



## Course report 2022

Subject	Accounting
Level	Advanced Higher

This report provides information on candidates' performance. Teachers, lecturers and assessors may find it useful when preparing candidates for future assessment. The report 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.

The statistics used in this report have been compiled before the completion of any appeals.

# Grade boundary and statistical information

## Statistical information: update on courses

Number of resulted entries in 2022	65
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## Statistical information: performance of candidates

### Distribution of course awards including grade boundaries

<b>A</b>	Percentage	42.9	Cumulative percentage	42.9	Number of candidates	25	Minimum mark required	140
<b>B</b>	Percentage	31.7	Cumulative percentage	74.6	Number of candidates	20	Minimum mark required	120
<b>C</b>	Percentage	9.5	Cumulative percentage	84.1	Number of candidates	10	Minimum mark required	100
<b>D</b>	Percentage	8.0	Cumulative percentage	92.1	Number of candidates	5	Minimum mark required	80
<b>No award</b>	Percentage	7.9	Cumulative percentage	N/A	Number of candidates	5	Minimum mark required	N/A

You can read the general commentary on grade boundaries in appendix 1 of this report.

In this report:

- ◆ 'most' means greater than 70%
- ◆ 'many' means 50% to 69%
- ◆ 'some' means 25% to 49%
- ◆ 'a few' means less than 25%

You can find more statistical reports on the statistics page of [SQA's website](#).

# **Section 1: comments on the assessment**

## **Question paper**

The question paper performed as expected, with candidate performance demonstrating that the level of demand was appropriate.

## **Project**

The project also performed as expected.

Candidates made a good attempt at both aspects covered in the project assessment task. They gained slightly more marks for the section on the usefulness of company annual reports.

In general, writing was of a good standard and candidates worked within the prescribed word count. Almost all candidates adhered to the candidate guidance.

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

### **Areas that candidates performed well in**

#### **Question paper**

Most candidates performed well in question 2 Part A (contract costing), and question 2 Part B (investment appraisal). They prepared the contract account to a very good degree of accuracy. The investment appraisal responses showed, overall, a very clear understanding of the different techniques used.

Most candidates performed well in question 3 Part A (partnership accounts). They prepared the realisation, equity, and bank accounts to a good degree of accuracy.

#### **Project**

##### **Annual reports: application**

Most candidates successfully evaluated the usefulness of the annual report from the perspective of two stakeholders, citing evidence from the relevant sections of the annual report of their chosen company.

##### **International Accounting Standards: theory**

Most candidates completed this section of the project to a good standard, following the instructions for candidates clearly.

##### **Conclusion**

Most candidates successfully drew conclusions that referenced the original quotes in the assessment task.

### **Areas that candidates found demanding**

#### **Question paper**

Candidates, in general, did not perform as well as anticipated in question 1 (published financial statements). Candidates found certain processes challenging, such as calculating depreciation when taking into consideration the disposal of a non-current asset. Candidates' use of appropriate layouts was also inconsistent.

Candidates provided a mixed standard of responses to question 4 (activity-based costing). They appeared to have difficulty understanding how to properly calculate and apply costs per driver.

#### **Project**

##### **Annual reports: application**

Candidates who did not perform well in this section often submitted projects that lacked substantial analysis. Some candidates relied too heavily on assessing the aesthetics of the report. They did not address the needs, concerns, and motivations of the stakeholders in

question thoroughly. Instead, they made generalised points without referencing, or signposting to, specific information in the annual report.

**International Accounting Standards: application**

Candidates who did not achieve high marks in this section tended not to engage in a detailed analysis of how their chosen company properly adopted the guidance in the relevant IAS.

## **Section 3: preparing candidates for future assessment**

### **Question paper**

Teachers and lecturers should ensure that candidates are well prepared in all aspects of the course and that they have good recall of relevant layouts and processes. Candidates should understand that, at Advanced Higher level, only the most accurate work gains full, or near to full, marks. Candidates should also ensure that they provide clearly annotated workings, where applicable.

### **Project**

Some candidates opted for a more obscure stakeholder, such as a director or lender. Interrogating the annual report in enough depth to gain full, or close to full, marks was harder for these candidates than for those who looked at the report from the viewpoint of an employee or investor. Teachers and lecturers should encourage candidates to think of questions, queries, or concerns that a stakeholder may have, and then go to the annual report to find the evidence they would need to allay or confirm their concerns.

Where contact time with candidates is restricted, teachers and lecturers should set deadlines for discussions with candidates to check fundamental aspects of the task, such as word count, referencing requirements, and ensuring their chosen company is on the FTSE100.

## Appendix 1: general commentary on grade boundaries

SQA's main aim when setting grade boundaries is to be fair to candidates across all subjects and levels and maintain comparable standards across the years, even as arrangements evolve and change.

For most National Courses, SQA aims to set examinations and other external assessments and create marking instructions that allow:

- ◆ a competent candidate to score a minimum of 50% of the available marks (the notional grade C boundary)
- ◆ a well-prepared, very competent candidate to score at least 70% of the available marks (the notional grade A boundary)

It is very challenging to get the standard on target every year, in every subject at every level. Therefore, SQA holds a grade boundary meeting for each course to bring together all the information available (statistical and qualitative) and to make final decisions on grade boundaries based on this information. Members of SQA's Executive Management Team normally chair these meetings.

Principal assessors utilise their subject expertise to evaluate the performance of the assessment and propose suitable grade boundaries based on the full range of evidence. SQA can adjust the grade boundaries as a result of the discussion at these meetings. This allows the pass rate to be unaffected in circumstances where there is evidence that the question paper or other assessment has been more, or less, difficult than usual.

- ◆ The grade boundaries can be adjusted downwards if there is evidence that the question paper or other assessment has been more difficult than usual.
- ◆ The grade boundaries can be adjusted upwards if there is evidence that the question paper or other assessment has been less difficult than usual.
- ◆ Where levels of difficulty are comparable to previous years, similar grade boundaries are maintained.

Grade boundaries from question papers in the same subject at the same level tend to be marginally different year on year. This is because the specific questions, and the mix of questions, are different and this has an impact on candidate performance.

This year, a package of support measures including assessment modifications and revision support, was introduced to support candidates as they returned to formal national exams and other forms of external assessment. This was designed to address the ongoing disruption to learning and teaching that young people have experienced as a result of the COVID-19 pandemic. In addition, SQA adopted a more generous approach to grading for National 5, Higher and Advanced Higher courses than it would do in a normal exam year, to help ensure fairness for candidates while maintaining standards. This is in recognition of the fact that those preparing for and sitting exams have done so in very different circumstances from those who sat exams in 2019.

The key difference this year is that decisions about where the grade boundaries have been set have also been influenced, where necessary and where appropriate, by the unique circumstances in 2022. On a course-by-course basis, SQA has determined grade boundaries in a way that is fair to candidates, taking into account how the assessment (exams and coursework) has functioned and the impact of assessment modifications and revision support.

The grade boundaries used in 2022 relate to the specific experience of this year's cohort and should not be used by centres if these assessments are used in the future for exam preparation.

For full details of the approach please refer to the [National Qualifications 2022 Awarding—Methodology Report](#).