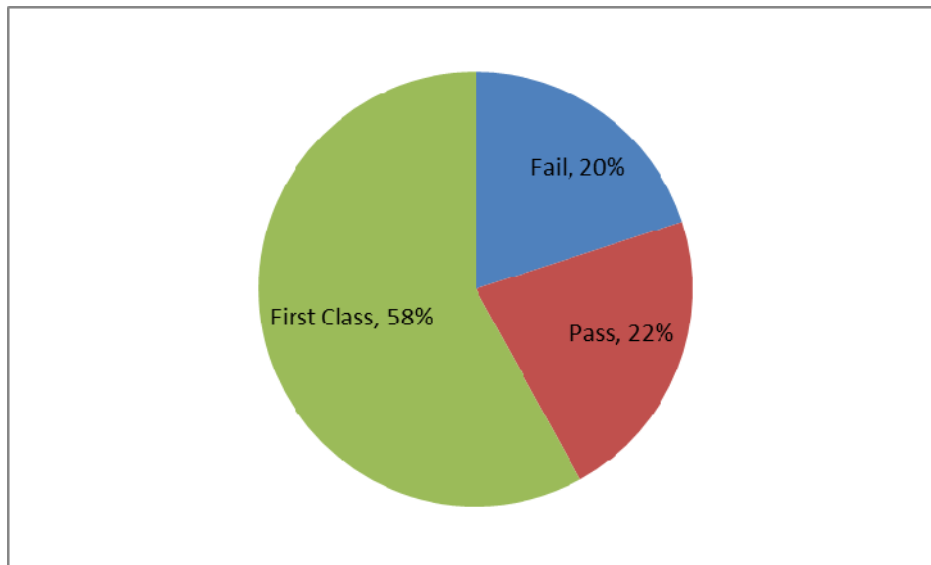


8991-03 Accounting and Book-keeping Level 3 (2009-10)

General Observations

Following the initial year of the new syllabus this year's result has provided a more representative sample. This has led to a slight reduction on the percentage of passes and first class passes but the overall result is still commensurate with the previous syllabus. Indeed, there has been a slight improvement.

Teachers and candidates are to be congratulated on their successes.



Areas of good performance

Questions involving partnership accounts and the interpretation of accounting ratios were answered well. Improvements have been seen in answers associated with partnerships and manufacturing accounts.

Areas for development

As with Levels 1 and 2, candidates tended to use abbreviations, particularly when balancing accounts. Fundamental skills of providing correct dates and narration, e.g. 1 January Balance b/d, are important at all levels of book-keeping and accounts.

The presentation of accounts for companies including full details in balance sheets, particularly for the inclusion of shares, would be served well by practice. Both authorised and issued share capital should be included.

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.

Abbreviations should be avoided and all relevant figures should be described with some detail, for example 'raw materials consumed' in a manufacturing account.

Candidates should be conversant with the presentation of different types of business, so it is equally straightforward for them to prepare a balance sheet extract for a limited company, a club or a manufacturing organisation.

Tips

In a company balance sheet shares should typically be fully detailed as the following example:

<u>Authorised Share Capital</u>	£
100 000 5% preference shares of £1 each	100 000
400 000 ordinary shares of £1 each	<u>400 000</u>
	<u>500 000</u>
<u>Issued Share Capital</u>	
70 000 5% preference shares of £1 each	70 000
230 000 ordinary shares of £1 each	<u>230 000</u>
	<u>300 000</u>

Additional comments

Practice to develop speed and accuracy so that the examination acts as confirmation of knowledge and understanding. Workings should be shown in full.