

Accounting 2019 v1.1

General Senior Syllabus

This syllabus is for implementation with Year 11 students in 2019.

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1 Course overview

1.1 Introduction

1.1.1 Rationale

Accounting is a universal discipline, encompassing the successful management of financial resources of the public sector, businesses and individuals. It is foundational to all organisations across all industries, and assists in discharging accountability and financial control. Accounting is a way of systematically organising, critically analysing and communicating financial data and information for decision-making. The overarching context for this syllabus is the real-world expectation that Accounting provides real-time processing of transactions with a minimum of monthly and yearly reporting. Digital technologies are integral to Accounting, enabling real-time access to vital financial information.

When students study this subject, they develop an understanding of the essential role Accounting plays in the successful performance of any organisation. Students learn fundamental Accounting concepts in order to understand accrual accounting, managerial and accounting controls, preparing internal financial reports, ratio analysis and interpretation of internal and external financial reports. Students are then ready for more complex utilisation of knowledge, allowing them to synthesise financial and other information, evaluate accounting practices, solve authentic accounting problems and make and communicate recommendations.

Accounting is for students with a special interest in business, commerce, entrepreneurship and the personal management of financial resources. The numerical, literacy, technical, financial, critical thinking, decision-making and problem-solving skills learned in Accounting enrich the personal and working lives of students. Problem-solving and the use of authentic and diversified accounting contexts provide opportunity for students to develop an understanding of the ethical attitudes and values required to participate more effectively and responsibly in a changing business environment.

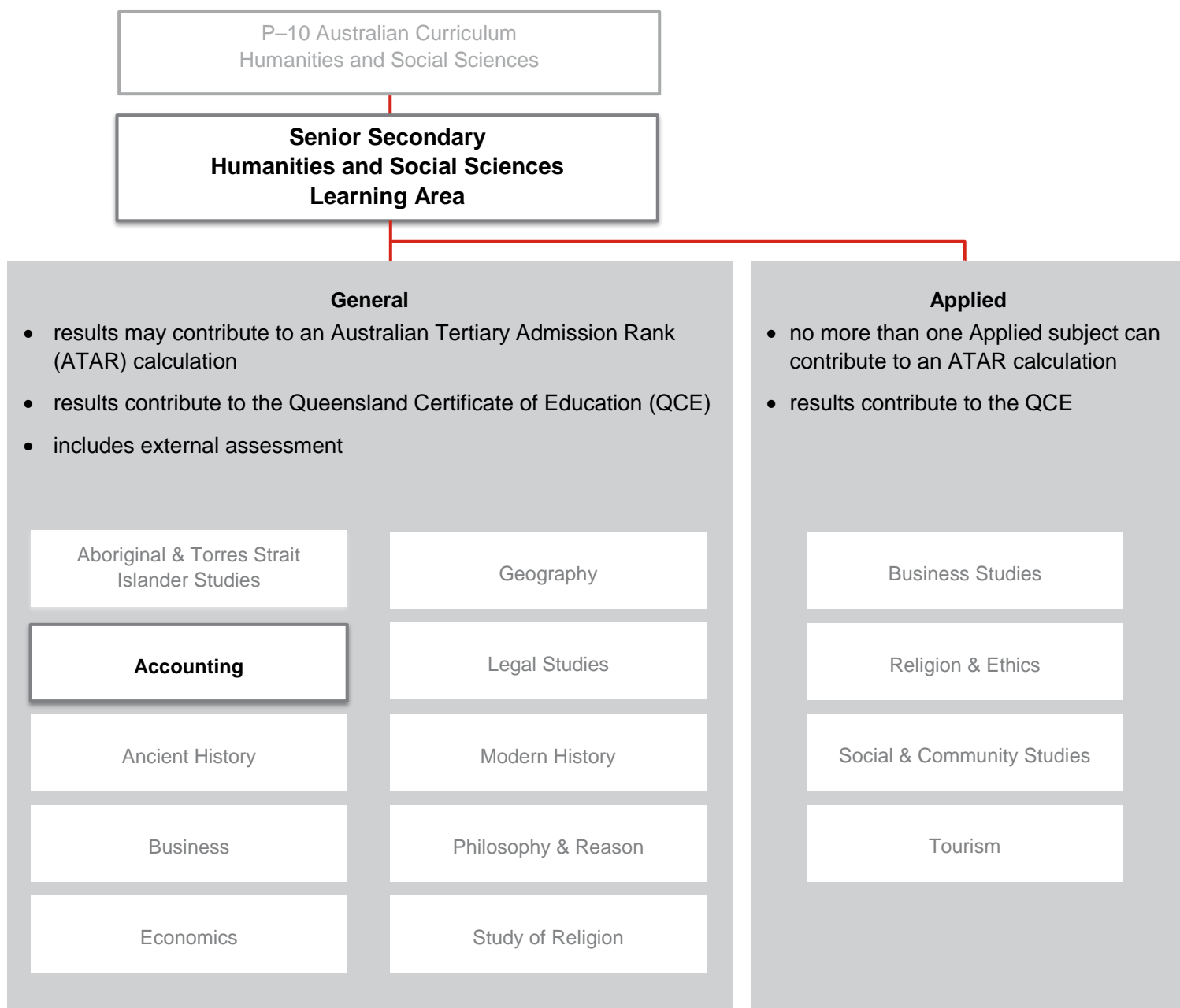
Pathways

Accounting is a General subject suited to students who are interested in pathways beyond school that lead to tertiary studies, vocational education or work. A course of study in Accounting can establish a basis for further education and employment in the fields of accounting, business, management, banking, finance, law, economics and commerce. As the universal language of business (Helliard 2013), Accounting provides students with a variety of future opportunities, enabling a competitive advantage in entrepreneurship and business management in many types of industries, both locally and internationally.

