

# A Level (including AS Level) Accounting (9706)

## What is the course book?

There is no single course book for the AS Level and A Level Accounting syllabus. The resource list gives a number of alternative books designed for A Level Accounting. In general, we would hope that teachers would make use of a variety of resources and encourage their students to do the same: at AS Level and A Level wide reading is to be encouraged. Moreover, students will often find that a topic which they do not understand when reading one book becomes much clearer in another book – yet the choice of best book will differ between topics and between students.

## Where is the resource list?

It is one of the appendices in the syllabus booklet.

## Should I assume that any book not on the resource list is inappropriate?

Not necessarily. As stated above, students and teachers quite legitimately prefer different books. CIE usually does not list books which are out of print (even though sections of them at least may remain very useful), or books which might be readily obtainable in only one of the countries where CIE's examinations are taken.

## Where can I obtain the books on the resource list?

Most of the texts can be obtained over the internet. The following websites may be of interest:

[www.amazon.co.uk](http://www.amazon.co.uk)

[www.heffers.co.uk](http://www.heffers.co.uk)

## Are there any teacher support materials for the syllabus?

Yes. There are specimen papers (with mark schemes) and there is a separate 'Standards Booklet' containing candidates' answers to some recent A Level questions and an indication of what AS Level grade these answers are considered to be worth. Past papers and mark schemes are available on the teacher support site at <http://teachers.cie.org.uk>. Ask your Centre administrator for the password to access the site. The 'Report on the Examination' is published after each session and gives guidance on Examiners' expectations and common candidate errors. This is also available on-line on the CIE home page at [www.cie.org.uk](http://www.cie.org.uk) and on the teacher support site. There are suggested schemes of work on the teacher support site and a discussion group for teachers of accounting. See the CIE home page for details.

## Are mark schemes published?

The mark schemes for the new syllabus are published, starting with that for the AS Paper for June 2001. They are available on-line and for purchase from CIE Publications.

## Is the use of calculators allowed?

Yes. For details of the restrictions on graphic display, data banks, etc, which apply to all CIE examinations, see the *Handbook for Centres*.

## Does a candidate have to pass each separate paper?

No. The candidate's grade is determined solely by the total number of marks they have earned (weighted according to the published weightings of the papers), so a good performance on one paper can make up for a poor performance on another paper.

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What are the weightings of the papers?

### ADVANCED SUBSIDIARY LEVEL

Paper	Type	Duration	Number of questions	Maximum mark on paper	Approx. weight (% of total marks for syllabus)
1	Multiple Choice (AS Topics)	1 hour	30	30	30
2	Structured Questions (AS Topics) Answered on the question paper	1 hr 30 mins	3	90	70

The first question in Paper 2 will always be based on the final accounts of sole traders or partnerships.

### ADVANCED LEVEL

Paper	Type	Duration	Number of questions	Maximum mark on paper	Approx weight (% of total marks for syllabus)
1	Multiple Choice (AS Topics)	1 hour	30	30	15
2	Structured Questions (AS Topics) Answered on the question paper	1 hr 30 mins	3	90	35
3	Multiple Choice (Supplement Topics)	1 hour	30	30	15
4	Problem Solving (Supplement Topics) Answered on separate paper	2 hours	3	120	35

Papers 1 and 2 for Advanced Level are the same as Papers 1 and 2 for Advanced Subsidiary Level.

Each item on Paper 3 will test a topic in the A Level Supplement part of the syllabus, but may also require a knowledge and understanding of the AS Level syllabus.

Each of the three questions in Paper 4 will test a topic or topics in the A Level Supplement part of the syllabus, but may also require a knowledge and understanding of the AS Level syllabus.

#### Where can I find the keys to the multiple choice questions?

They are in the published 'Report on the Examination', which is available online and on CD Rom.

#### Are marks deducted for wrong answers in the multiple choice?

No. The candidate's mark is the total number of questions answered correctly.

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**Are the A2 papers just on the A2 topics or do candidates have to revise the AS material as well?**

Each of the questions on the A2 papers examines at least one A2 topic, but may also assume knowledge and understanding of the topics covered in the AS syllabus.

**Are candidates allowed a break between Papers 1 and 2?**

If two papers are timetabled in the same morning or afternoon, as may sometimes be the case with Paper 1 and Paper 2 in future, Centres may allow the candidates a break of up to 15 minutes between the papers. Note that it is **not** acceptable to give out the second paper until the time allocated for the first paper has been allowed and the answer sheets have been collected.

**Will AS Level multiple choice questions be as difficult as those for A Level?**

They will be easier only in that AS Level topics are inherently easier than A2 topics. Also, individual AS Level question cannot draw on knowledge required only for the A2, but an A2 question could draw on knowledge of both the AS and the A2 parts of the syllabus. However, AS Level MCQs may be drawn from the bank of A Level MCQs on those topics, and the Specimen Paper reflects this.

