

# **National Certificate of Educational Achievement**

## **2014 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 understood how to incorporate the context given in any question and the theory associated with it were more easily able to demonstrate a comprehensive understanding.

All questions provide evidence towards achievement and those candidates that attempted most questions were more likely to achieve a standard.

## 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 commonly:**

- defined most of the accounting elements and concepts in context
- read and understood the background information required
- covered most bullet points provided in questions.

#### **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 commonly:**

- gave rote learned definitions of accounting elements and concepts without using the context given
- wrote answers that did not demonstrate understanding of the question asked
- did not understand the extract provided
- did not attempt all questions.

#### **ACHIEVEMENT WITH MERIT**

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

- answered all questions
- wrote clearly, coherently and succinctly
- understood how to use the extracts given to answer questions
- answered the question that was asked
- used appropriate accounting terminology in context.

#### **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 commonly:**

- used concepts in the context of Fancy Pants - a fancy dress and costume hire shop to answer questions
- provided answers that fully covered all bullet points of the questions in a coherent logical manner.

## **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 commonly:**

- completed adjustments where the figure was given
- classified most expenses correctly
- produced complete financial statements or extracts as required
- could complete a general journal entry
- understood how to complete a general ledger account.

### **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 commonly:**

- confused a general journal with a general ledger
- included too many foreign items in the financial statements
- did not classify the income statement
- did not attempt the property, plant and equipment note.

### **ACHIEVEMENT WITH MERIT**

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

- understood the relationship between the notes and Statement of Financial Position
- could enter the stems correctly in the property, plant and equipment note
- could consistently complete accurately general journal and general ledger entries with correct calculations in evidence.

### **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 commonly:**

- did not include foreign items in their financial statements e.g. a gain in the Statement of Cash Flows or an asset in the Income Statement
- understood not to close asset or liability accounts
- could fully complete the property, plant and equipment note
- understood that gross profit is the result of sales less cost of goods sold
- completed accurately the complex additional information – in particular the rent received adjustment.

### **OTHER COMMENTS**

The level of performance continues to be very high with a number of candidates producing perfect papers.

## **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 commonly:**

- calculated analysis measures
- described the meaning of analysis measures
- made some link to the resource material and/or calculations to support answers.

### **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 commonly:**

- did not answer all questions
- misinterpreted the meaning of analysis measures
- gave answers that did not use the resource material
- answered the question by rewording the question asked.

### **ACHIEVEMENT WITH MERIT**

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

- were able to link some of the interpretations to the resource material and were logical when giving interpretations
- explained the meaning of analysis measures in context
- made links between answers and calculations from earlier questions
- were logical in explanations given.

### **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 commonly:**

- followed the instructions and systematically worked logically through the bullet points
- justified their explanations with reference to the resource material and made clear links between information within the examination as a whole
- told the story through how fluently answers were written.