1.1.2 Learning area structure

All learning areas build on the P–10 Australian Curriculum.

Figure 1: Learning area structure



1.1.3 Course structure

Accounting is a course of study consisting of four units. Subject matter, learning experiences and assessment increase in complexity from Units 1 and 2 to Units 3 and 4 as students develop greater independence as learners.

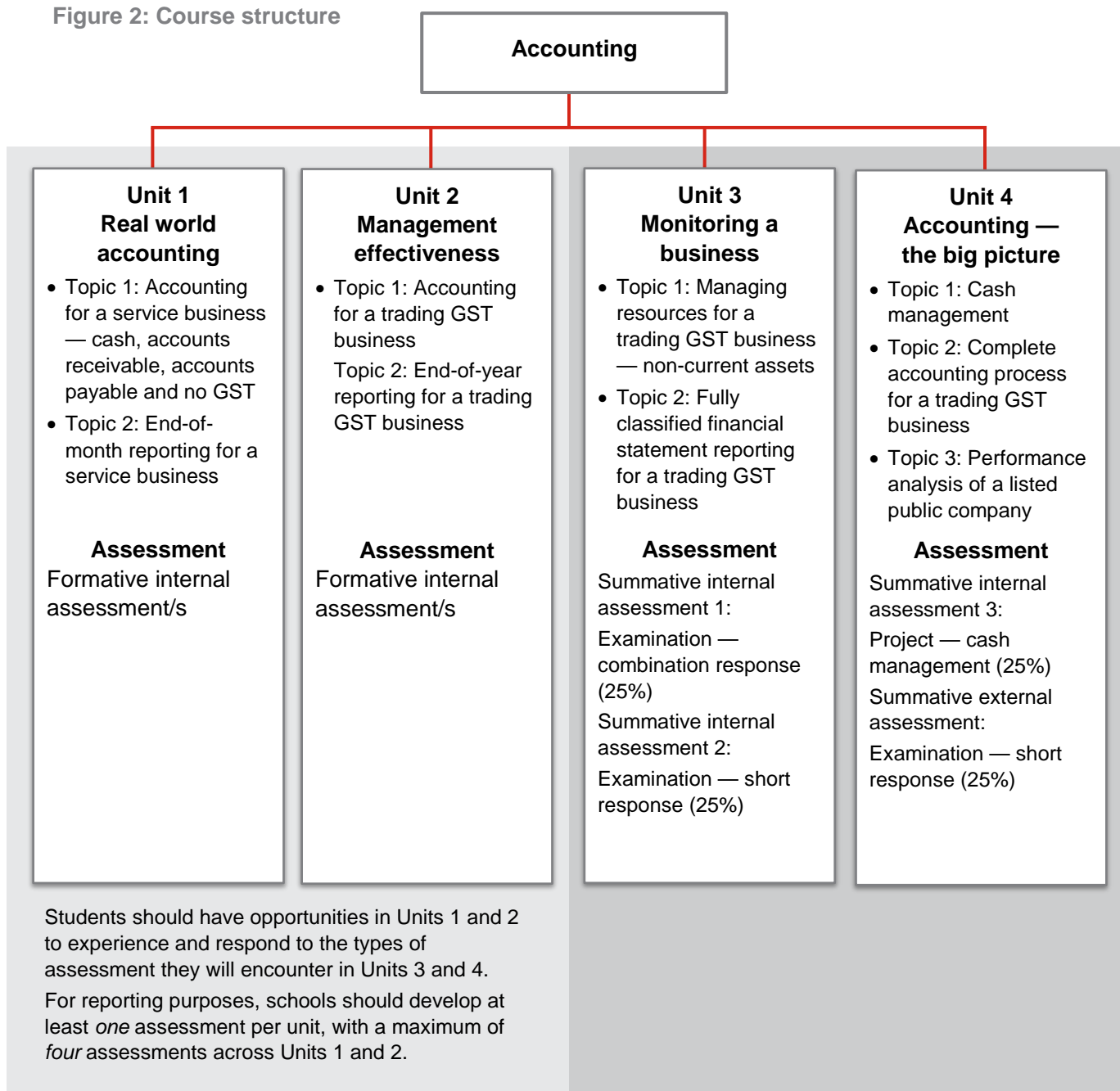
Units 1 and 2 provide foundational learning, which allows students to experience all syllabus objectives and begin engaging with the course subject matter. Students should complete Units 1 and 2 before beginning Unit 3. It is recommended that Unit 3 be completed before Unit 4.

Units 3 and 4 consolidate student learning. Only the results from Units 3 and 4 will contribute to ATAR calculations.

Figure 2 outlines the structure of this course of study.

Each unit has been developed with a notional time of 55 hours of teaching and learning, including assessment.

Figure 2: Course structure



1.2 Teaching and learning

1.2.1 Syllabus objectives

The syllabus objectives outline what students have the opportunity to learn. Assessment provides evidence of how well students have achieved the objectives.

