. Therefore the difference is the fixed production overheads absorbed, which is $\$4 \times 1000 = \4000

(c) As \$4000 fixed production cost is absorbed in absorption costing only, net profit under absorption costing will be greater than that of marginal costing by \$4000.

~~∴ Net profit under absorption costing~~

	\$
Net profit under marginal costing	57,000
Add fixed production overheads absorbed in closing inventory	4,000
Net profit under absorption costing.	<u>61,000</u>

(d)	Make(\$)	Buy(\$)
Selling price	60	60
Less direct materials	18	13.5
direct labour	12	10.8
variable manufacturing overheads	4	3.8
Purchase price	0	5.7
Production contribution margin per unit	<u>26</u>	<u>26.2</u>

∴ It should purchase as it can gain \$0.2 more per unit.

Answers written in the margins will not be marked.

Answers written in the margins will not be marked.

Answers written in the margins will not be marked.

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。
Start each question on a new page.

9. (a)

HK Company

Income Statement for the year ended 31 December 2015

Sales

\$

8. (a)

General Journal

Date	Details	Dr.	Cr.
2015		\$	\$
Dec 31	(i) short-term loan (480000 - 456000)	24,000	
	Delivery vans		24,000
	P&L: Loan interest ((480000 - 456000) ÷ 6)	4,000	
	Accrued loan interest		4,000
	.. Accumulated depreciation - delivery vans (10000 - 456000 ÷ 4 × 1/2)	500	
	P&L: Depreciation - delivery vans		500
	(ii) P&L: (closing inventory (32250 - 22200))	10,050	
	Inventory		10,050
	(iii) P&L: Sales	15,000	
	Trade receivables		15,000
	Inventory (15000 ÷ (1 + 25%))	12,000	
	P&L: Closing inventory		12,000

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

--

Comments

The candidate demonstrated comprehensive knowledge and understanding of the accounting concepts covered by the syllabus. He/She was able to communicate ideas effectively in a logical and coherent manner with appropriate use of accounting terminology.

In the practical questions, the candidate demonstrated a good ability to apply his/her knowledge towards solving many problems in unfamiliar situations. The candidate was fully aware of the accounting treatments and adjustments required for Questions 1, 2, 5 and 8. The financial statements were properly drawn up in Question 8. The cost accounting questions, i.e. Questions 3 and 7, which demanded synthesis and evaluation skills, were well answered.

In answering the theoretical questions, the candidate was able to communicate his/her arguments effectively. In Questions 1(b), 4(a), 4(c), and 5(b), the candidate was able to give appropriate points or explanations for the limitation of a trial balance, the going concern assumption, the historical cost principle and the factors affecting goodwill.

In summary, the answers provided by the candidate were comprehensive and logical, and demonstrated very good analytical skills and evaluation of various accounting topics. This piece of work is of Level 5 in the HKDSE reporting scale.

試題編號 Question No.												
1	2	3	4	5	6	7	8	9	10	11	12	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	14	15	16	17	18	19	20	21	22	23	24	≥25

每題另起新頁作答。
Start each question on a new page.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

1. First, past result do not represent the future performance of the company. The past result only indicate the performance of the company in the past financial year, while the future performance may be varienced by various reasons, for example, economic condition, the leadership of manogement, etc. so the past result cannot reflect the future performance of a company.

Second, accounting ratios cannot capture certain qualitative information which will also affect the company's performance. For example, staff morale, staff turnover rate, customers' satisfaction, etc. are important elements to lead to the company's success or not. But accounting ratio cant tell the hold picture of company, so this is a limitation.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。
Start each question on a new page.

2. First, to let designers work itself can lead to job satisfaction. It is because a fashion company requires high innovation and creativity. Being a designer needs one to do design work. ^{For example,} if a fashion company put down the authority to designers and let them do their own design and work itself with less directions or monitor, it could enhance designers' satisfaction.

Second, to give recognition to designers good work can lead to job satisfaction. For example, rewards designers' good design and give them support can surely motivate them to work and gain satisfaction on work. If superior give appreciation to their great job, they are more willing to care out more good designs.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

4. First, appraising the performance can let the company better master and understand its salespeople's working performance. This could help in understanding the salespeople's ability, for example their language ability, services quality or problem solving ability. After knowing their strength and weakness, the company can better use the salespeople's strength and put them in a right position, or to provide training to salespeople in order to enhance their ability. As a result, the company's performance and quality can be enhance.

second, appraising the performance can let the salespeople better understand the company's objective. By knowing the objective, the salespeople can fine tune their working performance in order to fit in the company's objective, as a result, the company's objective could be reach due to the salespeople know what is their jobs and duties.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

5(a). First, budgeting could help the planning process of a company. As budgeting requires the estimation of different aspects, for example, sales, revenue, cost, expenses, by having these budgets, it could help the company to conduct other planning, for instance, the resources allocation. So with the help of budgeting, it could help in the planning process of the company.