**Is there a list of the main topic areas examined at AS and A Level?**

The table below is a guide as to what is included in the syllabus and which topics are examined at each level.

Theme	Topic	Examined at AS Level	Examined at Advanced Level
<b>THE ACCOUNTING SYSTEM</b>	<b>A</b> Recording Financial Information	Yes	May be tested
	<b>B</b> Accounting Principles	Yes	May be tested
	<b>C</b> Control Systems	Yes	May be tested
<b>FINANCIAL ACCOUNTING</b>	<b>D</b> Preparation of Financial Statements	Yes	Additional content
	<b>E</b> Capital	Yes	Additional content
	<b>F</b> Business Purchase	-	Yes
	<b>G</b> Published Company Accounts	-	Yes
<b>FINANCIAL REPORTING</b>	<b>H</b> Interpretation and Analysis	Yes	Additional content
	<b>I</b> Company Financing	-	Yes
<b>ELEMENTS OF MANAGERIAL ACCOUNTING</b>	<b>J</b> Costing Principles and Systems	Yes	Additional content
	<b>K</b> Budgeting	-	Yes
	<b>L</b> Standard Costing	-	Yes
	<b>M</b> Investment Appraisal	-	Yes

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## Which accounting standards should candidates be aware of?

An understanding of the disclosure standards adopted by quoted companies is required. A **basic knowledge** of the following and how these standards relate to topics in the syllabus is expected: SAP 9 (Not long term contract), SSAP 13, FRS 1, FRS 3, FRS 10, FRS 15 and FRS 18. In the 2009 and 2010 syllabus the IAS are included as follows:

<i>IAS</i>	<i>Topic</i>	<i>FRS/SSAP</i>
IAS 1	Presentation of Financial Statements	FRS3
IAS 2	Inventories (stocks)	SSAP9*
	*(Not long term contracts)	
IAS 7	Cash flow statements	FRS1
IAS 8	Accounting Policies	FRS18
IAS 10	Events after balance sheet date	SSAP17
IAS 16	Property, plant and equipment	FRS15
IAS 18	Revenue	
IAS 23	Borrowing costs	
IAS 32	Financial Instruments: presentation and disclosure	FRS4
IAS 33	Earnings per share	FRS14
IAS 35	Discontinuing operations	FRS3
IAS 36	Impairment of assets	FRS11
IAS 37	Provisions, contingent liabilities and contingent assets	FRS12
IAS 38	Intangible assets	FRS10
IAS 39	Financial Instruments: recognition and measurement	FRS13

## Do we have to provide multi-column accounting paper?

No. Candidates obviously answer Papers 1 and 3 (multiple choice) on special machine readable answer sheets. Paper 2 is answered on the question paper. For Paper 4, candidates may be issued with multi-column accounting paper, but this is not expected and it is not listed as a stationery requirement.

## Are there marks for correct workings even if the answer is wrong?

Yes. It is very important for candidates to show their workings.

## If a candidate makes an arithmetic or accounting mistake early in the question, will they then lose all the remaining marks for that question?

No. The principle is that a candidate may not be penalised twice for the same error. Examiners are instructed to allow marks for figures which, though incorrect, follow correctly from a candidate's previous error which has already been penalised. This is known as applying the 'own-figure' rule.

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### Should Final Accounts be presented using the vertical or horizontal format?

The vertical presentation of final accounts is widely used in business, and this is reflected in CIE Accounting examinations. The final accounts given in mark schemes are usually in a vertical format, but any other recognised format is also acceptable and candidates who present their final accounts in a horizontal format will have marks awarded where their figures are correct. One disadvantage of presenting the accounts in a horizontal format is that there is no figure for working capital, which is sometimes required in a question.

### Is there a list of accounting topics which are not included in the syllabus?

The syllabus for the year of examination should always be the first point of reference. The following is a guide as to what may or may not be included in the syllabus.

Abnormal loss/gain calculation	Yes
Bills of exchange	No
Branch & consignment accounts	No
Brand names	AS – No AL - Yes
Business division accounts	Yes
Computer applications	Yes
Container accounts	No
Contracts	No
Financial solvency (i.e. commenting on ratios to assess the financial performance of a business)	This might come under evaluation
Forfeiture of shares	No
Group or consolidated accounts	No
Hire purchase/Leasing accounts	No
Inflation & Social Accounting	No
Investments accounts & apportionment of income & capital	No
Joint ventures	No
Piecemeal dissolution of partnership	No
Purchase of partnership by limited company (entries in the books of the partnership sold)	Yes
Revaluing liabilities	Yes
Royalties	No
Rule (Garner : Murray)	No
Unrealised loss measurement	Yes