Syllabus objectives inform unit objectives, which are contextualised for the subject matter and requirements of the unit. Unit objectives, in turn, inform the assessment objectives, which are further contextualised for the requirements of the assessment instruments. The number of each objective remains constant at all levels, i.e. Syllabus objective 1 relates to Unit objective 1 and to Assessment objective 1 in each assessment instrument.

Syllabus objectives are described in terms of actions that operate on the subject matter. Students are required to use a range of cognitive processes in order to demonstrate and meet the syllabus objectives. These cognitive processes are described in the explanatory paragraph following each objective in terms of four levels: retrieval, comprehension, analytical processes (analysis) and knowledge utilisation, with each process building on the previous processes (see Marzano & Kendall 2007, 2008). That is, comprehension requires retrieval, and knowledge utilisation requires retrieval, comprehension and analytical processes (analysis).

By the conclusion of the course of study, students will:

Syllabus objective	Unit 1	Unit 2	Unit 3	Unit 4
1. describe accounting concepts and principles	•	•	•	•
2. explain accounting concepts, principles and processes	•	•	•	•
3. apply accounting principles and processes	•	•	•	•
4. analyse and interpret financial data and information to draw conclusions	•	•	•	•
5. evaluate accounting practices to make decisions and propose recommendations	•	•	•	•
6. synthesise and solve accounting problems		•	•	•
7. create responses that communicate meaning to suit purpose and audience	•	•	•	•

1. describe accounting concepts and principles

When students describe accounting concepts and principles, they provide an account of the features or characteristics using accounting terminology to demonstrate retrieval of knowledge.

2. explain accounting concepts, principles and processes

When students explain accounting concepts and principles, they use accounting terminology to identify the elements associated with the concept or principle and the nature of the relationships. When explaining accounting processes, students use accounting terminology to identify and communicate the essential steps of that skill or process, the order of those steps and the logic of that order.

3. apply accounting principles and processes

When students apply accounting principles and processes, they use their knowledge of accounting concepts, principles and processes to execute a process using handwritten and electronic methods. Forward processing is used to produce an accounting solution to a fundamental problem (structured and familiar), including calculating using formulas, entering data into an accounting record, processing accounting records into summary documents, generating electronic reports using a computerised accounting package, using a spreadsheet, graphing financial data, and preparing accounting financial reports and statements.

4. analyse and interpret financial data and information to draw conclusions

When students analyse, they examine financial data and information methodically in detail, in order to understand it for the purpose of finding meaning or relationships, identifying issues or problems, and/or similarities and differences. When interpreting financial data and information, students extract and relate implications, recognise trends, and determine how the parts relate to one another in order to draw conclusions. Analysis and interpretation relate to an accounting context, which influences the audience for, and purpose of, the conclusions.

5. evaluate accounting practices to make decisions and propose recommendations

When students evaluate, they use their knowledge from their analysis to make decisions about existing or alternative accounting practices for an accounting context, and then propose recommendations. Decisions are made using criteria to make judgments about accounting practices. Recommendations propose changes to the application of accounting practices. The evaluation relates to an accounting context, which influences the audience for, and purpose of, the decisions and recommendations.

6. synthesise and solve accounting problems

When students synthesise and solve, they construct solutions to goal-oriented (unstructured and unfamiliar) problems that overcome obstacles, complications or limiting conditions. The financial data and information relating to the accounting context is synthesised to recognise the complications in obtaining a solution. Students adapt and apply their knowledge of accounting concepts, principles and processes to develop a solution to solve the accounting problem. This may involve the use of forward processing and/or backward processing.

7. create responses that communicate meaning to suit purpose and audience

When students create a response to communicate meaning, they use their knowledge to make links to the intended purpose and audience. Communication requires choices of language and the sequencing and development of ideas. Students use a genre, including referencing, formats, graphs, data and statistics that suit accounting contexts.

1.2.2 Underpinning factors

There are three skill sets that underpin senior syllabuses and are essential for defining the distinctive nature of subjects:

- literacy — the set of knowledge and skills about language and texts essential for understanding and conveying Accounting content
- numeracy — the knowledge, skills, behaviours and dispositions that students need to use mathematics in a wide range of situations, to recognise and understand the role of mathematics in the world and to develop the dispositions and capacities to use mathematical knowledge and skills purposefully
- 21st century skills — the attributes and skills students need to prepare them for higher education, work and engagement in a complex and rapidly changing world.

These skill sets, which overlap and interact, are derived from current education, industry and community expectations. They encompass the knowledge, skills, capabilities, behaviours and dispositions that will help students live and work successfully in the 21st century.

Together these three skill sets shape the development of senior subject syllabuses. Although coverage of each skill set may vary from syllabus to syllabus, students should be provided with opportunities to learn through and about these skills over the course of study. Each skill set contains identifiable knowledge and skills that can be directly assessed.

Literacy in Accounting

Ongoing systematic teaching and learning focused on the literacy knowledge and skills specific to Accounting is essential for student achievement.

Students need to learn and use knowledge and skills of reading, viewing and listening to understand and learn the content of Accounting. Students need to learn and use the knowledge and skills of writing, composing and speaking to convey the Accounting content they have learnt.

To understand and use Accounting content, teaching and learning strategies include:

- familiarity with the syntax of Accounting, that is, the use of terminology and specialised Accounting language
- comprehending accounting texts, financial data and information from a range of sources and presented in a variety of formats, to stimulate learning
- transforming accounting ideas and contexts, from a variety of sources, to develop understanding
- using language and text to convey accounting meaning in written and non-written formats to suit audience and purpose.