Second, budgeting could help enhancing the company's communication and coordinations. As the budgets and works in the company are inter-related, every department manager needs to communicate with each other and plan ahead in order to formulate a budgeting plan. In this process, it could definitely help in enhancing the company's internal communication and coordination.

5(b) The ^{increased} volume of sales and the ^{increased} selling price may be the causes.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

$$6a(i) \quad \sqrt{\frac{2 \times 600 \times 5625}{10}}$$

$$= 821.5838363$$

$$\approx 822 \text{ (boxes)}$$

6a(ii). The cost of holding inventory. It is because they obtained the 'online to offline' (O2O) method to sell product, which could increase the efficiency on selling product. As a result, the inventory cost of keeping it could be reduced.

6(b) First, Ming Kee can delay their cash outflow. When purchasing inventory, they can repay the debt on the last day of credit period, so as to keep the cash on hand for a longer period. This could help in enhancing Ming Kee's liquidity problem. Or Ming Kee can pay their debtors on Friday after the clearing time, so they could keep cash over weekend.

second, Ming Kee can match the timing of cash inflow and outflow. The balance of cash

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	-------------------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

and the cash inflow should be greater than the cash outflow. So this could keep Ming Kee's company liquidity in an acceptable level. Also, this could avoid the risk of cannot repay the debt when it was due.

6(c) First, Net Present Value consider the time value of money while the Payback method ignore the time value of money. As today's \$1 is worth more than future's \$1. So the time value of money is an important to be considered. As this will effect the profit making and the revenue amount received by the online shopping project.

Second, Net Present value consider all cash flow but Payback method only consider the cash flow within the payback period. Annoying the cash flow after the payback period will make the calculation inaccurate. It is because the cash flow every year is also a very important sources of income, so Net Present value will be better as it will take all cash flow into account.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

6(d) First, the manpower problem may arise. As the online shopping project is a new thing to Ming Kee's company, the knowledge and technique of staff should be considered. As there may be a problem, which is lack of suitable manpower to launch the online shopping project. This may hinder the development of the project.

Second, the quality of services and the quality of online shopping project may face a problem. It is because online shopping project is still in the development stage, the fluency or the security of payment system is still not too stable, which will affect the quality of services deliver to customers.

Third, the acceptance of customers is not guaranteed. Customers may not like the online shopping project, they may refuse to use this channel to buy products from Ming Kee's company. For example, some old ladies or elderly may not know how to use the this services, as

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

the target customers should mainly be housewife, as the company is a supermarket. The low acceptance of online shopping project may lead to low sales and not success in promoting.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。
Start each question on a new page.

7a(i) Secondary data is data which already exist and conducted by others.

7a(ii) Centralwash may find the secondary data useless and the require data may not exist.

7b). First, Peter said that many competitors have been entering the marketing recently. As the maturity stage, other competitor find it profitable so they also get in to the market.

Second, Peter said the price competition is popular. As everyone will use a lower price to attract customers on the maturity stage, so the price competition is popular.

Third, some weaker competitor have been forced to drop out of the market. As those weaker competitors find it difficult to find profit so they are being forced out.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

7(c). First, classroom training could help in increasing the success rate of personal selling. As classroom training could provide technological, practical and theoretical training and knowledge to salespeople, this could help in giving salespeople the knowledge of the services. This could help in increase the fluency and provide a clear promotion to customers. As a result, customers can have a better understanding on the new services and may try from Central Wash. This could help in increasing the success rate of personal selling.

Second, apprenticeship could help in increasing the success rate of personal selling. By having a mentor to teach salespeople how to do a good personal selling, salespeople can gain an immediate feedback from mentor, they can correct their mistakes immediately. This could enhance sales people's quality when doing personal selling. The probability of success in personal selling may be enhanced.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

Third, role play may also be a good way to train salespeople in order to increase the success rate of personal selling. It is because through role play, salespeople can try to use their knowledge and skills. This practising method can surely help salespeople be more familiar to the process of personal selling. As a result, the fluency in personal selling could be enhanced, this could help in giving a good impression to customers, so they may be more willing to try the services. As a result, role play could help in increasing the success rate of personal selling.

719) It is because the loss of damage is too small and too frequent, so the insurance company is difficult to set the premium of insurance fee. As a result, it is non-insurance.

720) First, Centralwash could conduct risk reduction strategy. By enhancing the quality of dishware, the probability of

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.												
1	2	3	4	5	6	7	8	9	10	11	12	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	14	15	16	17	18	19	20	21	22	23	24	≥25

每題另起新頁作答。
Start each question on a new page.

Damage may be reduced.

Second, Centralwash, could conduct risk assumption strategy. Centralwash could keep and amount of money to repair and fix the damaged dishware.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

9(b). The decision-making process of customers are as follow:

First, need recognition is the first step of customer to go through the decision-making process. The customers may find an unsatisfied need, the needs will be triggered by internal and external stimuli. For example, a customer may be attracted by the advertisement of the new mobile phone model launched by a smartphone manufacturer. So he will have a thought of buying the new mobile phone, this is an external factor. While the customers' mobile phone may be damaged and need to buy a new one, this is an internal factor. Both factors will contribute to the intention of buying the new mobile phone model.

