

## **ACCOUNTING**

### **SUBJECT 9197**

#### **PAPER 2**

#### **GENERAL COMMENTS**

There was an improvement in the performance of candidates which may indicate good preparation and good syllabus coverage. Most candidates managed to answer all the questions and the performance on costing was pleasing from most centres.

#### **COMMENTS ON INDIVIDUAL QUESTIONS**

##### **QUESTION 1 (a)**

- (i) Well done by most candidates. Some candidates included depreciation, unrepresented cheques and the uncredited deposits as payments in the cash book.
- (ii) Fair. A few candidates seemed not to have covered this area and centres are reminded that bank reconciliation is part of the syllabus. Some candidates failed to note that there was a bank overdraft, hence used the wrong model resulting in loss of marks.
- (iii) Well done by most candidates with most scoring 55% on this section.

##### **QUESTION 1 (b)**

- (i) & (ii). Candidates with an appreciation of computerized accounting systems scored highly whilst those without rarely got a mark. Centres are advised to teach this area.

##### **QUESTION 2**

- (a) Well done by the majority of candidates. A few candidates used the December 2007 balances instead of January 2007 balances. There was a glaring commission of the cash balance of \$6132 in the calculations by most candidates.
- (b) Well done. Most candidates failed to calculate the profit or loss from seed sales. The majority of candidates failed to recognize \$7000 for architect's fees on building plan as capital expenditure and treated it as revenue expenditure.
- (c) Well done. Some candidates lost mark by not treating the \$7000 in (b) above as capital expenditure to be added to the cost of land in the Balance Sheet. Some candidates used the balances at the beginning of the year and as in 2 (a) left out the bank overdraft of \$1890.

**QUESTION 3 (a)**

- (i) Most candidates were able to list the five potential users of company financial statements.
- (ii) Well done, but a few candidates could not match their explanations to answers in (i) above.

**QUESTION 3 (b)**

A fair attempt by most candidates changed the given depreciation at the beginning of the year.

**QUESTION 4**

- (a) Most candidates were able to state the benefits of standard costing.
- (b) Poorly done. Less than 2% of the candidates had the correct answer, some took it to mean the amount of time to do work instead of the amount of work done in an hour.

**QUESTION 4 (c)**

- (i) Well done. Most of the candidates were able to calculate the standard hours.
- (ii) Most candidates scored highly on this section. Candidates using the correct model with a wrong figure of standard hours from c (i) were awarded full marks because of the own FIGURE rule.
- (iii) Most candidates got full marks.
- (iv) Most candidates got full marks.

**QUESTION 4 (d)**

(i) & (ii). Good responses given by most candidates but some lost marks by not matching the causes of the variances to the variances calculated in c (iii) and (iv).