These aspects of literacy knowledge and skills are embedded in the syllabus objectives, unit objectives and subject matter, and instrument-specific marking guides (ISMGs) for Accounting.

Numeracy in Accounting

Although much of the explicit teaching of numeracy skills occurs in Mathematics, being numerate involves using mathematical skills across the curriculum. Therefore, numeracy development is an essential component of teaching and learning across the curriculum and a responsibility for all teachers.

To understand and use Accounting content, teaching and learning strategies include:

- extracting, converting or translating information given in numerical forms
- representing and interpreting financial data and accounting information using conceptual models, statistics and calculations
- identifying trends, patterns and relationships in financial data and other accounting information
- communicating accounting meaning through the application of numeracy.

These aspects of numeracy knowledge and skills are embedded in the syllabus objectives, unit objectives and subject matter, and ISMGs for Accounting.

21st century skills

The 21st century skills identified in the following table reflect a common agreement, both in Australia and internationally, on the skills and attributes students need to prepare them for higher education, work and engagement in a complex and rapidly changing world.

21st century skills	Associated skills	21st century skills	Associated skills
critical thinking	<ul style="list-style-type: none"> • analytical thinking • problem-solving • decision-making • reasoning • reflecting and evaluating • intellectual flexibility 	creative thinking	<ul style="list-style-type: none"> • innovation • initiative and enterprise • curiosity and imagination • creativity • generating and applying new ideas • identifying alternatives • seeing or making new links
communication	<ul style="list-style-type: none"> • effective oral and written communication • using language, symbols and texts • communicating ideas effectively with diverse audiences 	collaboration and teamwork	<ul style="list-style-type: none"> • relating to others (interacting with others) • recognising and using diverse perspectives • participating and contributing • community connections

21st century skills	Associated skills	21st century skills	Associated skills
personal and social skills	<ul style="list-style-type: none"> • adaptability/flexibility • management (self, career, time, planning and organising) • character (resilience, mindfulness, open- and fair-mindedness, self-awareness) • leadership • citizenship • cultural awareness • ethical (and moral) understanding 	Information & communication technologies (ICT) skills	<ul style="list-style-type: none"> • operations and concepts • accessing and analysing information • being productive users of technology • digital citizenship (being safe, positive and responsible online)

To understand and use Accounting content and promote 21st century skills, teaching and learning strategies include:

- developing critical thinking, reasoning and problem-solving skills by breaking complex aspects into component parts to construct understanding, then using this to make and verify findings, and critically reflect on, evaluate and justify decisions
- inspiring creativity by encouraging curiosity and posing questions about accounting contexts and situations, to imagine possibilities, consider alternatives and generate solutions
- cultivating specialised language, terminology, symbols and diagrams associated with effective and efficient accounting communication
- using digital technologies to produce and present accounting data and information, research and interrogate accounting information and manipulate data to ascertain trends and relationships
- promoting opportunities for students to work collaboratively and constructively in pairs or small groups, to develop personal, intrapersonal and social skills, and also to maximise their own understanding of accounting concepts through peer discussions.

These elements of 21st century skills are embedded in the syllabus objectives, unit objectives and subject matter, and ISMGs for Accounting.

1.2.3 Aboriginal perspectives and Torres Strait Islander perspectives

The QCAA is committed to reconciliation in Australia. As part of its commitment, the QCAA affirms that:

- Aboriginal peoples and Torres Strait Islander peoples are the first Australians, and have the oldest living cultures in human history
- Aboriginal peoples and Torres Strait Islander peoples have strong cultural traditions and speak diverse languages and dialects, other than Standard Australian English
- teaching and learning in Queensland schools should provide opportunities for students to deepen their knowledge of Australia by engaging with the perspectives of Aboriginal peoples and Torres Strait Islander peoples
- positive outcomes for Aboriginal students and Torres Strait Islander students are supported by successfully embedding Aboriginal perspectives and Torres Strait Islander perspectives across planning, teaching and assessing student achievement.

Guidelines about Aboriginal perspectives and Torres Strait Islander perspectives and resources for teaching are available at www.qcaa.qld.edu.au/k-12-policies/aboriginal-torres-strait-islander-perspectives.

1.2.4 Pedagogical and conceptual frameworks

Conceptual accounting

This syllabus provides an opportunity for teachers to focus on and further develop in students a conceptual understanding of Accounting. Conceptual understanding is important for effective critical thinking (Kimmel 1995). Education in Accounting is not just about teaching and learning technical knowledge such as double entry bookkeeping. Students also need to be able to apply accounting concepts to solve real-life problems in varying contexts (Helliard 2013).

