

# Accounting (ACC315116)

## External Assessment Specifications

External Assessment Specifications inform the development of external assessments. The primary audience for this document is the course Setting Examiner and Exam Critics. It may also be of use to teachers and students.

These specifications must be read in conjunction with the current Course Document, available on the [TASC Courses](#) webpage.

The external assessment for this course consists of a written exam.

### Written Exam Structure

The written exam is THREE hours.

Students will have an additional 15-minute preparation time during which students can take notes on the note paper provided and highlight any key words in the exam booklet during the allocation time. Students will not be permitted to start their exam until advised by the Exam Supervisor.

The written exam includes FOUR sections.

The criteria to be externally assessed are:

- Criterion 1: describe accounting and financial terms, concepts and principles
- Criterion 2: apply double-entry accounting terms, concepts and processes to record and control financial information
- Criterion 3: apply accrual accounting terms, concepts and processes to select and organise data to prepare financial reports
- Criterion 4: apply financial concepts and processes to prepare and assess financial information and make business decisions
- Criterion 6: communicate financial ideas and information

### Specific Materials and Equipment Approved for use by Students

- It is recommended that students use a calculator.
- The current TASC ACC315116 Accounting Formula Sheet will be provided.

# Assessment

Criteria 1, 2, 3 and 4 are assessed numerically.

Criterion 6 is assessed using extended alpha ratings of A+, A, A-, B+, B, B-, C+, C, C, t+, t, t- or z.

Please note a C- is a low C, in that it just meets the standards for a C but is not a t.

A set of solutions or a marking tool will be developed by the Setting Examiner, provided to markers at the marking meeting that follows the external written exam; and will be available from TASC in the following year.

The external assessment must include questions that, separately or together, give opportunities to demonstrate the standards from rating C to rating A.

Final results will be awarded as a rating of A, B, C, t or z in the above criteria. These ratings are used in determining the final award according to the algorithm in the course document.

The algorithm to achieve final rating from Sections A – D will take account of the fact that each section carries equal weight.

## Numerical Mark Allocation

Exam papers are designed so that the number of marks allocated to a section, part or question corresponds to the recommended time allocation for it. This is so that a student knows when answering a 10–mark question that the question has been designed for students to spend approximately 10 minutes reading, thinking and then answering the question. Students may find that they spend less or more time on certain questions throughout the exam.

## Section A – Financial Knowledge

### Structure

This section will take students approximately 35 minutes to respond to and be allocated 35 marks for Criterion 1.

Students will respond to TWO compulsory questions. Questions may have multiple items and may provide students with choice.

This section will address course content from Unit 1 (sections 1.3 and 1.4) 2, 3 and 4.

### Assessed Criteria

- Criterion 1 describe accounting and financial terms, concepts and principles (Elements 2, 3, 4, 5 and 6).
- Criterion 6 communicate financial ideas and information (Elements 1 and 2).

### Nature of Questions

- The questions will include a representative sample of course content from Unit 1 (sections 1.3 and 1.4) 2, 3 and 4.

## Question 1

Assesses Criterion 1, Standard Elements 2, 4 and 6 and Criterion 6, Standard Element 1 and 2

- students may be asked to explain accounting terms, concepts and principles related to recording, controlling and risk managing financial information, providing examples to support their answers.
- students may be asked to explain accounting terms, concepts and principles related to making financial decisions, providing examples to support their answers.
- students may be asked to distinguish between contrasting but related financial terms, principles and ideas and explain subtle differences.

## Question 2

Assesses Criterion 1, Standard Elements 3 & 5 and Criterion 6 Standard Element 1 and 2

- students will be asked to explain terms, assumptions and characteristics related to the preparation of financial reports and provide examples
- students will be asked to evaluate the impact of a breach of accounting assumptions and qualitative characteristics or explain the correct approach to recording transactions and the accounting assumptions and/or qualitative characteristics that underpin this.

## Nature of Responses

- Short answer response format.
- Responses to Criterion 1 will be assessed numerically, and Criterion 6 will be assessed using an extended alpha rating.

## Section B – Financial reasoning recording

### Structure

This section will take students approximately 40 minutes to respond to and be allocated 40 marks.

Students will respond to THREE compulsory questions. Questions may have multiple items. All items are compulsory

This section will address course content from Units 2 and 3.

### Assessed Criteria

- Criterion 2 apply double-entry accounting terms, concepts and processes to record and control financial information (Element 1, 2, 3 and 4).

### Nature of Questions

- The questions will include a representative sample of course content from Unit 2 and 3 “Financial reasoning recording” content.

#### Question 3

Suggested time allocation 20 minutes.

This question will require students to record General Journal entries for a range of transactions (Criterion 2, Element 1).

#### Question 4

Suggested time allocation 5 minutes

The examiner will set one question from the following three alternatives (students will not have a choice):

1. Analysing entries in ledger accounts and determining the nature of the transactions (Criterion 2, Element 3). Students will be presented with both T-account and Columnar account formats
2. Calculating the Gain or Loss on disposal of a non-current assets and explaining where this will be shown in the accounting records (Criterion 2, Elements 2 and / or 3). Students may be asked to calculate the gain or loss on disposal of an asset after examining accounts and being given information about sale price or trade in value etc.
3. Calculating the Provision for Doubtful Debts and determining the updated Bad and Doubtful Debts figure (Criterion 2, Elements 2 and/ or 3). Students may be asked a question regarding Bad and Doubtful Debts and Accounts Receivable such as determining the Bad and Doubtful Debts given a predicted Provision for Doubtful Debts figure that requires the adjustment of the Provision for Doubtful Debts account.

