

# 8991-01 Book-keeping & Accounting Level 1 (2024)

## General Observations

Candidates continue to perform well in the examination and many first class passes continue to be achieved. Teachers and candidates are to be congratulated on their successes. In a minority of cases marks are lost through candidates not showing correct dates or amounts and this is detailed further below.

## Areas of good performance

Candidates showed good understanding of the principles and practice of double-entry bookkeeping. The successful completion of day books, checking documents for errors and calculating discounted totals is pleasing to see.

Most petty cash books are completed well as are updated cash books. Candidates that clearly show workings are helping themselves achieve better results.

Initial trial balances with corresponding ledger accounts are generally very well completed although less so if the question involves invoices.

## Areas for development

In a small minority of cases some candidates are presenting answer to three, four or even five decimal places. They need to be made aware that we are at all times dealing with currency and this will always be to two decimal places. Similarly a small number of candidates round an answer to one decimal place e.g. \$345.4. What does the .4 represent: 40 cents or 4 cents? Please present answers to two decimal places when required.

When faced with credit notes candidates sometimes seemed confused about how to account for them and erroneously post them to the incorrect sides of ledger accounts. Candidates should be aware with the process of posting credit notes to day books and ledger accounts as they are with invoices. In addition some candidates are confused with the narrative to use when posting from the day book. The clue is in the title of the day book – that is the one to use when posting the totals.

A small number of candidates continue to lose marks on ledger accounts for the use of abbreviations (e.g. SDB as opposed to Sales Day Book) as well as balancing on incorrect dates. The balance brought down at the end of ledger accounts should be recorded on the day after the balance carried down. The date at which to balance is given on the examination paper.

When completing the bank reconciliation statement it is vital that unrepresented amounts are titled – the name of the business must be given along with the amount – it is not sufficient to just write 'unrepresented cheques \$67 – the name must also be given.

When completing initial trial balances be guided by the documents provided. If there is a cash voucher then the cash account needs crediting with the corresponding debit in the appropriate account. If there are invoices then work out if it is a sales invoice or purchase invoice by checking who has been sent the invoice.

## Recommendations

Teachers 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.

Workings should be shown in full and clearly and details in ledger accounts should not be abbreviated and should be accurate.