



External Assessment Report 2010

Subject	Accounting
Level	Advanced Higher

The statistics used in this report are pre-appeal.

This report provides information on the performance of candidates which it is hoped will be useful to teachers/lecturers 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 question papers and marking instructions for the Examination.

Comments on candidate performance

General comments

The general performance of candidates was poorer than recent years. This was due almost entirely to an inability on the part of most candidates to make a decent attempt at one of the compulsory questions in the paper, ie Question 6. In addition, candidates continue to find difficulty in answering the theory questions.

The following are the specific comments relating to each question in turn.

Question 1

Part (a) of this question was generally well done. However, some candidates found difficulty in properly treating and/or placing the items of income. A few candidates did not answer in published format and lost marks for that.

Part (b) was not well answered. Most candidates seemed to have little clue about the ledger entries required, resulting in lots of candidates achieving between 3 and 6 marks out of the possible 19 for this part of the question.

However, the good performance in part (a) accounts for the average mark for this question being 31/50.

Question 2

Other than Question 6, referred to above, this was the poorest answered of the practical questions. In particular, parts (b) and (c) showed that most candidates confused the order in which the deductions of interest, tax and dividends should take place and had little idea of the necessary calculations required for the investment ratios. The average mark for this question was 16/40.

Question 3

This question was not answered by many candidates, but those who did performed well. This was pleasing as the topics covered in this question had not been tested in this form in the past. The average mark for this question was 26/40.

Question 4

This was the more popular of the theory questions in this section, although it was not as well done as Question 5. There were a small number of excellent answers along with a large number of very poor answers. A common error was to answer on goodwill in terms of factors contributing to it in general terms, ie location, customer base, etc, but the question was not related to the topic of consolidation.

The response to this question was particularly disappointing in the light of a general high standard of response in previous papers, when the topic has been tested by a practical question.

The average mark for this question was 11/30.

Question 5

Despite being answered by relatively few candidates, the responses were no better than in Question 4. In particular, the answers to part (b) were poor, despite it requiring knowledge of a standard list of items in an auditor's report. The average mark was also 11/30.

Question 6

As stated in the general comments above, this question was very poorly answered. Many candidates were unable to calculate equivalent units or cost per equivalent unit, often displaying an answer to equivalent units in monetary terms. Other areas which proved beyond most candidates were the calculation of work in progress, the valuation of good output and abnormal loss, and the knowledge of the FIFO approach.

The average mark for this question was 15/50.

Question 7

Parts (a) and (b) of this question were well answered but part (c) was poorly done. There was often no attempt in (c) to calculate the contribution per limiting factor or to reduce the amount produced from the earlier part of the question.

The average mark for this question was 22/40.

Question 8

This was generally well done, which is maybe not surprising as it is a popular topic in papers without too much leeway for alteration. The usual problems were encountered in relation to overhead variances.

The average mark for this question was 23/40.

Question 9

Part (a) of this question was the only part which was adequately answered. The main part, ie part (b), which required discussion of the problems, was very poorly answered, with most candidates unable to identify the problems, and far fewer managed to discuss them. Once again this contrasts with the performance of candidates when faced with a numerical question on this topic. The average mark for this question was 10/30.

Question 10

Part (a) was reasonably well done, with most candidates able to identify the treatment of fixed costs and the resultant effect on stock valuations as the key points. The remainder of the question was poorly answered.

The average mark for this question was 11/30.

Areas in which candidates performed well

See individual comments on questions above.

Areas which candidates found demanding

See individual comments on questions above.

Advice to centres for preparation of future candidates

Given the disappointing response to the question on equivalent units, work in progress, etc, centres should ensure that candidates are prepared for questions on this area, as it will be tested again.

Statistical information: update on Courses

Number of resulted entries in 2009	78
Number of resulted entries in 2010	50

Statistical information: performance of candidates

Distribution of Course awards including grade boundaries

Distribution of Course awards	%	Cum. %	Number of candidates	Lowest mark
Maximum mark — 240				
A	12.0%	12.0%	6	162
B	10.0%	22.0%	5	138
C	20.0%	42.0%	10	114
D	12.0%	54.0%	6	102
No award	46.0%	100.0%	23	—

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, therefore, SQA 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 Head of Service 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.