

## 8991-03 Accounting Level 3 (2024)

### General Observations

The overall impression is that candidates are performing well on the examination although candidates have some difficulties with ledger accounts involving non-profit organisations and a few with limited companies accounts and incomplete records.

Both teachers and candidates are clearly working hard to emulate their previous levels of success and are to be congratulated.

### Areas of good performance

It is pleasing to see greater consistency of success over the various topics. Partnership accounts are managed well in both the appropriation account and in current accounts.

Understanding the accounting ratios provided are generally correct as are manufacturing accounts and most aspects of accounting for non-profit organisations, limited companies and incomplete records.

Overall candidates are showing a good understanding of what is required at Level 3.

### Areas for development

Continued work on the presentation of limited company accounts would be beneficial for candidates. In addition, some candidates experience difficulties with incomplete records in terms of the calculations involving expense accounts. Calculations can be calculated using a columnar approach or a ledger approach as marks are usually awarded for the components of a calculation leading to a final answer.

When dealing with ledger accounts for non-profit organisations candidates need to apply previous knowledge acquired for amounts owing and prepaid and then simply use the terms 'balance c/d' and 'balance b/d' as appropriate rather than 'owing' or 'prepaid'. In addition accounts are NOT transferred to a 'profit and loss account' but an 'income and expenditure account'.

Likewise when dealing with the fixed assets of a non-profit organisation, depreciation is transferred to an 'income and expenditure account' rather than a 'profit and loss account' (as too is the loss or surplus on disposal of a fixed asset).

### 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.

Incomplete records is a topic which tends to require more practice than other subject areas, perhaps because adjustments need to be made from very basic data. Candidates should aim to make use of all available practice materials which will help them understand the techniques required for success and also assist them in developing both speed and accuracy.

Candidates need to practice to develop speed and accuracy so that the examination acts as confirmation of knowledge and understanding. Full workings are essential in assisting examiners in checking candidate understanding.