



## Course Report 2015

Subject	Accounting
Level	Higher (New)

The statistics used in this report have been compiled before the completion of any Post Results Services.

This report provides information on the performance of candidates which it is hoped will be useful to teachers, lecturers and assessors in their preparation of candidates for future examinations. It is intended to be constructive and informative and to promote better understanding. It would be helpful to read this report in conjunction with the published assessment and marking instructions for the examination.

# **Section 1: Comments on the Assessment**

## **Summary of the Course assessment**

### **Component 1: Question Paper**

The Question Paper generally performed as expected with the exception of question 1.

Candidates found the new topic, ratio analysis, quite challenging.

Both of these factors were taken into account when setting the Grade Boundary.

### **Component 2: Assignment**

The Assignment performed as expected.

Candidates, in the main, did very well at the manufacturing account; generally well at the Overhead Analysis question, and good candidates did very well in the Decision Making Question. This question was expected to be the discriminator.

# **Section 2: Comments on candidate performance**

## **Summary of Candidate Performance**

### **Component 1: Question Paper**

Question 1 (Partnership Final Accounts): Many candidates completed this question well but very few seemed to understand that a set of final accounts of a partnership required the current accounts from 1 January to be updated before entering into the Statement of Financial Position (Balance Sheet) at the end of the year. Theory was poorly handled.

Question 2: The Cash Budget was well handled with the exception of the theory.

Question 3 (Investment Ratios): Candidates found the new topic, ratio analysis, very challenging, even though the ratios were given. They found part (b) challenging in that the order of items was incorrect or not done at all before the dividend adjustments were carried out.

Question 4: Service Costing was reasonably handled.

## **Component 2: Assignment**

Candidates in the main handled the Assignment very well. They tackled the manufacturing account (question 1) very well. Question 2 (the Overhead Analysis question) was generally completed well. In Question 3 (Decision Making) the performance was more variable with some candidates performing extremely well and others finding this more demanding.

## **Section 3: Areas in which candidates performed well**

### **Component 1: Question Paper**

Question 1 (a) (i) Most candidates knew how to complete the Income statement up to the Share of Profit.

Question 1 (a) (ii) Most candidates completed the top section of the Statement of Financial.

Question 1 (b) (i): Nearly all candidates calculated the new profit sharing ratio.

Question 1 (b) (ii): Many candidates handled the calculation of new opening Equity well.

Question 2 (a): Most candidates completed the Cash Budget to a high standard.

Question 3 (d): Most candidates handled this question well.

### **Component 2: Assignment**

Question 1: The manufacturing account was very well done.

Question 2: The Overhead Analysis sheet was generally well done.

Question 3: The first part of this question was well done by most candidates.

## **Section 4: Areas which candidates found demanding**

### **Component 1: Question Paper**

Question 1 (a) (i): Some candidates missed out the Appropriation section of the Income Statement.

Question 1 (a) (ii): Very few candidates updated the Current Account Balances of 1 January in the Trial Balance with the appropriation section of the Income Statement for the Statement of Financial Position.

Question 1 (c): Many candidates could not describe finance only available to a plc – some listed others did not.

Question 2 (a): Candidates found it difficult to outline the accounting advantages of a spreadsheet.

Question 3 (a)-(c): Overall, candidates appeared to have found these parts of the question challenging.

Question 4 (a) (i): Candidates often missed detail in this question which meant that one or more parts of each calculation were missing.

Question 4 (b): Candidates rarely managed to gain many marks for this section.

### **Component 2: Assignment**

Question 1: Labels were sometimes missing, meaning candidates dropped marks.

Question 2: Candidates had problems with absolute/names cells and had printing issues.

Question 3: Candidates found the two options demanding.

## **Section 5: Advice to centres for preparation of future candidates**

### **Component 1: Question Paper**

Candidates must be well-prepared for the new sections of the syllabus.

Candidates must ensure that headings and labels are correctly handled and clear.

Candidates should be able to answer questions on theory and be able to write an explanation of what they do with accounts as well as actually prepare the accounts.

Centres should ensure that candidates understand that the income statement of a set of final accounts finishes with the appropriation section.

Centres should ensure that candidates know that current accounts must be updated prior to inserting a figure into the Statement of Financial Position as at the final date.

Workings should be shown in the Service Costing Statement as there are a number of items taken into account to gain the marks.

Layouts should be re-enforced – check with the solutions given on the SQA website.

### **Component 2: Assignment**

Candidates should be encouraged to print out their computer-based questions on one page and as large as possible. They should also ensure that formulae are not 'cut-off' the print out.

Centres should ensure candidates understand how to use absolute formulae or named cells in spreadsheets.

## Statistical information: update on Courses

Number of resulted entries in 2014	0
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Number of resulted entries in 2015	585
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## Statistical information: Performance of candidates

### Distribution of Course awards including grade boundaries

Distribution of Course awards	%	Cum. %	Number of candidates	Lowest mark
Maximum Mark - 150				
A	33.7%	33.7%	197	98
B	24.6%	58.3%	144	83
C	17.4%	75.7%	102	68
D	7.5%	83.2%	44	85
No award	16.8%	-	98	-

For this Course, the intention was to set an assessment with grade boundaries at the notional values of 50% for a C and 70% for a Grade A. The question paper was judged to be overall more challenging than intended, especially Question 3. The grade boundaries were adjusted to reflect this.

## General commentary on grade boundaries

- ◆ While SQA aims to set examinations and create marking instructions which will allow a competent candidate to score a minimum of 50% of the available marks (the notional C boundary) and a well prepared, very competent candidate to score at least 70% of the available marks (the notional A boundary), it is very challenging to get the standard on target every year, in every subject at every level.
- ◆ Each year SQA therefore holds a grade boundary meeting for each subject at each level where it brings together all the information available (statistical and judgemental). The Principal Assessor and SQA Qualifications Manager meet with the relevant SQA Business Manager and Statistician to discuss the evidence and make decisions. The meetings are chaired by members of the management team at SQA.
- ◆ The grade boundaries can be adjusted downwards if there is evidence that the exam is more challenging than usual, allowing the pass rate to be unaffected by this circumstance.
- ◆ The grade boundaries can be adjusted upwards if there is evidence that the exam is less challenging than usual, allowing the pass rate to be unaffected by this circumstance.
- ◆ Where standards are comparable to previous years, similar grade boundaries are maintained.
- ◆ An exam paper at a particular level in a subject in one year tends to have a marginally different set of grade boundaries from exam papers in that subject at that level in other years. This is because the particular questions and the mix of questions are different. This is also the case for exams set in centres. If SQA has already altered a boundary in a particular year in say Higher Chemistry this does not mean that centres should necessarily alter boundaries in their prelim exam in Higher Chemistry. The two are not that closely related as they do not contain identical questions.
- ◆ SQA's main aim is to be fair to candidates across all subjects and all levels and maintain comparable standards across the years, even as arrangements evolve and change.