



Course Report 2016

Subject	Accounting
Level	Advanced Higher

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 assessment. 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 documents and marking instructions.

Section 1: Comments on the assessment

Summary of the Course assessment

Component 1: Question paper

The question paper generally performed as expected. No questions stood out as having been significantly more or less challenging than others in the question paper.

Candidates took advantage of the optional part of the question paper, with a reasonable split in the number attempting either question 4 or question 5.

Component 2: Project

This new component performed as expected. Candidates made a good attempt at both aspects covered in the course assessment task, although candidates tended to score slightly more marks for the section focused on the usefulness of company annual reports.

The standard of writing was good, and candidates did not exceed the 3,000 to 4,000 word limit. Candidate guidance was adhered to by the majority of candidates.

Section 2: Comments on candidate performance

Areas in which candidates performed well

Component 1: Question paper

Question 1 (PART A) (b): Most candidates were able to produce an accurate profit statement using Marginal Costing.

Question 1 (PART B): Most candidates were able to calculate the Net Present Value and Internal Rate of Return correctly for each project.

Question 3 (a): Most candidates were able to produce the contract account correctly for the specified project.

Question 4 (a)–(d): Several candidates who attempted this question were able to calculate all variances accurately and identify them correctly as adverse or favourable.

Question 5 (a)–(c): On the whole, candidates who attempted this optional question demonstrated a good level of understanding of Consolidated Financial Statements.

Component 2: Project

Annual Reports: Theory: Candidates provided clear details on strengths/weaknesses of the company annual report.

Annual Reports: Application: Most candidates were able to evaluate the usefulness of the annual report successfully from the perspective of two stakeholders, citing evidence from the relevant sections of the annual report of their chosen company.

Conclusion: Most candidates were able to successfully draw conclusions which referenced the original quotes in the assessment task.

Areas which candidates found demanding

Component 1: Question paper

Question 1 (PART A) (c): Several candidates were not able to produce an accurate profit statement using Absorption Costing.

Question 2 (a): Several candidates were not able to produce an accurate Statement of Cash Flows.

Question 4 (a)–(d): Some candidates who attempted this question found it difficult to calculate all variances accurately and identify correctly them as adverse or favourable.

Component 2: Project

International Accounting Standards: Theory: Whilst this section was fairly well attempted, many candidates found judging the level of detail required in this section challenging. Explanations detailing the need for International Accounting Standard, worth 8 marks, were too brief. However, descriptions of the process for developing an International Accounting Standard, worth 2 marks, were overly long.

International Accounting Standards: Application: Candidates found applying the rationale underpinning the International Standards to the company's annual report challenging. There was a lack of citing of examples of where/how the standard had been interpreted or implemented, resulting in few candidates scoring high marks.

Referencing: Candidates found referencing sources consistently and clearly quite difficult.

Section 3: Advice for the preparation of future candidates

Component 1: Question paper

Centres should ensure that candidates are well prepared in all aspects of the syllabus.

Candidates should ensure that they provide clearly annotated workings where applicable.

Candidates should ensure that they have a good recall of all relevant layouts of financial statements.

Component 2: Project

The overall standard of the projects was good.

Centres should ensure that candidates are encouraged to engage fully in the research aspects of this component.

Centres should ensure that candidates are competent in the use of footnotes.

Candidates should be encouraged to look carefully at Appendix 1: Instructions for Candidates in order that writing the report is done in the most efficient manner possible.

Grade Boundary and Statistical information:

Statistical information: update on Courses

Number of resulted entries in 2015	0
Number of resulted entries in 2016	39

Statistical information: Performance of candidates

Distribution of Course awards including grade boundaries

Distribution of Course awards	%	Cum. %	Number of candidates	Lowest mark
Maximum Mark -				
A	38.5%	38.5%	15	140
B	28.2%	66.7%	11	120
C	15.4%	82.1%	6	100
D	2.6%	84.6%	1	90
No award	15.4%	-	6	0

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.