Problem-solving in accounting

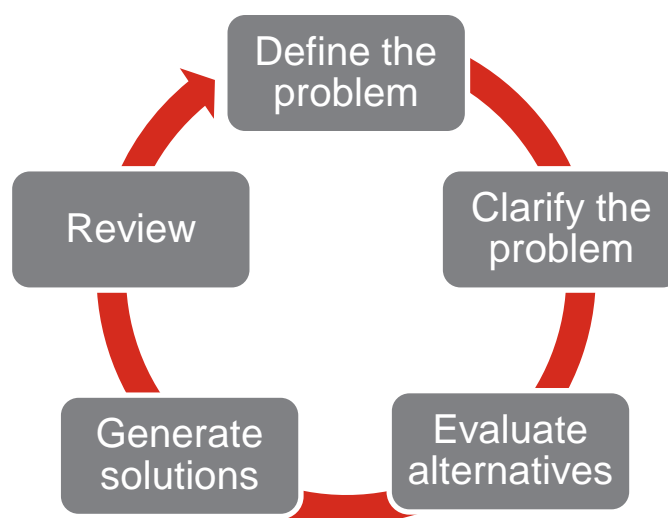
The combination of subject matter with problem-solving processes enables students to learn and apply accounting concepts (Deleo & Letourneau 1994). By emphasising a conceptual (rather than rules-based) understanding of accounting and emphasising critical thinking skills, students are provided with the tools to process unstructured, ambiguous and unfamiliar problems requiring problem-solving abilities (Kimmel 1995).

Problem-solving models can develop analytical and conceptual thinking in accounting students (Deleo & Letourneau 1994). Effective problem-solving and decision-making requires students to use critical thinking to relate the known to the unknown and creative thinking to produce innovative solutions or alternative courses of action (Brabete & Nimalathan 2010).

A problem-solving model

Use of a problem-solving model provides opportunity for students to develop their critical thinking through thinking independently, defining problems accurately, analysing data for value and content, employing a variety of thinking processes in problem-solving, synthesising, resisting overgeneralisations and employing metacognition (reflective or recursive thinking) (Kimmel 1995).

Figure 3: Problem-solving model



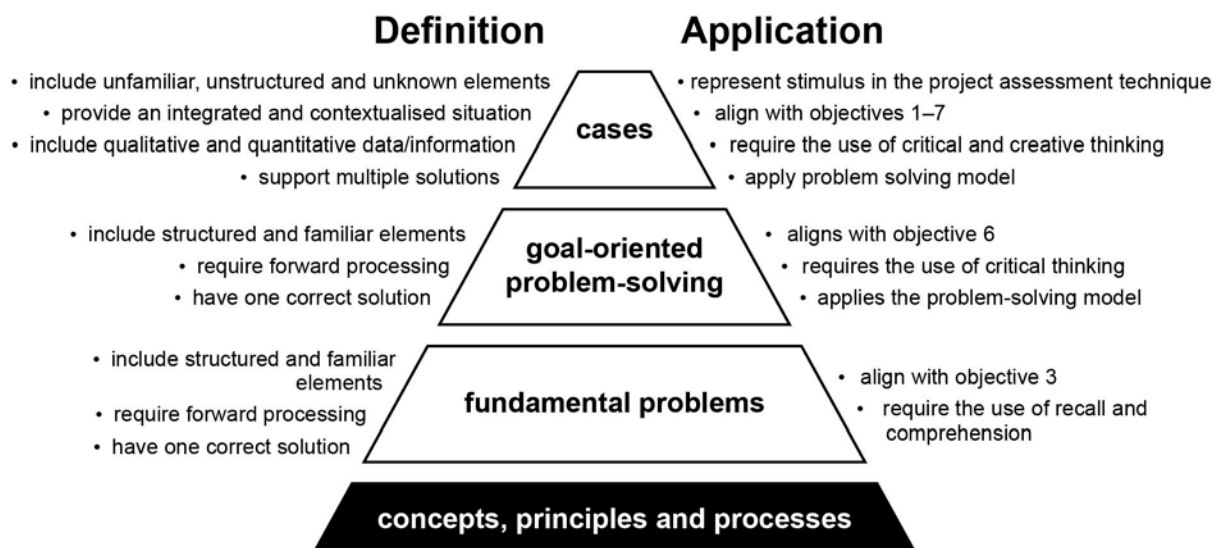
The use of a problem-solving model provides a strategy for processing problems and includes:

- define the problem
 - comprehend available information to define the accounting problem
- clarify the problem
 - identify and analyse the data and information relating to the accounting problem
 - interpret data and information analysed
 - synthesise the analysis
- evaluate alternatives
 - generate ideas, explore the options and evaluate alternatives
 - make a decision
- generate solutions
 - plan solutions
 - generate a solution to the problem using forward and/or backward processing
- review
 - assess the effectiveness of the solution and processes implemented
 - self-assessment, peer assessment and teacher feedback.

Hierarchy of problems in Accounting

The subject matter and assessment techniques provide opportunity for students to apply their comprehension of accounting concepts, principles and processes to solve problems at three different levels, illustrated in Figure 4.

Figure 4: Hierarchy of problems



Concepts, principles and processes

Accounting concepts are the basic theoretical ideas devised to support the activity of accounting.

Accounting principles are the rules and standards followed by accountants in measuring, recording and reporting transactions.

Accounting processes are a sequence of activities that begins with a transaction and ends with the closing of the books; this process is repeated each reporting period and is referred to as the accounting cycle.

Knowledge and understanding of foundational accounting concepts, principles and processes are critical to enable students to determine solutions for fundamental problems (structured and familiar problems), goal-oriented problem-solving (unstructured and unfamiliar problems) and cases (unstructured, unfamiliar and unknown/ill-defined problems).

Fundamental problems

Fundamental problems are highly structured questions aligning with syllabus objective 3 (apply accounting principles and processes), and require concept recall and comprehension, classifying, ordering, and working with algorithms to perform simple calculations (Jones & Davidson 2007).

