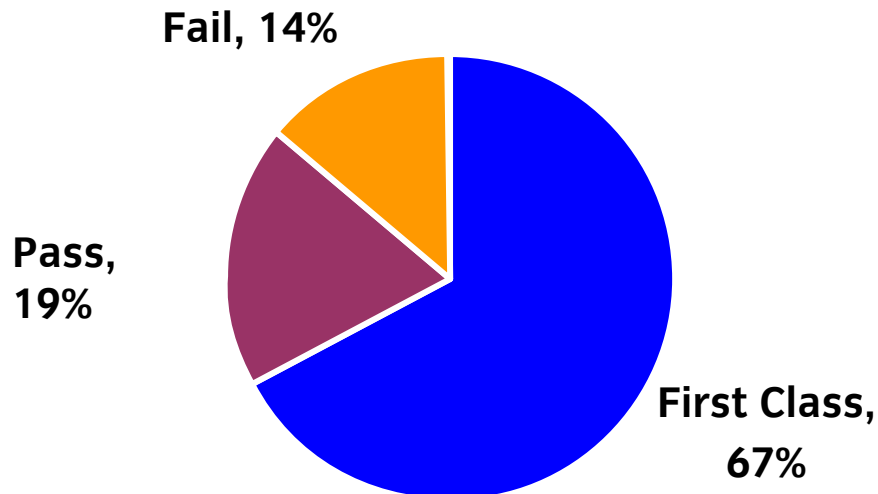


8991-01 Book-keeping & Accounting Level 1

General Observations

This is the first year of the new Book-keeping and Accounts syllabus and it is pleasing to see how well candidates have performed. Tutors and candidates are to be congratulated for all their hard work. They have grasped the requirements of the new syllabus exceptionally well. The new syllabus contains a number of practical tasks and successful candidates will be well prepared to participate in the workplace.

Candidates have performed well with a strong performance by over 65% achieving a first class pass.



Areas of good performance

Candidates showed excellent abilities in checking documents for inaccuracies, the completion of day books and the completion of the petty cash book. The attention to detail needed in these tasks is very important in book-keeping and accounts.

Areas for development

Some candidates experienced difficulties in dealing with settlement discounts and tax. Tax is a new topic to this syllabus. Examples and advice are provided in textbooks and resource materials; as well as on the City & Guilds website.

Some candidates used abbreviations when balancing accounts and in the preparation of ledger accounts generally, for example 'bbd'. Candidates have shown they can successfully complete the examination in the required time and so should be able to use the correct narration in ledger account. Correct and clear narration is also expected in preparing a bank reconciliation statement. In practice such a document would be used by accountants, management and perhaps auditors so its presentation needs to be clear and the document should be understandable.

A few candidates have also shown lack of understanding of the dates relevant to balancing accounts and examples were seen where the dates were unrelated to the scenario or the balance b/d was shown at the balance c/d date and vice versa. The entries in some ledger accounts were also reversed.

Recommendations

Centres and candidates should make good use of available resources such as sample examination papers, the examination support guide, FAQs, etc on the City & Guilds website.

Additional work on the general presentation of ledger accounts including the fundamentals of presentation of date and narration would be useful for candidates. This will serve them well in future examinations and work too.

Abbreviations particularly should be avoided. In balancing for example, the detail should be 'Balance b/d' or 'Balance b/f' and so on and 'Sales Day Book' is appropriate detail where relevant too.

In updating the cash book and preparing a bank reconciliation statement again attention to detail is important. For example if a transaction is a Direct debit (DD) for G. Patel, then the correct narration is G. Patel, the relevant account, and not DD, the transaction or document.

In the bank reconciliation statement where, for example, there are two or three lodgements, each should be shown separately to provide clear information for any reader of the statement. A combined total of the lodgements is insufficient to provide useful information.

Tips

The date for the balance b/d will always be the day after the balance c/d

Additional comments

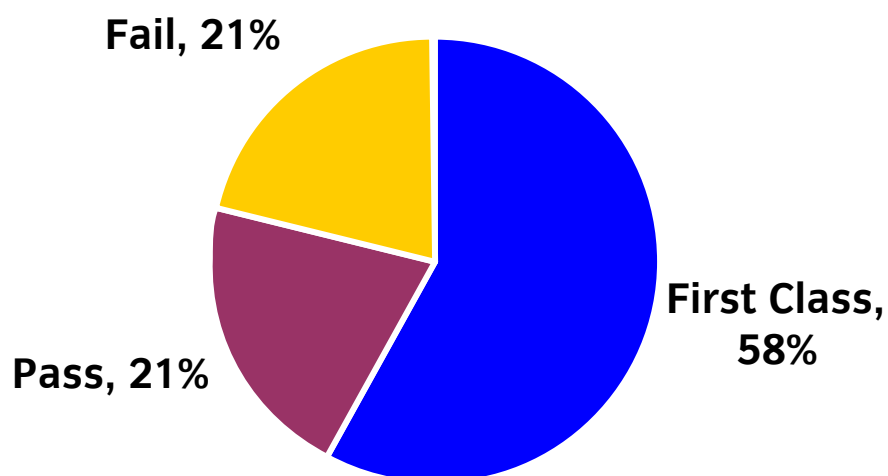
Please show your workings when checking documents for accuracy and when calculating settlement discounts.

