

Research and Information Services

MONITORING STANDARDS REPORT



Comparison of Accounting and Finance CSYS 1998 and Advanced Higher 2004

Summary of findings

Syllabus: The Advanced Higher 2004 syllabus is considered less demanding than the Certificate of Sixth Year Studies 1998 syllabus because of a greater emphasis on the application of financial and management accounting techniques and a lesser emphasis on the theoretical aspects of accounting. This is a positive change, making the subject more accessible to candidates.

Assessment Instruments: The assessment instruments changed in emphasis and the panel's view is that, on balance, they are less demanding. This is a positive element of the assessment strategy, which is linked to the syllabus strategy. The assessment structure has changed from a dissertation and two separate exam papers in the Certificate of Sixth Year Studies syllabus to one exam paper and six internal assessments in the Advanced Higher syllabus.

Scripts: Comparison of scripts was difficult, because both the content of the syllabus and the structure and content of the external examination had changed considerably.

The awarding of grades is consistent at A/B, but differences are noted at C/D in 2004 and 1998 exam diets. The candidate grade level at C/D appears to be higher in the 2004 assessment instrument in comparison to the 1998 assessment instrument. This is consistent with the finding that the 2004 assessment was less demanding overall, because of the different structure and because it concentrated on the application of financial and management accounting techniques instead of on the theory, as before. Also, the questions in the Advanced Higher (2004) assessment instrument (one end exam) were more structured in comparison to the questions in the Certificate in Sixth Year Studies (1998) assessment instrument (two exam papers). This gave the questions greater clarity, and assisted the candidates in the formulation of their responses. This increased clarity, together with the changes in structure, made it possible for candidates to be better prepared for the computational and analytical content which was the main focus in the 2004 exam, even when the questions in the 2004 paper were more demanding.

Observation

- ◆ The more prescriptive Advanced Higher syllabus is an improvement on the Certificate of Sixth Year Studies syllabus, and this is welcome. It has made the syllabus more accessible to candidates, which is reflected in the increase in numbers attempting the exam.
- ◆ There was some overlap between questions in the 2004 exam paper with a topic area which was examined in Section A being examined again in a different context in Section B. This would have the effect of doubly rewarding a candidate who is strong in this particular area while penalising a candidate who is relatively weaker in this topic area. In

addition, the questions in Section B of the 2004 paper were not of a comparable standard.

The panel believes that the shift in emphasis within the syllabus had a positive effect on accessibility, and this should be considered in any subsequent evaluation of the syllabus. The methodology for assessment reflected the changes that took place for all subject areas, especially the introduction of internal assessment.

- ◆ The Principal Assessor should ensure that there is no overlap between questions in Section A and Section B with regard to questions from the same topic area, and that questions within a section should be comparable in demand.

1 Syllabus

1.1 Compared to previous year, has the general approach within the subject changed?

There has been a shift in emphasis from the theoretical aspects of accounting to the application of financial and management accounting techniques.

The Advanced Higher 2004 syllabus is more prescriptive than the Certificate in Sixth Year Studies 1998 syllabus, which was more open to interpretation.

1.2.1 Have any elements been added to the more recent syllabus that had not been included before?

Appendix A shows the detailed changes to the course content.

A number of items have been added to the Advanced Higher syllabus 2004:

- ◆ Partnership Accounting
- ◆ Accounting for “Not for Profit” Organisations
- ◆ Incomplete records
- ◆ Operating Costing
- ◆ Contract Costing
- ◆ Budgeting

1.2.2 Have any elements been missing in the more recent syllabus that had been included in the Certificate of Sixth Year Studies syllabus?

Appendix A shows the detailed changes to the course content.

A number of items have been removed from the Advance Higher Course in 2004:

- ◆ Use of non-financial information
- ◆ Duties and responsibilities - auditing
- ◆ Other aspects of accountant's role
- ◆ Information technology – using accounting packages as an aid to management decision (as opposed to using a spreadsheet)
- ◆ Issues raised by management buy-outs etc
- ◆ Reason behind company failures
- ◆ Ethical and environmental issues
- ◆ Current stock market practice
- ◆ Nature and implication of rights issues
- ◆ Local authority finance

1.2.3 Have any parts of the syllabus been changed (in approach, content or otherwise)?

The emphasis of the Advanced Higher 2004 syllabus has changed to the calculation, presentation and analysis of accounting information rather than the theoretical aspects of accounting — for example, social and ethical reporting and auditing in the Certificate of Sixth Year Studies 1998 syllabus.

The table below shows the change in emphasis from theoretical to the practical application of accounting in terms of assessment.

2004		1998	
	%		%
Practical/computational	75	Practical/computational	20
Theoretical	25	Theoretical	40
		Dissertation	40

1.2.4 Has their inclusion/exclusion/change made the syllabus as a whole more/no more/less demanding?

The changes in the most recent syllabus have made the course less demanding because of the change in emphasis from a theoretical basis to the practical application of accounting techniques.

This is a positive aspect, making the subject more accessible to candidates as evidenced by the increase in candidates attempting the exam.

2004 Syllabus		1998 Syllabus	
Year	No of Candidates	Year	No of Candidates
2004	170	1998	38

1.3.1 The depth of the more recent syllabus is greater/comparable/less than the older syllabus.

The depth of the more recent syllabus is comparable with the older syllabus.

1.3.2 The breadth of the more recent syllabus is greater/comparable/less than the older syllabus.

The breadth of the more recent syllabus is comparable with the older syllabus.

2 Assessment instruments

2.1 Are there any trends or gradual changes in the structure of Question Papers, questions and marking instructions?

There have been changes to the structure of the assessment instruments and these are detailed as follows.