Fundamental problems can be solved by employing recall and comprehension. They are well defined, including structured and familiar elements, allowing students to apply concepts, principles and processes to generate a solution to a single-topic problem, which has a unique solution (Jones & Davidson 2007) that is right or wrong.

In Accounting, students are required to apply concept models and processes to forward process fundamental problems to produce a solution in Units 1–4 (see Figure 5).

Goal-oriented problem-solving

Goal-oriented problems involve trying to find a ‘best’ answer to a situation that the solver has not confronted before (Kimmel 1995). These problems are unstructured and unfamiliar, requiring a separate cognitive process (Jones & Davidson 2007). Goal-oriented problems are more complex than fundamental problems and contain all the relevant information to solve the problem (John Wiley & Sons n.d.).

Deleo and Letourneau (1994) suggested a problem-solving model can be a useful tool for facilitating analytical and conceptual thinking when solving accounting problems. Goal-oriented problems align with syllabus objective 6 (synthesise and solve accounting problems) and require application of concepts to a situation students are not familiar with in order to achieve a goal — for example, produce a budget that enables the business to implement a new project while maintaining a positive cash balance.

Figure 3 identifies five processes to solve a goal-oriented problem. Students define the problem by comprehending the unstructured and unfamiliar financial data and information presented. The financial data and information is synthesised to clarify the problem. Students recognise the concept models that apply to the situation and evaluate the alternatives, deciding which ones to apply to solve the problem. Solutions are planned and generated using forward processing and/or backward processing. Students reflect on the effectiveness of the solution in achieving the intended goal and the processes implemented. Multiple solutions will be possible for some goal-oriented problems.

Students use goal-oriented problem-solving in Unit 2 with a focus on forward processing, and in Units 3 and 4 students apply backward processing to recognise clerical errors, conceptual errors and consequential errors, and forward processing to generate solutions (see Figure 5).

Figure 5: Suggested application of problems

Types of problems	Unit 1	Unit 2	Unit 3	Unit 4	Objectives
Fundamental problems	Topics 1 and 2 Formative assessment	Topics 1 and 2 Formative assessment	Topics 1 and 2 Summative internal assessment 1	Topics 1, 2 and 3 Summative internal assessment 3 Summative external assessment 4	3
Goal-oriented problem-solving	Not applicable	Topics 1 and 2 focused on forward processing Formative assessment	Topics 1 and 2 forward and backward processing Summative internal assessment 2	Topic 1 and 2 forward and backward processing Summative internal assessment 3 Summative external assessment 4	6
Cases		Formative assessment		Summative internal assessment 3	All objectives, including 3 and 6

Cases

Cases represent the highest level of problem-solving and require a more complicated application of accounting concepts, principles and processes. They present integrated quantitative and qualitative data and information, guiding students without presenting all the facts (ill-defined), and creating an element of uncertainty similar to real-world accounting situations (John Wiley & Sons, n.d.). Figure 3 provides a useful tool for processing the case and developing a solution.

Cases are the stimulus for the project assessment technique. All syllabus objectives can be assessed in a project. To be successful in solving problems presented in a case, students first need to be provided with teaching and learning opportunities to develop their critical thinking skills by solving fundamental problems and goal-oriented problems (Kimmel 1995). Therefore, the project assessment technique is appropriately aligned with Unit 2 Topic 2 and Unit 4 Topic 1 (see Figure 5).

1.2.5 Subject matter

Subject matter is the body of information, mental procedures and psychomotor procedures (see Marzano & Kendall 2007, 2008) that are necessary for students' learning and engagement with Accounting. It is particular to each unit in the course of study and provides the basis for student learning experiences.

Subject matter has a direct relationship to the unit objectives, but is of a finer granularity and is more specific. These statements of learning are constructed in a similar way to objectives. Each statement:

- describes an action (or combination of actions) — what the student is expected to do
- describes the element — expressed as information, mental procedures and/or psychomotor procedures
- is contextualised for the topic or circumstance particular to the unit.

In Accounting, the topics relate to two focus areas evident in each unit.

Focus area	Unit 1	Unit 2	Unit 3	Unit 4
Recording and controlling	Topic 1: Accounting for a service business — cash, accounts receivable, accounts payable and no GST	Topic 1: Accounting for a trading GST business	Topic 1: Managing resources for a trading GST business — non-current assets	Topic 1: Cash management Topic 2: Complete accounting process for a trading GST business
Reporting and decision-making	Topic 2: End-of-month reporting for a service business	Topic 2: End-of-year reporting for a trading GST business	Topic 2: Fully classified financial statement reporting for a trading GST business	Topic 3: Performance analysis of a listed public company

Use of technology

Practical and theoretical elements of the subject matter can be completed as handwritten tasks or using technology (for example, [spreadsheet](#) or word processor) unless an application is specified in the syllabus. Subject matter identifying the application of [computerised accounting processes](#) requires students to use a computerised accounting package to learn the skills and knowledge identified. Subject matter identifying the application of [spreadsheet features](#) and [spreadsheet functions](#) requires students to use a spreadsheet application to learn the skills and knowledge identified.

1.3 Assessment — general information

Assessments are formative in Units 1 and 2, and summative in Units 3 and 4.

Assessment	Unit 1	Unit 2	Unit 3	Unit 4
Formative assessments	•	•		
Summative internal assessment 1			•	
Summative internal assessment 2			•	
Summative internal assessment 3				•
Summative external assessment				•

1.3.1 Formative assessments — Units 1 and 2

Formative assessments provide feedback to both students and teachers about each student's progress in the course of study.