Second, information research is the second step. After the recognise of unsatisfied need, customers will find different information about the mobile phone. The deepness of information research may be various by different reasons.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。

Start each question on a new page.

select the most promising and appropriate mobile phone based on the information and evaluation.

Fifth, post-purchase behaviour is the fifth step on the decision making process. ~~If the mobile phone satisfy the customer,~~ If the performance and quality meet customers' expectation, customer may be ~~satisfied~~ satisfied. If it exceed the expectation, customers may feel delighted and willing to purchase again. Also, customer will refer the mobile phone to other people and are more willing to purchase ~~the~~ other product from the same company again. But if the outcome fell below the expectation. Customer may feel dissatisfied and ~~willing not~~ will not purchase the product from the same ~~company~~ company again. Also, customer may switch to other company ~~and~~ ~~but~~ or may complaint to the consumer council.

The customer will go through the need recognition, ~~research~~ information research, ~~and~~ evaluation of alternative, decision making.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

本頁積分 Page total

--

試題編號 Question No.												
1	2	3	4	5	6	7	8	9	10	11	12	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
13	14	15	16	17	18	19	20	21	22	23	24	≥25

每題另起新頁作答。
Start each question on a new page.

and have a post purchase behaviour in the decision-making process.

9(a). There are several factors to be considered.

First, the objective and strategy the smartphone manufacturer plan to adopt will contribute to the consideration. If the smartphone manufacturer plan to increase its market shares, then it may ~~need~~ need to conduct a lower price to attract customers to buy. If the manufacturer plan to keep its competitive position, then it may need to conduct a more lower price to attack the other competitors. If the objective is to build the image which is high-end product, the ~~the~~ smartphone ~~the~~ manufacturer may conduct a higher price.

Second, ~~the~~ competitors movement and strategies will need to be taken into account

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

試題編號 Question No.

1 2 3 4 5 6 7 8 9 10 11 12

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13 14 15 16 17 18 19 20 21 22 23 24 ≥25

每題另起新頁作答。
Start each question on a new page.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

~~When~~ When setting the price. If competitors set a lower price to attract customers, then the smartphone manufacturer may need to consider fine-tune its price in order to compete with other competitor and to keep its competitiveness. ~~For example~~

Third, the smartphone manufacturer need to consider the purchasing ability of its target market customers. If its customers are general wealthy, then obtaining a higher price is still fine but if its customers do not have a high ability on purchasing (eg. students), then they need to consider lower the price in order to attract them.

寫於邊界以外的答案，將不予評閱。

Answers written in the margins will not be marked.

寫於邊界以外的答案，將不予評閱。
Answers written in the margins will not be marked.

本頁積分 Page total

--

Comments

With few exceptions, the candidate demonstrated comprehensive knowledge and understanding of business management concepts. The candidate was able to apply those concepts in analysing management problems in different settings. He/She was able to communicate ideas and arguments in a logical and coherent manner using appropriate business terminology.

The candidate had some ideas of the limitations of using accounting ratios in assessing the performance of a company as required in Question 1. In Question 2, the candidate showed him/herself to be quite familiar with the motivators specified in the Herzberg's Dual-factor Theory and the applications were appropriate. In Question 3, the candidate expressed good ideas about the benefits to a company of adopting a direct distribution channel for its products. In Question 4, the candidate was able to identify suitable objectives for a company in appraising the performance of its salespeople. The answer in Question 5 showed that the candidate had good knowledge of the purposes of budgeting though his/her understanding of the concept of sales variance was not precise enough.

In Question 6, despite some misconceptions in the calculation and explanation of the optimal order quantity, the candidate discussed clearly the ways through which Ming Kee could adopt to cope with its liquidity issue. The candidate also showed that he/she had a clear concept of the Net Present Value method and the Payback method. In addition, three appropriate non-financial problems that may arise if Ming Kee launched the online shopping project were identified and well explained. In Question 7, the candidate understood the meaning of secondary data very well, though the discussion on the limitations of using secondary data was incomplete. His/Her understanding of the different characteristics of the maturity stage in a product life cycle is good. The candidate also demonstrated some knowledge about off-the-job training methods, and their application to the case context was appropriate. Lastly, the candidate explained clearly why the risk of frequent damage to dishware is non-insurable and demonstrated good knowledge of different risk management strategies, though the application of risk reduction strategy to Centralwash needed further elaboration.

In Question 9 the candidate's understanding of different steps in a purchase decision-making process was good and the discussion clearly referred to the question context, though it needed more elaboration. Also, major factors that the smartphone manufacturer had to consider when setting the price for the new mobile phone were highlighted and explained. This piece of work is of level 5 in the HKDSE reporting scale.