2.1.1 External Assessment

The external examination structure and assessment methodology has radically changed, as shown in the table below. The solely theoretical Paper 2 and Dissertation in the Certificate in Sixth Year Studies syllabus have been removed from the assessment structure. The theoretical aspects of accounting have been incorporated into the Advanced Higher Paper 1.

2004			1998		
Paper 1	3 hours	120 marks	Paper 1	2 hours	50 marks
			Paper 2	2 hours 30 minutes	100 marks
			Dissertation		100 marks

2.1.2 Analysis of Change in Instrument of Assessment

Assessment Elements	2004	Weight	1998	Weight	Change
Paper 1	Computational	75%	Computational	20%	+55%
	Theory	25%			+25%
Paper 2	-	-		40%	-40%
Dissertation	-	-		40%	-40%

Internal Assessment

In addition to the external assessment, candidates must pass internal assessments from the National Assessment Bank (NAB) for Financial and Management Accounting Techniques in order to achieve an award. This is mandatory requirement. There are six assessments in total with a notional time allocation of 6 hours.

Summary of changes to assessment instruments

and their perceived effect on demand	
Change	Effect on Demand
Removal of Paper 2 – 1992	Less demanding
Paper 1 – 2000 increased from 2 hours to 3 hours	More demanding
Removal of Dissertation	Less demanding
Rubric of Questions	Less demanding
Content of external assessment	More demanding
Completion of Internal Assessments	More demanding

The removal of the Dissertation has reduced demand, and the introduction of internal assessments has increased demand. It is not possible to equate these two different assessment instruments.

The change in the syllabus and the general approach to the subject are reflected in the change to the external assessment.

On balance, the assessment instruments are less demanding because of the removal of the dissertation and the shift in emphasis from theory to computation, presentation, and analysis.

The Panel believe that the fundamental change in syllabus and assessment has been a positive move, increasing accessibility to the subject.

2.2 Can any paper, sections or type of tasks from the more recent Question Paper be found in almost the same format in the older Paper?

Question topic	2004	1998
Budgeting	Q8	Paper 1 Q2
Investment appraisal	Q7	Paper 1 Q4

The theory question did not cover similar topics.

2.3.1 Is the coverage of the more recent syllabus in the more recent question paper more extensive/comparable/less extensive than in the previous year?

The coverage of the most recent syllabus in the most recent question paper is comparable with that of the Certificate of Sixth Year Studies paper for 1998.

2.4.1 Are the questions and marking scheme of the most recent Question paper more demanding/comparable/less demanding than in previous years?

The questions in the most recent question paper are more prescriptive and this makes the paper less demanding, but the content of the questions is

higher and therefore makes the paper more demanding. Therefore, on balance, the questions and marking schemes are comparable.

3 Scripts

The analysis of the scripts proved difficult due to changes in the syllabus content and nature of the papers. However, we can make a qualitative judgement.

3.1 Are the A/B graded scripts from the older year(s) better/comparable/not as good as the A/B graded scripts from the more recent years?

The Panel believe that the A/B scripts from 1998 are comparable with those of 2004

The 1998 candidates performed better in the theory questions compared with computational questions, whereas the 2004 candidates performed better in the computational question than in the theory. This reflects the change in emphasis in the syllabus.

3.2 Are the C/D graded scripts from the older year(s) better/comparable/not as good as the AB graded scripts from the more recent years?

The Panel believe that the C/D scripts from 1998 were not comparable with those of 2004.

The general effect of the dissertation was to improve the grades. Therefore, under examination conditions these candidates would not have performed as well as in 2004.

3.3 Panel perception of the evaluation of script boundaries exercise

See Appendix B. This exercise was made more difficult because:

- ◆ Radical change to the syllabus and assessment between 1998 and 2004
 - No dissertation in 2004
 - The shift in emphasis from theoretical to computational questions
- ◆ No marks were provided for the dissertation

Appendix A: Comparison of syllabus

2004	Comparison between 2004 and 1998	1998
	Open ended nature of 1998 syllabus allowed for greater flexibility in setting questions	
Partnerships		Not in syllabus
Public Limited Companies	Comparable	Covered in syllabus
Preparation of "Not for Profit" organisation's Accounts	Complete change in 2004, practical rather than discursive	Theoretical nature of club accounts covered in a dissertation
Ratio Analysis	Comparable	Covered by syllabus
Incomplete records		Not in syllabus
Accounting Standards Cash flow Reporting Financial performance Tangible fixed assets Goodwill and Intangible Assets	Comparable Comparable Comparable Comparable Comparable	
Budgeting Benefits Functional Flexible		Not in syllabus
Calculation and Interpretation of variances	Comparable	Covered in syllabus
Investment appraisal	Comparable	Covered in syllabus
Contract costing		Not in syllabus
Operating costing		Not in syllabus
Process costing	Comparable	Covered in syllabus
Not covered by syllabus		Use of non-financial information
Not covered by syllabus		Duties and responsibilities-auditing
Not covered by syllabus		Other aspects of accountant's role
Not covered by syllabus		Information technology
Not covered by syllabus		Issues raised by management buy-outs etc
Not covered by syllabus		Reason behind company failures
Not covered by syllabus		Ethical and environmental issues
Not covered by syllabus		Current stock market practice
Not covered by syllabus		Nature and implication of rights issues
Not covered by syllabus		Local authority finance

APPENDIX B: Grade boundaries Accounting and Finance – 1998 and 2004

Year	Maximum	A	B	C	D
2004	120	83	70	58	
2004 as %		69%	58%	48%	
1998	250	170	140	110	85
1998 as %		68%	56%	44%	34%