

Accounting

2012 Chief Assessor's Report



Government
of South Australia

SACE
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ACCOUNTING

2012 CHIEF ASSESSOR'S REPORT

OVERVIEW

Chief Assessors' reports give an overview of how students performed in their school and external assessments in relation to the learning requirements, assessment design criteria, and performance standards set out in the relevant subject outline. They provide information and advice regarding the assessment types, the application of the performance standards in school and external assessments, the quality of student performance, and any relevant statistical information.

SCHOOL ASSESSMENT

Assessment Type 1: Skills and Applications Tasks (50%)

The skills and applications tasks provide an opportunity for all learning requirements from the subject outline to be explored throughout the year, with different assessment design criteria included in each task. As 2012 was only the second year in which school assessment was moderated, it was extremely pleasing to see skills and applications tasks being designed in a way that gave students opportunities to achieve at all levels of the performance standards. It was clear that most teachers, when formulating their tasks for 2012, had considered the Chief Assessor's report from 2011 and identified key areas.

Well-designed tasks were clearly aligned with the subject outline and gave the students opportunities to display their skills and extend themselves without requiring knowledge beyond the scope of the subject. Although tasks that did go beyond the subject outline were well-designed and interesting, they caused students to spend time on areas that did not contribute to the assessment design criteria and could not be considered in the moderation process.

Students were able to demonstrate achievement at the various levels of the performance standards throughout the year when presented with a well-balanced set of skills and applications tasks. Well-designed and well-balanced tasks were complemented by teacher feedback that clearly showed that the performance standards had been applied in the marking process. Similarly it was pleasing to see when teachers approached the assessment of the group of skills and applications tasks in a holistic way. This was evident when teachers identified where students had performed at a given level in a specific task or had developed in an area over a number of tasks. In well-designed programs students undertook a number of different tasks throughout the year, each of which covered a small selection of specific features of the assessment design criteria in a limited time. These tasks enabled students to show performance at higher levels, unlike tasks that attempted to cover a large number of specific features and often resulted in superficial answers.

Tasks that allowed all students to show their basic knowledge and higher-performing students to display their ability in the upper levels of the performance standards were well regarded. Task that were too simple, and typically heavily weighted towards practical application, restricted students' ability to demonstrate achievement at the

top end of the performance standards. Conversely, tasks that only required higher-order skills removed the opportunity for students to provide evidence in the middle range of the performance standards, and often resulted in their showing no evidence of achievement at all. Well-designed tasks had a good balance of practical and theory questions as well as offering a range of opportunities for students to achieve across the performance standards. The use of questions from previous examination papers that had been redesigned and developed to provide a new case, with additional questions that assessed knowledge at a greater depth, provided good examples of well-designed tasks.

Assessment Type 2: Report (20%)

In its second year of transition from forming part of the external assessment to being an integral part of the school assessment, the report has shown continued improvement in task design. Past examination questions continued to be used as the basis for most reports but well-designed examples had been modified appropriately to allow students to be assessed against all assessment design criteria.

Students showed their ability across the performance standards when asked to prepare reports based on well-designed cases, complemented by a limited number of ratios and comparative data. Performance by students at the higher levels was evident when their report considered qualitative information from the brief facts of the case, blended with ratio calculations and comparative data from either previous years or industry. These higher-order responses also clearly showed the students' ability to interpret the ratios and go beyond simply commenting on the amount or direction of any change.

A key element of a well-designed report question was to state the simple but important facts of the case, often including a significant event to be analysed, and limiting the ratios to be considered. These questions clearly took into consideration the requirements that the report is to be done under supervised conditions and that it is to be no more than 1 hour in length. Designing the task in this way allowed students to spend most of their time writing and interpreting, giving them the opportunity to achieve at the higher end of the performance standards in all assessment design criteria.

One interesting development was the number of word-processed reports submitted this year. Word-processed reports are certainly not a requirement but, when the opportunity is available and in the best interests of the student group, they are encouraged. The presentation type is not factored into the assessment of student performance but professional presentation and clear guidance on report structure are good preparation for post-school study and work.

EXTERNAL ASSESSMENT

Assessment Type 3: Examination (30%)

The examination this year showed a good range of performance across all five questions, with Question 1 receiving the highest average mark and Question 5 the lowest. However, the difference in average between the highest-scoring and the lowest-scoring questions was not significant. As in past years the practical sections of questions were answered well, with the most successful students achieving at the

highest level by combining their practical application with a sound understanding and communication of the theory components of the questions.

Students are reminded to:

- include calculations in their answers, as this helps markers to award marks even if the final answer is incorrect
- avoid using abbreviations in their answers
- write clearly.

The following section, in which responses to the five questions are analysed, should be read in conjunction with the examination paper.