Schools develop internal assessments for each senior subject, based on the learning described in Units 1 and 2 of the subject syllabus. Each unit objective must be assessed at least once.

For reporting purposes, schools should devise at least *two* but no more than *four* assessments for Units 1 and 2 of this subject. At least *one* assessment must be completed for *each* unit.

The sequencing, scope and scale of assessments for Units 1 and 2 are matters for each school to decide and should reflect the local context.

Teachers are encouraged to use the A–E descriptors in the reporting standards (Section 1.4) to provide formative feedback to students and to report on progress.

1.3.2 Summative assessments — Units 3 and 4

Students will complete a total of *four* summative assessments — three internal and one external — that count towards their final mark in each subject.

Schools develop *three* internal assessments for each senior subject, based on the learning described in Units 3 and 4 of the syllabus.

The three summative internal assessments will be endorsed and the results confirmed by the QCAA. These results will be combined with a single external assessment developed and marked by the QCAA. The external assessment results for Accounting will contribute 25% towards a student's result.

Summative internal assessment — instrument-specific marking guides

This syllabus provides ISMGs for the three summative internal assessments in Units 3 and 4.

The ISMGs describe the characteristics evident in student responses and align with the identified assessment objectives. Assessment objectives are drawn from the unit objectives and are contextualised for the requirements of the assessment instrument.

Criteria

Each ISMG groups assessment objectives into criteria. An assessment objective may appear in multiple criteria, or in a single [criterion](#) of an assessment.

Making judgments

Assessment evidence of student performance in each criteria is matched to a performance-level descriptor, which describes the typical characteristics of student work.

Where a student response has characteristics from more than one performance level, a best-fit approach is used. Where a performance level has a two-mark range, it must be decided if the best fit is the higher or lower mark of the range.

Authentication

Schools and teachers must have strategies in place for ensuring that work submitted for internal summative assessment is the student's own. Authentication strategies outlined in QCAA guidelines, which include guidance for drafting, scaffolding and teacher feedback, must be adhered to.

Summative external assessment

The summative external assessment adds valuable evidence of achievement to a student's profile. External assessment is:

- common to all schools
- administered under the same conditions at the same time and on the same day
- developed and marked by the QCAA according to a commonly applied marking scheme.

The external assessment contributes 25% to the student's result in Accounting. It is not privileged over the school-based assessment.

1.4 Reporting standards

Reporting standards are summary statements that succinctly describe typical performance at each of the five levels (A–E). They reflect the cognitive taxonomy and objectives of the course of study.

The primary purpose of reporting standards is for twice-yearly reporting on student progress. These descriptors can also be used to help teachers provide formative feedback to students and to align ISMGs.

Reporting standards

A

The student demonstrates a precise and thorough understanding of accounting concepts, principles and processes, with comprehensive execution of accounting principles and processes to calculate, record, process and report financial data with precision.

The student provides insightful analysis and discerning interpretation of significant and relevant relationships, patterns and trends in financial data and information, and perceptive and concise synthesis of the implications for accounting contexts.

The student demonstrates perceptive evaluation of accounting practices, supported by convincing and well-justified decisions and recommendations pertinent to accounting contexts. Insightful synthesis of accounting problems is used to generate explicit and thorough solutions. There is sophisticated use of language and accounting terminology, and concise and logical sequencing and organisation of ideas to communicate to stakeholders.

B

The student demonstrates a detailed understanding of accounting concepts, principles and processes, with effective execution of accounting principles and processes to calculate, record, process and report financial data with efficiency.

The student provides informed analysis and considered interpretation of relationships, patterns and trends in financial data and information, and effective synthesis of the implications for accounting contexts.

The student demonstrates effective evaluation of accounting practices, supported by informed decisions and justified recommendations relevant to accounting contexts. Informed synthesis of accounting problems is used to generate relevant and effective solutions. There is purposeful use of language and accounting terminology, and succinct and credible sequencing and organisation of ideas to communicate to stakeholders.

C

The student demonstrates an adequate understanding of accounting concepts, principles and processes, with routine execution of accounting principles and processes to calculate, record, process and report financial data.

The student provides appropriate analysis and simplistic interpretation of relationships, patterns and trends in financial data and information, and adequate synthesis of the implications for accounting contexts.

The student demonstrates routine evaluation of accounting practices, supported by plausible decisions and simplistic recommendations relevant to accounting contexts. Appropriate synthesis of accounting problems is used to generate adequate and essential solutions. There is suitable use of language and accounting terminology, and essential sequencing and organisation of ideas to communicate to stakeholders.

D

The student demonstrates a rudimentary understanding of accounting concepts, principles and processes, with inconsistent execution of accounting principles and processes to calculate, record, process and report financial data ineffectively.

The student provides inconsistent analysis and superficial interpretation of relationships, patterns and trends in financial data and information.

The student demonstrates rudimentary evaluation of accounting practices, inconsistent decisions and/or narrow recommendations. Partial or cursory synthesis of accounting problems is used to generate narrow and inconsistent solutions. There is rudimentary use of language and accounting terminology, and inappropriate sequencing and organisation of ideas to communicate to stakeholders.

E

The student demonstrates a fragmented understanding of accounting concepts, principles or processes, with partial execution of accounting principles and processes to inaccurately and inappropriately calculate, record, process or report financial data.

