

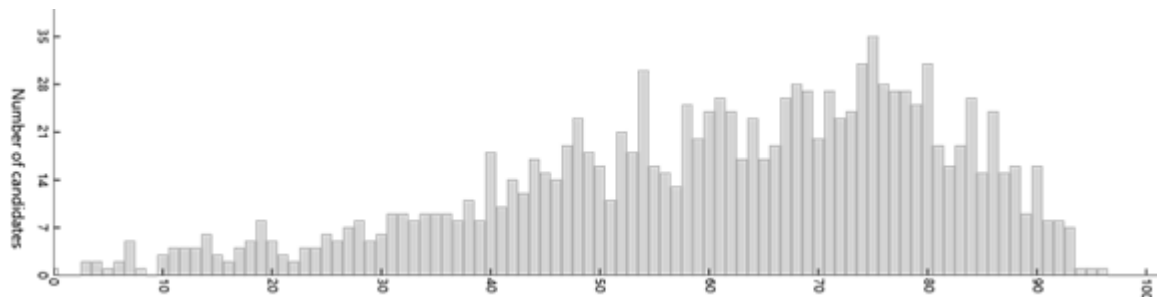


Summary of report of the 2020 ATAR course examination: Accounting and Finance

Year	Number who sat	Number of absentees
2020	1263	36
2019	1210	27
2018	1418	19
2017	1531	13

The number of candidates sitting and the number attempting each section of the examination can differ as a result of non-attempts across sections of the examination.

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. There was an acceptable balance of Unit 3 and Unit 4 syllabus content and practical/application questions.

Attempted by 1263 candidates Mean 60.68% Max 95.54% Min 0.00%

Section means were:

Section One: Multiple-choice	Mean 75.88%		
Attempted by 1263 candidates	Mean 11.38(/15)	Max 15.00	Min 0.00
Section Two: Short answer	Mean 61.37%		
Attempted by 1256 candidates	Mean 42.96(/70)	Max 68.29	Min 0.00
Section Three: Extended answer	Mean 42.28%		
Attempted by 1209 candidates	Mean 6.34(/15)	Max 14.50	Min 0.00

General comments

All candidates responded to the questions in Section One, 99% of candidates responded to the questions in Section Two and 95% of candidates responded to the questions in Section Three. Generally, candidates performed better in the practical/application questions than the theory questions. In Section Three: Extended answer, candidates answered one question from a choice of two. Performance in this section was the weakest in the examination.

Advice for candidates

- Use the marks allocated for a question as a guide to the breadth and/or depth of your response.
- Be familiar with the range of verbs used in questions and answer accordingly.

- Ensure you read stimulus material carefully and use the related information to support your response to questions.
- Engage with the examination materials of previous years to understand the mark allocation of questions, practise answering questions and become familiar with the answers and performance descriptors in the marking keys.
- 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.
- Read questions carefully to ensure that you answer all of their 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).

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.
- When teaching multiple formats for the presentation of financial information, it is recommended that you advise your students of the most effective and efficient way to present this information.
- Discourage students from putting everything into the financial statements if they are unsure of what should be included. They will most likely be penalised for the inclusion of incorrect items.
- 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.
- Provide your students with as many opportunities as possible to demonstrate their depth of understanding against theory-based questions in both short and extended answers.
- Provide students with as many opportunities as possible to practise multiple-choice questions.
- Provide a range of stimulus types to which students can practise responses and model good answers.
- Provide students with the examination materials of previous years. Discuss the mark allocation of questions, provide them with guidance on how to respond to different types of questions and advise them of how the marking keys allocate marks so that they become familiar with marking expectations.

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 5 and 12.

Many candidates did not recognise the role of the Australian Securities and Investments Commission (ASIC) and some confused it with the Australian Accounting Standards Board (AASB).

Some candidates appeared to be unfamiliar with the syllabus points on short-term sources of finance.

Section Two: Short answer (164 Marks)

Candidates were required to complete five questions that were predominantly practical in nature. Candidates found Question 18 the easiest and Question 20 the most challenging. Although this section was completed reasonably well, the theoretical components of questions were completed poorly. Many candidates did not provide clear workings and/or give attention to their calculations. Some appeared not to understand why calculations are necessary 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. 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 to the information provided. Many did not use relevant Accounting and Finance terminology.