Question 1

This question produced the highest average mark in the examination. Most students correctly completed the statement of cash flows, with only minor errors in the placement and use of some items. Students who performed well were able to clearly define an external user and went beyond simply identifying or naming an example in part (c). Similarly, the better answers in part (d)(iii) referred to both the statement of cash flows and the ratio, as required, showing more depth of understanding in outlining the bank's concerns.

Question 2

This question had the second-lowest average score. A number of students struggled with the concepts underpinning the practical requirements of the question. Those students who did well used the correct account names in part (a) and correctly identified the stock loss that occurred.

The formatting of part (c) needed to be in accordance with the perpetual recording of inventory and students who were able to do this, rather than use the periodic calculation, scored well. The concept of lower of cost or net realisable value was generally poorly understood and therefore not well explained. However, the calculation of turnover was generally done well.

Question 3

This was the largest question of the examination and was handled well by most students, with an average mark in the mid-range for the paper. The calculation of depreciation in part (a)(i) proved problematic for a number of students, whereas the practical parts of the question, (b), (c), and (d), were generally answered well. The classification of some items in part (c) was an issue, as was the non-inclusion of inventory in part (d).

Parts (e) and (f) highlighted those students who clearly understood the concepts and therefore performed well and those who relied more on their knowledge of the practical. The better responses correctly identified depreciation as an allocation of cost and clearly explained the link between accounting periods and the need to adjust accounts at the end of each period in an accrual system.

The discussion of budgets in part (g) was not a strong point. The better responses correctly focused on the variance column as showing an issue with the target set or the performance achieved. In part (g)(iii) most students identified job losses as a potential social implication, whereas the better answers suggested some other social implications of the change that were creative and correct.

Question 4

This was the second most successfully answered question, with an average score only marginally below that for Question 1.

Overall the question was answered well, with some very good scores. However, part (f) proved difficult for most students. The better responses to this part were given by students who actually defined the concept rather than just identifying to whom it applied.

The discussion in parts (b) to (e) was quite good, with students relying less on the practical skills than was evident in other sections. Good responses to part (d) identified care and caution as underlying the concept of prudence and avoided using the terms 'understatement' and 'overstatement'.

Parts (g) to (i) were answered quite well and showed a good understanding of both the technical and theoretical aspects of the question.

Question 5

Although this question produced the lowest average mark for the examination, it was only marginally below the mark achieved for Question 2 and not significantly below the high mark for Question 1. Students either had a solid understanding of the topic, for which they scored well, or they did not; some students in the latter group failed to answer the question, and others did so poorly.

In the better responses, students correctly used the figures from the table as opening balances and then entered the appropriate transaction data for part (a). In part (b) students performed well when they were able to identify the schedule as an opportunity to summarise the balances of the subsidiary accounts and verify the balance in the control account.

Parts (c) and (e) were done particularly well. The better responses clearly linked part (d) to the original ageing analysis and the length of time that the debt had been overdue. The better responses to part (f) mentioned not only remaining competitive but also the potential cash flow impacts on the business.

OPERATIONAL ADVICE

Overall, the transition of Accounting to a centrally moderated subject has continued well, with most teachers taking note of the advice provided in the 2011 Chief Assessor's report and making minor adjustments as needed. The following points may help teachers in developing and presenting materials for the next year:

- There is opportunity to make amendments to learning and assessment plans, particularly after clarifying forums. Any such changes should be recorded on an addendum to the learning and assessment plan.
- To help in the moderation process
 - the assessment design criteria being considered in a particular task should be clearly identified to simplify confirmation of the performance standard for that task

- individual student work clearly marked with highlighted performance standards assists in confirming teachers' marks
 - all of a student's work should be grouped into a single folder or bag and a summary sheet of all marks and a final grade based on the performance standards is helpful.
- Teachers are strongly encouraged to attend clarifying forums to confirm that their approach and types of task are appropriate.

GENERAL COMMENTS

Feedback from the examination marking and moderation panels was that the experience had been valuable and enjoyable. All members felt that the process had given them a greater appreciation of what was required to best prepare their students. Those moderation panel members who returned from the previous year commented on the overall improvement in the design of tasks submitted and the expanded opportunities for students to achieve at the various levels of the performance standards. This reinforced the fact that teachers are working hard to provide the best possible experience for their students, and are making use of the materials provided by the SACE Board.

The importance of designing tasks that fit within the subject outline and allow students to achieve at all levels of the performance standards was noted. Having been given the opportunity to view a broad variety of tasks submitted for moderation, the panel felt the experience would benefit their own development and allow them to design interesting and engaging tasks for their students.

A number of strong exemplar materials were collected during the moderation process and will be provided at the appropriate times through clarifying forums and the online support materials.

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