8991-02 Book-keeping & Accounting Level 2

General Observations

This is the first year of the new Book-keeping and Accounts Level 2 syllabus and it is pleasing to see that candidates have performed well. There are some similarities with the previous syllabus and some new areas and generally both have been handled well. Tutors and candidates are to be congratulated for their successes.

Towards the end of the previous syllabus about half of candidates gained first class passes at this Level and it is pleasing to see this degree of success being continued into the new syllabus. This reflects well on teachers who have helped candidates grasp the new areas well.



Areas of good performance

Teachers and candidates have recognised the importance of the extended trial balance and in general it has been well answered with many candidates achieving most of the marks available for this task.

Control accounts are another topic area in which candidates have performed well and their ability to differentiate between capital and revenue expenditure proved to be strong.

Areas for development

There are similar areas for development in Level 2 book-keeping and accounts as with Level 1. Some candidates have abbreviated narratives in ledger accounts, have omitted balances b/d and incorrectly balanced accounts. Precision and clarity throughout are essential.

Recommendations

Centres and candidates should make good use of available resources such as sample examination papers, the examination support guide, FAQs, etc on the City & Guilds website.

Additional work on the general presentation of ledger accounts including the fundamentals of presentation of date and narration would be useful for candidates. Abbreviations should be avoided. In balancing for

example, the detail should be 'Balance b/d' or 'Balance b/f' and so on and 'Profit and Loss' is appropriate detail where relevant too, not 'P/L' for example.

When dealing with accruals or prepayments the opening balances are either 'balance b/f' or 'balance b/d'. A book-keeper will know due to their knowledge of the double entry system if a balance is an accrual or a prepayment by the side the balance is on. Therefore there is no need to write 'accrued b/d' or 'accrued balance b/d' for example.

Tips

Abbreviations should not be used:

- profit and loss, not p&l
- balance c/d, not bal
- balance c/d, not c/d
- balance c/d, not accrued c/d

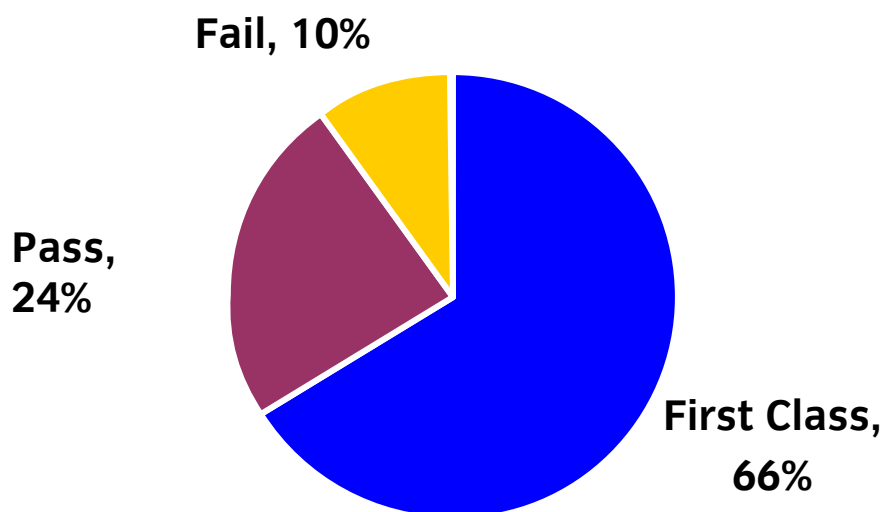
Additional comments

Sufficient practice is essential before the examination as part of adequate preparation. Aim for clarity, accuracy and show workings fully in the examination.

8991-03 Accounting and Book-keeping Level 3

General Observations

This is the first year of the new Book-keeping and Accounts Level 3 syllabus and it is pleasing to see that candidates have exceeded their previous level of performance on the old syllabus, albeit with a relatively small number of candidates in the first year. There are many similarities as regards topics as compared with the previous syllabus but some differences in assessment. Tutors and candidates are to be congratulated for their successes and for dealing with the changes so well.



Areas of good performance

Questions involving partnership accounts, limited company accounts and the interpretation of accounting ratios were answered well. It is particularly pleasing to see an improvement in ratio analysis which caused candidates some difficulties in the past.

Areas for development

As with Levels 1 and 2, candidates tended to use abbreviations, particularly when balancing accounts. Fundamental skills of providing correct dates and narration, e.g. 1 January Balance b/d, are important at all levels of book-keeping and accounts. The major area where this difficulty was seen was in fixed asset accounts.

The syllabus assessment in the examination requires full understanding of the presentation of final accounts, particularly, for a wide range of accounting entities and it is important that candidates are confident in dealing with all the variations from companies to partnerships to non-trading organisations.

Recommendations

Centres and candidates should make good use of available resources such as sample examination papers, the examination support guide, FAQs, etc on the City & Guilds website.

Abbreviations should be avoided. The narration for the transfer to be made in a provision for depreciation account, for example, is 'profit and loss' or 'profit and loss account', not PL, P/L or P&L. And c/d, b/d is insufficient for balance c/d or balance b/d.

Candidates should be familiar with the presentation of different types of business, so it is equally straightforward for them to prepare a balance sheet extract for a limited company, a club or a manufacturing organisation.

Tips

Abbreviations should not be used:

- profit and loss, not p&l
- balance c/d, not bal
- balance c/d, not c/d

Additional comments

Practice to develop speed and accuracy so that the examination acts as confirmation of knowledge and understanding.