Students **will not** be examined on entering transactions into accounts (Standard Element 2).

## Question 5

Suggested time allocation 15 minutes.

Part (a) completion of a Bank Reconciliation which has pre-existing transactions and errors (Criterion 2, Element 2 and 4).

The Cash Receipts and Cash Payments Journals will have no more than a combined total of 10 entries and the previous months Bank Reconciliation should have no more than a combined total of 5 Unpresented Cheques and Deposits Not Yet Credited.

There will be no more than 2 errors (errors are to be included in this question). Errors can be the fault of the business, bank or both.

### Nature of Responses

- Question 3 will use the format presented in the Course document Appendix 2.
- Question 4 will use the format presented in the Course document Appendix 3.
- Question 5 will use the format used in previous exam papers.
- Responses to Criterion 2 will be assessed numerically.

# SECTION C

## Structure

- This section will take students approximately 65 minutes to respond to and be allocated 65 marks.
- Students will respond to TWO compulsory questions. Questions may have multiple items. All items are compulsory.
- Questions may have multiple parts. All parts are compulsory.
- This section will address course content from Units 3 and 4.

## Assessed Criteria

- Criterion 3 apply accrual accounting terms, concepts and processes to select and organise data to prepare financial reports (Elements 1, 2, 3, 4 and 5).

The choice in any one year between the 4th and 5th standard element is determined by the Setting Examiner.

## Nature of Questions

- The questions will include a representative sample of course content from Unit 3 and 4 “Financial reasoning reporting” content.

### Question 6

Suggested time allocation 45 minutes

Students must prepare an Income Statement and Balance Sheet from a Trial Balance and additional information (Criterion 3, Elements 1,2 and 3).

The Trial Balance will have between 24 and 26 accounts and include 4 balance day adjustments chosen from Accrued Expenses, Accrued Revenues, Prepaid Expenses, Unearned Revenues, Depreciation, Bad & Doubtful Debts/Provision for Doubtful Debts and Inventory Adjustment.

The examiner should avoid doubling up on entries for Depreciation, Bad & Doubtful Debts or Inventory Adjustment if any of these are included as part of the General Journal question. There will be only one GST Account used and this is to be called GST Clearing.

### Question 7

Suggested time allocation 20 minutes

The examiner will set one question from the two following alternatives (students will not have a choice):

1. Prepare a Cash Flow Statement (Criterion 3, Element 4). The only reconstructions required will be for the Inventory Account and the Capital or Drawings Account. Students will not be examined on reconstruction of GST or Accounts Receivable or Accounts Payable or on non-cash items such as Bad and Doubtful Debts and Depreciation.
2. Prepare a Cash Budget (Criterion 3, Element 5). Will include calculation of accounts receivable receipts where collections are spread over no more than 3 months. Students need to be able to distinguish between cash items and non-cash items such as bad debts and depreciation.

## Nature of Responses

- Question 6 will use the format presented in the Course document Appendix 5A and 5B.
- Question 7 will use the format presented in the Course document Appendix 8 or 9A and 9B.
- Responses to Criterion 3 will be assessed numerically.

# SECTION D

## Structure

- This section will take students approximately 40 minutes to respond to and be allocated 40 marks for Criterion 4.
- Students will respond to THREE compulsory questions. Questions may have multiple items. All items are compulsory.
- Questions may have multiple parts. All parts are compulsory.
- This section will address course content from Unit 4.

## Assessed Criteria

- Criterion 4 apply financial concepts and processes to prepare and assess financial information and make business decisions (Elements 1, 2, 5 and 6 and either 3 or 4).  
The choice in any one year between the 3rd and 4th standard element is determined by the Setting Examiner.
- Criterion 6 communicate financial ideas and information (Elements 1 and 2).

## Nature of Questions

### Question 8

Suggested time allocation 5 minutes

Students must calculate ratios from financial information (Criterion 4, Element 1).

### Question 9

Suggested time allocation 25 minutes.

Students must use financial reports and ratio analysis to analyse business performance and make recommendations (Criterion 4, Elements 2, 5 and 6. Criterion 6, Elements 1 and 2).

Students will be given all relevant ratios (already calculated) as well as between 3 and 5 years of corresponding Income Statements and Balance Sheets.

### Question 10

Suggested time allocation 10 minutes

The examiner will set one question from the two following alternatives (students will not have a choice).

- Analyse each section of a cash flow statement and the cash position and make recommendations to improve the performance of the business (Criterion 4, Elements 3, 5 and 6. Criterion 6, Elements 1 and 2).
- Analyse each section of a cash budget and the expected cash position and make recommendations to improve the performance of the business (Criterion 4, Elements 4, 5 and 6. Criterion 6, Elements 1 and 2).

The setting examiner should avoid doubling up on either the Cash Budget or the Cash Flow Statement according to which of these was chosen in Section C.

## Nature of Responses

- Short answer response format.
- Responses to Criterion 4 will be assessed numerically, and Criterion 6 will be assessed using an extended alpha rating.