

# **National Certificate of Educational Achievement**

## **2013 Assessment Report**

### **Accounting Level 2**

- 91174 Demonstrate understanding of accounting concepts for an entity that operates accounting subsystems**
- 91176 Prepare financial information for an entity that operates accounting subsystems**
- 91177 Interpret accounting information for entities that operate accounting subsystems**

## COMMENTARY

Candidates that read the question carefully and follow the bullet points provided will often write organised logical answers. Candidates need to be careful not to write too much and to avoid repetition in their answers. Candidates should endeavour to use all relevant information given to them for a particular question to get the desired context required in their answers.

Candidates wishing to gain Achievement with Excellence must have a breadth of knowledge in order to be able to answer any set question to the depth and quality required. Candidates should attempt all questions as all will provide evidence for Achievement.

## STANDARD REPORTS

### **91174 Demonstrate understanding of accounting concepts for an entity that operates accounting subsystems**

#### **ACHIEVEMENT**

**Candidates who were awarded Achievement for this standard demonstrated the required skills and knowledge. They typically:**

- defined most the accounting elements and concepts in context
- understood the extracts provided and the purpose of full financial statements
- answered most parts of each question.

#### **NOT ACHIEVED**

**Candidates who were assessed as Not Achieved for this standard lacked some or all of the skills and knowledge required for the award of Achievement. They typically:**

- provided rote-learned definitions of the accounting elements and concepts, and sometimes not in the context given in the paper
- wrote answers that did not demonstrate understanding of the question asked
- did not use the extracts provided.

#### **ACHIEVEMENT WITH MERIT**

**In addition to the skills and knowledge required for the award of Achievement, candidates who were awarded Achievement with Merit typically:**

- answered all questions
- defined the accounting concepts and elements in the context given
- recognised logical reasons for changes in financial statements and could clearly describe these reasons
- could write clearly and succinctly
- understood how to use the extracts given in answering questions.

#### **ACHIEVEMENT WITH EXCELLENCE**

**In addition to the skills and knowledge required for the award of Achievement with Merit, candidates who were awarded Achievement with Excellence typically:**

- provided comprehensive answers that showed an understanding of accounting concepts in the context of *Toptronics*
- provided answers that went beyond accounting theory by using the bullet points given effectively
- could define the accounting elements and concepts fully in context in relation to the financial statements.

## **91176 Prepare financial information for an entity that operates accounting subsystems**

### **ACHIEVEMENT**

**Candidates who were awarded Achievement for this standard demonstrated the required skills and knowledge. They typically:**

- understood the accounts to use in a general journal entry and knew which accounts are debited and credited
- understood how to prepare a general ledger entry which included a stem, the correct debit or credit column and balanced appropriately
- understood how to classify elements in financial statements.

### **NOT ACHIEVED**

**Candidates who were assessed as Not Achieved for this standard lacked some or all of the skills and knowledge required for the award of Achievement. They typically:**

- were unable to prepare a general journal entry that had correct accounts and debits and credits that were equal
- did not attempt to prepare general ledger accounts
- were unsure what to include in a particular financial statement
- misclassified financial elements.

### **ACHIEVEMENT WITH MERIT**

**In addition to the skills and knowledge required for the award of Achievement, candidates who were awarded Achievement with Merit typically:**

- could accurately record balance day adjustments in the general ledger but did have difficulty with the capital account
- understood the accounts to use in a general journal entry and knew which accounts are debited and credited and had the correct figure
- could calculate and identify most cash items in the cash flow statement
- could accurately record a range of balance day adjustments in the financial statements.

### **ACHIEVEMENT WITH EXCELLENCE**

**In addition to the skills and knowledge required for the award of Achievement with Merit, candidates who were awarded Achievement with Excellence typically:**

- understood which ledger accounts needed to be closed and understood the journal entry to close them
- did not include foreign items in their financial statements

- produced ledger accounts with the correct particular, correct debit or credit amount and balanced correctly
- understood the link between the balance day adjustments processed in the journals and ledgers and the financial statements
- understood how to prepare the property, plant and equipment note.

## **OTHER COMMENTS**

Candidates that are gaining Achievement with Excellence are producing quality financial statements and have a comprehensive understanding of how to process balance day adjustments accurately.

## **91177 Interpret accounting information for entities that operate accounting subsystems**

### **ACHIEVEMENT**

**Candidates who were awarded Achievement for this standard demonstrated the required skills and knowledge. They typically:**

- calculated analysis measures
- described the meaning of analysis measures
- described possible reasons for trends whilst trying to use the resource material provided
- referred to calculations and quoted numbers or dollars to support written interpretations
- provided some links of interpretations to analysis measures i.e. increased mortgage to buy showroom, increased interest on mortgage, increased finance cost percentage.

### **NOT ACHIEVED**

**Candidates who were assessed as Not Achieved for this standard lacked some or all of the skills and knowledge required for the award of Achievement. They typically:**

- did not provide the required number of responses
- misunderstood analysis measures
- offered no interpretation but simply reworded resource material
- were repetitive with answers, and their answers lacked organisation.

### **ACHIEVEMENT WITH MERIT**

**In addition to the skills and knowledge required for the award of Achievement, candidates who were awarded Achievement with Merit typically:**

- explained the meaning of analysis measures in context
- explained reasons for trends consistent with the resources
- explained some links between related analysis measures.

### **ACHIEVEMENT WITH EXCELLENCE**

**In addition to the skills and knowledge required for the award of Achievement with Merit, candidates who were awarded Achievement with Excellence typically:**

- presented answers in an organized fashion
- knew how to link recommendation to a full justification
- added the required detail to answers i.e. linked the recommendation to the correct expense, to the expense group to the analysis measure
- followed the instructions in the questions and worked through all the suggested bullet points to justify answers