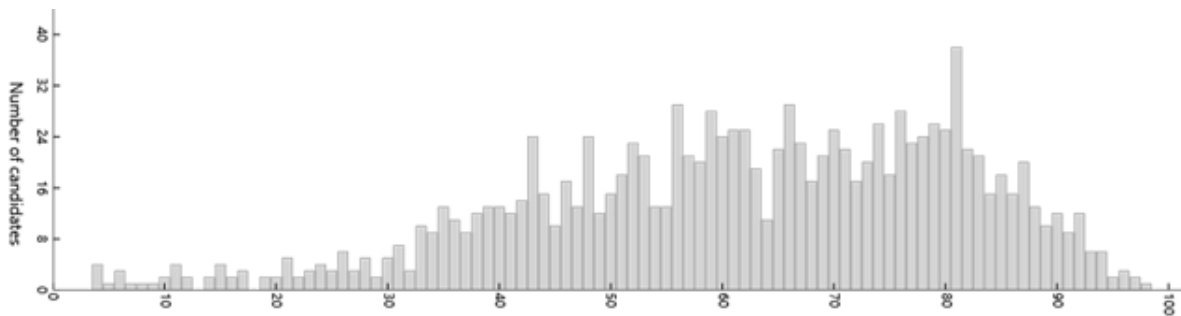




**Summary report of the 2019 ATAR course examination:  
 Accounting and Finance**

| Year | Number who sat | Number of absentees |
|------|----------------|---------------------|
| 2019 | 1210           | 27                  |
| 2018 | 1418           | 19                  |
| 2017 | 1531           | 13                  |
| 2016 | 1486           | 20                  |

**Examination score distribution–Written**



**Summary**

The examination consisted of three sections: Section One; Multiple-choice, Section Two: Short answer and Section Three: Extended answer. Candidates were required to attempt all questions in Sections One and Two and to choose one of two questions in Section Three. The syllabus content for Accounting and Finance Units 3 and 4 were examined equally, with the required balance between theory and practical/application questions being achieved.

Attempted by 1210 candidates                                      Mean 61.79%              Max 97.78%      Min 4.00%

Section means were:

|                                |                 |           |          |
|--------------------------------|-----------------|-----------|----------|
| Section One: Multiple-choice   | Mean 71.93%     |           |          |
| Attempted by 1210 candidates   | Mean 10.79(/15) | Max 15.00 | Min 0.00 |
| Section Two: Short answer      | Mean 64.31%     |           |          |
| Attempted by 1204 candidates   | Mean 45.02(/70) | Max 69.23 | Min 0.00 |
| Section Three: Extended answer | Mean 44.31%     |           |          |
| Attempted by 1130 candidates   | Mean 6.65(/15)  | Max 14.75 | Min 0.00 |

**General comments**

All candidates responded to questions in Section One, 98% of candidates responded to questions in Section Two and 93% of candidates responded to questions in Section Three. Generally, candidates performed better in the practical/application questions than the theory questions. Section Three: Extended answer section, provided one set of data from which two sets of questions were presented. All students were required to use the same data and had the option to choose from one of two questions. This was the most difficult section for candidates to answer.

### *Advice for candidates*

- You must be able to complete balance day adjustments, understand the difference between a general journal and a general ledger, prepare general journal entries and reconstruct ledger accounts or similar workings.
- Pay attention to detail to avoid careless errors.
- Be familiar with and understand the formulas and tables in the Specifications booklet.
- Understand what each ratio is calculating and how each should be presented.
- Show all your workings and ensure that they are labelled clearly.
- Use Accounting and Finance terminology in your answers.
- Do not include irrelevant information in your responses. By doing so, you are consuming valuable time that does not earn you any marks and you may be penalised for the inclusion of incorrect items in the practical/application questions.
- Learn the correct use of brackets in financial reports and apply these when required.
- When information is provided in a question, use it to assist your answer.
- Read questions carefully to ensure that you answer all of its components.
- Ensure that you provide your answers in the form required by the question (e.g. a dollar amount, a ratio or percentage, a number of times or a number to two decimal places).
- Practise past examinations and examination-standard questions.

### *Advice for teachers*

- Ensure that your students' examination preparation covers all the syllabus content.
- Provide your students with the *Glossary of key words used in the formulation of questions* to familiarise them with what is required for each key word used in questions within an examination.
- Review the language used within the syllabus, (e.g. nature and extent).
- Ensure that general purpose financial reports are compliant with current accounting standards.
- Ensure that all syllabus changes are adopted and taught.
- When teaching multiple formats for the presentation of financial information, it is recommended that you advise students of the most effective and efficient way to present this information.
- Discourage students from putting everything into the financial reports if they are unsure of what should be included. They will most likely be penalised for the inclusion of incorrect items.
- Ensure that students understand the correct use of brackets in financial reports.
- Encourage students to read question requirements carefully. Provide opportunities for them to identify the critical requirements to be addressed in a question.
- Encourage students to refer to the Specifications booklet for calculations.
- When calculating ratios, ensure that students are directed to the statement above the Ratio table in the Specifications booklet that states 'Results for calculations may be presented either as a percentage or as a ratio, to two decimal places.' Students must present ratios in the correct format to two decimal places, unless directed otherwise.
- Provide students with as many opportunities as possible to demonstrate their depth understanding against theory-based questions; both short and extended answer.
- Provide students with as many opportunities as possible to practice Multiple-choice questions.

### ***Comments on specific sections and questions***

#### **Section One: Multiple-choice (15 Marks)**

This section of the paper was attempted by all candidates and most questions were answered well. Notable exceptions were Questions 10, 12 and 15.

**Section Two: Short answer (181 Marks)**

Candidates were required to complete five questions that were predominantly practical in nature. Candidates found Question 16 easiest and Questions 19 and 20 the most challenging. Although this section was completed reasonably well by candidates, the theoretical questions were completed poorly. Many candidates did not provide clear workings and/or attention to their calculations. Some did not understand why calculations are completed and/or the theoretical underpinnings behind the practical applications of Accounting and Finance.

**Section Three: Extended answer (30 Marks)**

Candidates found Section Three: Extended answer the most challenging section of the examination paper. Candidates were provided with one set of data from which two sets of questions were developed. More candidates chose to answer Question 22 than Question 21 and the responses to Question 22 were of a higher standard than those to Question 21. Most candidates did not provide the required level of detail in their answers or refer back to the information provided. Many did not use relevant Accounting and Finance terminology.