



Course report 2025

Advanced Higher Accounting

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. You should read the report with the published assessment documents and marking instructions.

We compiled the statistics in this report before we completed the 2025 appeals process.

Grade boundary and statistical information

Statistical information: update on courses

Number of resulted entries in 2024: 44

Number of resulted entries in 2025: 54

Statistical information: performance of candidates

Distribution of course awards including minimum mark to achieve each grade

Course award	Number of candidates	Percentage	Cumulative percentage	Minimum mark required
A	21	38.9	38.9	140
B	14	25.9	64.8	120
C	9	16.7	81.5	100
D	5	9.3	90.7	80
No award	5	9.3	100%	Not applicable

We have not applied rounding to these statistics.

You can read the general commentary on grade boundaries in the appendix.

In this report:

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

You can find statistical reports on the [statistics and information](#) page of our website.

Section 1: comments on the assessment

Question paper

The question paper performed as intended. Candidates made a good attempt at all questions.

Project

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

Section 2: comments on candidate performance

Areas that candidates performed well in

Question paper

Candidates performed steadily across all areas of the course that were assessed in this component. Candidates completed the flexible budget (Question 2 Part A) well, laying this out correctly and calculating the materials particularly well. Candidates completed the variances (Question 2 Part B) well and made effective use of the formulae sheet. Candidates completed the activity-based costing (Question 3 (b)(i) and (ii)) well. Most candidates were able to calculate the cost driver absorption rate. Candidates calculated cost of sales/distribution costs/admin expenses (Question 4 Part A (a)) well; most candidates knew the correct category of the expense.

Project

Annual reports: application

Candidates were able to give strengths and weaknesses of annual reports in general. They were also able to successfully evaluate 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 were able to complete this section of the project to a good standard, and followed the candidate instructions clearly.

Conclusion

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

Areas that candidates found demanding

Question paper

There were no widespread issues with any questions across this assessment component. Most candidates attempted the cash flow statement (Question 1), which was an improvement on the last time this was in the question paper. However, candidates missed out on marks through lack of working, particularly in the operating profit and profit/loss on the sale of assets. In the investment appraisal question (Question 4 Part B), candidates missed out on marks through not adjusting the cash inflows. Additionally, there were low scores across most theory-based questions. This still appears to be an ongoing issue, with many candidates not responding to the theory questions throughout the paper.

Project

Annual reports: application – analysis

The majority of candidates were able to identify what stakeholders may find interesting in the annual report. However, a few candidates did not go on to analyse why this was the case.

International Accounting Standards: application

Candidates who did not score high marks in this section tended not to engage in a detailed analysis of how the company being investigated correctly adopted the guidance in the relevant International Accounting Standards (IAS). Some candidates opted to research standards which were not listed in the candidate guidance. This, in most cases, made the analysis and interpretation of their implementation much more

difficult, as these standards are of a much more technical and complex nature. Thus, a small number of candidates found it difficult to access the marks available in this part of the project.

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 all relevant layouts and processes. It is worth noting that although theory questions only represent a small proportion of the marks available, marks gained through accurate responses to theory-based questions could have a significant impact on a candidate's ability to attain a higher mark, perhaps even being the difference between grades. It is therefore recommended that teachers and lecturers encourage thorough preparation in this area of study. Including theory questions in class tests could improve the quality of these answers.

If candidates are using spreadsheets, they should have the question numbers clearly labelled. They should also make sure they show working in brackets. This can be the main reason candidates miss out on marks.

As this is the highest level of qualification in Accounting, only the most accurate work will be rewarded with full, or near-to-full, marks. Candidates should also ensure that they provide clearly annotated workings, where applicable.

Project

Candidates who opted for a more obscure stakeholder, such as a supplier or customer, appeared to find the project more challenging. Interrogating the annual report in enough depth to gain full, or close to full, marks was harder for these candidates than for those who opted to look at the report from the point of view of an employee or investor.

Teachers and lecturers should encourage candidates to think of questions, queries or concerns that a stakeholder may have, 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 in order to check fundamental aspects of the task. These could include ensuring the company is on the FTSE100, and that word count and referencing requirements are met.

Topic-specific guidance

Statement of Cash Flow

Candidates should ensure that any working is shown — particularly for operating profit, profit/loss on sale of assets, taxation and debenture finance cost.

If using spreadsheets, candidates must refer to the workbook to use the correct layout.

Flexible budgets

Candidates should ensure that they have shown working, particularly for materials, labour and overheads.

Variance analysis

Candidates should refer to the formulae sheet. Teachers and lecturers should enforce the working-out of standard quantity for production and standard hours for production: budgeted information multiplied by actual units.

Activity-based costing

Candidates should clearly show their working for the overhead cost per unit. Having a checklist of the steps involved — identifying the major activity, creating a cost pool for each activity, identifying the cost driver for each activity, producing the absorption

rate for each pool based on the cost driver, and calculating the overhead cost per unit — will help candidates remember how to calculate the total cost per unit..

Published financial statements

Candidates must include appropriate headings and labels for both financial statements. They should refer to the suggested layouts under the 'Formulae and course support' section on the [Advanced Higher Accounting](#) page of our website.

Investment appraisal

Candidates usually perform well in this topic. However, when there are adjustments to the cash flow, it can cause them to miss out on marks. Again, candidates should show their working here.

Appendix: general commentary on grade boundaries

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

For most National Courses, we aim 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, we hold 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 our 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. We 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.

Every year, we evaluate the performance of our assessments in a fair way, while ensuring standards are maintained so that our qualifications remain credible. To do this, we measure evidence of candidates' knowledge and skills against the national standard.

For full details of the approach, please refer to the [Awarding and Grading for National Courses Policy](#).