



## Course Report 2017

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 intended.

Candidates strongly favoured question 4 (Flexed Budget) in the optional Section 2 part of the paper.

### **Component 2: Project**

This component performed as expected. Candidates made a good attempt at both aspects covered in the course assessment task, although they tended to score slightly more marks for the section focused on examining the theory which underpins International Accounting Standards.

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(a-c): The vast majority of candidates scored full marks here, setting work out clearly and logically.

Question 3: Most candidates were able to score well in this question, producing accurate ABC data.

Question 4: For those who chose to attempt this question, which was the great majority of the cohort, a very good level of understanding of how to flex a budget was demonstrated.

## **Component 2: Project**

### **International Accounting Standards: Theory**

Many candidates provided clear details on the need for/history behind the growth of International Accounting Standards. Furthermore, candidates who scored well gave a thorough insight into the need for specific standards, citing examples of real-life cases where an absence of or loophole within a certain standard had given rise to concern and subsequent review/implementation of the standard now in operation.

### **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 2: Candidates who did not perform well in this question did not set out working notes with clarity. Additionally, there was a lack of understanding in relation to the correct format of the Income Statement and Statement of Financial Position for external publication.

Question 5: There was a very low response rate to this optional question and, other than one or two candidates who did very well, scoring close to full marks, there were a few instances of candidates scoring very low marks. There seemed to be a lack of understanding as to how to calculate the figures required in (a) & (b).

## **Component 2: Project**

### **Annual Reports: Application**

In a change from last year, several candidates in this cohort did not properly address specific issues raised for their respective stakeholders by evidencing from the company's annual report.

There was also a tendency by some to look at a certain area of the annual report then try to show how it could, possibly, apply, or be of use to each of their chosen stakeholders. This created a confusing and less coherent report.

## **Referencing**

As last year, 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 course content.

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.

Candidates should ensure that they take great care when calculating figures and carrying out totalling of groups of numbers.

## **Component 2: Project**

Centres should ensure that candidates are encouraged to engage fully in the research aspects of this component. This must include ensuring that the company being researched is indeed a FTSE 100 company.

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

Centres should ensure that candidates are confident and clear as to which stakeholders they wish to use as the stimulus for their interrogation of the annual report. The candidate should also make a clear attempt to reference information in the annual report to back up a point that he or she is making.

Candidates should be encouraged to look carefully at Appendix 1: Instructions for Candidates so 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 2016	39
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Number of resulted entries in 2017	53
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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 -				
A	28.3%	28.3%	15	140
B	20.8%	49.1%	11	120
C	26.4%	75.5%	14	100
D	7.5%	83.0%	4	90
No award	17.0%	-	9	-

## 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.