



CHIEF MARKER'S REPORT

SUBJECT:	ACCOUNTING
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1. ANALYSIS OF QUESTION BY QUESTION PERFORMANCE

QUESTION 1

40 marks – Analysing Transactions, Stock Valuation and VAT.

Analysis of Transactions – Although this tested the basic “double entry” principle (which is covered extensively in the previous grades), Grade 12 educators merely concentrated on the Ledger Accounts and do not emphasise the effect of these transactions on the Accounting equation. Hence the response of candidates were not up to expectations. Educators must introduce the section on companies by taking learners back to the basics, integrating past knowledge into their lessons.

The STOCK VALUATION question provided opportunity to score marks. It was however noted that many candidates confused the number of units purchased with the respective Rand values. In asking candidates to calculate the missing figures, they were expected to interpret the table provided, and establish what was required by the question. In this section, educators normally tell learners what is required, therefore the interpretative skills are not developed. More examples of this nature will be helpful.

The question on VAT was welcomed – it contained some elementary calculations which could be answered from general knowledge. It was evident that many educators took this concept for granted and did not even touch on this aspect of the syllabus. VAT can be intergrated into the lessons of other LOs and therefore, need not be taught in isolation.

QUESTION 2

30 marks – Bank Reconciliations

20 marks of this question focused on the Grade 11 syllabus – where many exercises are usually done. Learners are exposed to a standard procedure, and hence get confused when a slight variation to the format is given (as was the case in this question). This exposes learners who study “parrot fashion”, without understanding. A short assignment on banking and banking procedures could prove to be a very good life skills exercise as well.



This question also introduced ethical issues, internal controls and GAAP – which was directed to the more well-prepared learner. Educators can introduce various scenarios and case studies to highlight the above mentioned concepts, but ultimately, insight from learners is expected.

QUESTION 3

55 marks – Manufacturing Concerns

Questions from this LO has become predictable – Preparation of the Production Cost Statement with Notes and some calculations, as expected. It was therefore attempted by a large majority. Educators spend time on this section and cover it well. Learners who performed poorly here, were probably not attending classes. To tweak the performance in this section, more examples on analysis of unit cost information and the break-even concept must be given attention, perhaps more examples from different sources such as past papers and exemplars.

Marks were lost for foreign entries in the Production Cost Statement + Notes. The different cost centres in a manufacturing business must be clearly spelt out to avoid confusion between factory overheads, administrative and/or marketing costs.

Various examples must be provided. A simulation exercise can be useful in assisting learners to visualise the concepts and the specific expenses associated with the different cost centres.

QUESTION 4

65 marks – Companies Balance Sheet

Good innovation of “Matching” question. Lower order question for 10 marks.

The Appropriation Account and Balance Sheet are basic content requirements in Grade 12, and there is no excuse for the poor performance noted in more than 60% of the scripts. The format of the Balance Sheet is introduced to learners in Grade 10. Unfortunately, we are still not convinced that this is being re-inforced in every section (across the LOs) in Grade 11 and 12 (Sole Trader, Partnerships, Clubs, Companies). Once again, it is evident that learners are exposed to a set, structured format with Notes, and find it difficult to handle variations – as was the case in this question, which did not require the Notes, instead only workings to be shown in brackets. The space provided on the Balance Sheet was not sufficient, and did not cater for alternative arrangements like “Trade and Other Payables” where items could be combined or disclosed separately.

The memorandum catered for many deviations to the format with various permutations to benefit the learners. This made marking a bit strenuous. Some markers firmly believe that the memorandum must be more strict at Grade 12 level.

Some challenging higher-order calculations such as Short Term portion of Loan and the Rent Income received in advance. This was problematic for learners, although not entirely foreign to Grade 12 educators.

QUESTION 5

80 marks – Cash flow Statement and Interpretation of Financial Information

This was the long question, which is usually the turning point between good and mediocre marks. From our experience (as markers) educators still struggle in teaching this section and many enlist the assistance of colleagues. In spite of the emphasis placed on this specific Assessment Standard, we notice a big divide between the small percentage of well prepared school and the large percentage of under-performing schools.

Asset disposal and Tangible Assets is 80% Grade 11 syllabus. The calculation of Depreciation must be emphasised and many examples (with the different methods and time periods) must be revised. Case studies and written reports on asset management is a useful assessment activity in this regard.

With regards to Ratio Analysis, learners calculate the ratios but do not understand their significance and/or relevance. Practical examples must be used in class discussions. Educators must download Financial Statements of public companies and use them in discussions. The project on this topic must be brought back and extensive class discussions must follow. Teachers must also intergrate these ratios such as solvency, profitability and liquidity into other exercises involving the Income Statement and Balance Sheet.

Every year, we raise the issue of the language barrier (English First and Second Additional Language). Although the questions were clear and precise, these learners do not have the ability to express themselves clearly. It takes time to read and understand what is being communicated – and to award part-marks. This question contributed to the paper being long for the learners. Educators must encourage learners to practice time management in every exercise, test and examination.

QUESTION 6

Learners were requested to calculate amounts and percentages from the information given. This was a change from the usual preparation and interpretation of budgets as per the LO and AS.

The marketing strategy case study was a new innovation. We were informed that this was the challenging question in the paper. Most of the candidates did not get to this part because of the length of the paper. Those who attempted it did not realise that they needed to use the number of members and not the budgeted amounts for No. 6.2.3. It is difficult for educators to pre-empt this type of questions in preparation for examinations. Perhaps additional exemplars from National and the Province for revision could assist in this regard.

7. ANY ADVICE THAT YOU COULD GIVE TO EDUCATORS TO HELP LEARNERS TO REACH THE EXPECTED LEVELS

In schools :

- Devise an effective year plan (learning programme) to accommodate your special circumstances – don't just stick the Department generated one in your file for inspection purposes.
- Plan and prepare thoroughly for all lessons.
- Supervise homework and assignments – discuss and correct work daily
- Encourage learner participation and consistently re-inforce previous work taught. Be patient with slow learners.
- Maintain attendance registers for your lessons – this would discourage bunking.
- Cater for the above-average learners – enrichment.
- Accounting is like maths, the more exercises learners do, the better they become. Don't focus on pure accounting only. Have class discussions and debates on ethical issues, internal controls, ratios etc.
- Get your information/exercises/tasks from various sources (textbooks, resource material, publications, and especially past-year papers and exemplars.)
- Form cluster groups (not necessarily the CASS group) and set common assessment tasks. Adapt departmentally prepared ones according to the needs and levels of your learners.

8. ANY OTHER COMMENTS

Encouraging to note that Grade 8 and 9 EMS is placing more emphasis on accounting principles, calculations and procedures. The Grade 9 common paper in November had 61% accounting questions.

Career guidance programmes in schools must assist learners in making appropriate subject choices to further their respective career paths. Some learners have high expectations only to find out that they made poor choices.

Discipline at schools must be stepped up. Consistent supervision and feedback is essential. Learners will take their work seriously if educators are prepared to go the extra mile.

It was disappointing to discover that learners are still afforded opportunities to be dishonest during the examinations (copying). Many incidents of similar responses both right and wrong and identical incorrect presentations were reported. These cases were dealt with at IRREGULARITIES and a list of suspected centres was provided. These allegations must be investigated and appropriate, stern action must be taken.