

Annual Examination Report – Academic Year 2010 - 2011

Subject Computerised Accounts 8989

Level 3

Section 1 – Areas of good performance

- The adjustment of opening and closing stock is generally completed correctly.
- The posting of sales and purchase invoices and credit notes are generally completed without error.
- The setting up of the new nominal ledger account and the journal transfer to this are completed correctly.
- The posting of the cash sale is usually completed correctly.
- The bank reconciliation is generally produced correctly.

Section 2 – Areas for development

- Candidates must learn to reverse the opening prepayments and accruals correctly.
- Candidates must also learn how to process the closing prepayments and accruals.
- Many candidates are not reading and understanding the requirements of the transfer between the cash account and the bank account. The amount is frequently incorrect and the transfer is often the reverse of that required.
- Candidates must be able to calculate and process the depreciation charge using both the reducing balance method and the straight-line method.
- Care must be taken in processing discounts taken and allowed.
- The disposal of a fixed asset often proves tricky for candidates.

Section 3 – Recommendations

- Candidates should use the reading time to ensure that they fully understand the requirements of each question.
- The reading time is the time for candidates to make mental notes as to the requirements of each question. After that initial time, they should go back over the questions and make written notes before starting the examination.
- Candidates must be taught to read the statement of accounting policies carefully, particularly with regard to the rules for rounding depreciation and bad debt provisions.
- Candidates should be given as many past examination papers as possible to familiarise themselves with the requirements of the papers and to receive feedback from tutors on areas of weakness.
- Candidates should not capitalise when inputting text data. Candidates should type as they see.
- Candidates should be taught the process of disposing of a fixed asset more thoroughly.
- Candidates should be reminded of the facility to print out draft reports to check their input.
- Candidates should be encouraged to use the tick checklist at the back of the examination paper to ensure that they have supplied all of the required printouts.

Section 4 – **Tips**

(for a handy tip that could be made in a bubble or comment box. Not compulsory but helpful)

- Check the trial balance to see if all balances look reasonable. It can sometimes be obvious that there is an error, for example if the cash account has a credit balance.

Section 5 - **Additional comments**

- It is important that both tutors and candidates have a thorough understanding of basic double entry bookkeeping.
- Specialist Tutors must remember to print out all the inputted data before the exam takes place, as required in the Specialist Tutor Instructions document. This is so the examiner can cross check the correct data has been inputted and ensure candidates have not been disadvantaged.
- Centres are also reminded that Microsoft Excel is not a suitable computerised accounting package and not to use it.