The student partially examines relationships, patterns or trends in financial data and information.

The student makes inaccurate and irrelevant judgments relating to accounting practices. There is fragmented use of language, random sequencing or organisation of ideas, and ineffective synthesis of accounting problems.

2 Unit 1: Real world accounting

2.1 Unit description

In Unit 1, students consider real-world applications of accounting to develop an understanding of the role, purpose and uses of accounting. Students are introduced to accounting concepts through the analysis of accounting reports for companies. Double entry accounting principles are applied conceptually (handwritten and/or spreadsheet) to record and process cash and some basic credit transactions for service businesses. Students implement end-of-month processes to produce simple financial statements. Profitability is analysed and evaluated to inform potential investors and business owners about how the business has performed. Computerised accounting processes are introduced using a computerised accounting package to electronically record and process transactions, and generate reports.

Unit requirements

The learning for this unit is organised into two separate and interrelated topics, as outlined below. Both topics are of equal importance in providing students with the knowledge and skills of the unit.

Topics and suggested notional time

Topics	Notional time (hours)
Topic 1: Accounting for a service business — cash, accounts receivable, accounts payable and no GST	35
Topic 2: End-of-month reporting for a service business	20

2.2 Unit objectives

Unit objectives are drawn from the syllabus objectives and are contextualised for the subject matter and requirements of the unit. Each unit objective must be assessed at least once.

Students will:

1. describe accounting concepts and principles relating to entities, role of accounting, double entry and end-of-month reporting
2. explain accounting concepts and principles relating to entities, role of accounting, double entry and end-of-month processes
3. apply accounting principles and processes relating to double entry and end-of-month reporting for a service business
4. analyse and interpret financial data and information relating to double entry and end-of-month reporting for a service business to draw conclusions
5. evaluate accounting practices relating to end-of-month reporting for a service business to make decisions
7. create responses to communicate to business owners and other stakeholders of a service business.

Note: Objective 6 is not included in this unit.

2.3 Topic 1: Accounting for a service business — cash, accounts receivable, accounts payable and no GST

2.3.1 Sub-topic 1.1: Entities and the role of accounting

Subject matter (notional time 7 hours)

In this sub-topic, students will:

- describe
 - where people invest their money
 - a business entity — sole trader, partnership, company (private and public)
 - shareholder
 - elements of accounting — assets, liabilities, owner's/share equity, revenue and expenses
 - financial reports — statement of profit or loss, statement of financial position, statement of cash flows
 - net profit and net loss
 - net cash from operations
- explain
 - why people invest their money in a business
 - the ownership structure of a sole trader, partnership and company
 - how accounting information is used by investors (owners/shareholders) and other stakeholders
 - the role of an accountant, an auditor and the accounting profession
- analyse the differences between the accounts of a company (assets, liabilities, owner's/share equity, revenue and expenses) and a sole trader
- analyse and interpret different forms of investment compared with owning and running a business to draw conclusions
- create sentences and paragraph responses to communicate descriptions, explanations, analysis, interpretations and conclusions relating to entities to potential investors.

2.3.2 Sub-topic 1.2: Double entry accounting

Subject matter (notional time 28 hours)

In this sub-topic, students will:

- describe
 - a service business
 - sole trader
 - a business with cash, accounts receivable and payable (not registered for GST)
 - unlimited liability
 - legal entity
 - monetary principle
 - going concern principle
 - accounting entity concept
 - accounting equation
 - net worth
 - transaction analysis
 - double entry
 - source documents evidencing cash and credit transactions (including electronic documents)
 - accounting records — general journal, ledger (including chart of accounts), trial balance
- explain
 - why assets are assumed to be of a debit nature
 - how debits and credits are deduced for increases/decreases in the elements of the accounting

Subject matter (notional time 28 hours)

equation

- explain the steps
 - in the accounting process and their relationship to each other
 - to check an unbalanced trial balance
- explain the interrelationship between
 - assets, liabilities and owner's equity in the accounting equation
 - revenue and expenses, and the accounting equation
- apply transaction analysis and the double entry principles (handwritten using a calculator and/or spreadsheet) to record transactions in the general journal for a service-business, including
 - owner contributes capital in the form of cash
 - buying and selling non-current assets (book value) for cash
 - selling a service for cash and on credit
 - buying supplies for cash and on credit
 - paying expenses — rent, electricity, phone/internet, petrol etc.
 - owner withdraws cash — drawings
 - correction of errors
- apply accounting principles and processes (handwritten and/or spreadsheet) for a service business to
 - post general journal entries to the general ledger using columnar and/or T format ledger accounts
 - calculate the balance of ledger accounts
 - prepare a trial balance
- apply computerised accounting processes for a service business to
 - set up a service business
 - select and edit a chart of accounts
 - enter a range of transactions using the general journal function (see above)
 - generate reports including the transaction journal, ledger and trial balance
- analyse and interpret for a service business
 - the application of accounting concepts and principles in ledger accounts to draw conclusions
 - individual general ledger accounts to draw conclusions
 - a trial balance for any inconsistencies and errors to draw conclusions
- create sentence and paragraph responses to communicate
 - descriptions and explanations for a service business to other stakeholders
 - analysis and interpretations, and conclusions for a service business to business owners.

2.4 Topic 2: End-of-month reporting for a service business

Subject matter (notional time 20 hours)

In this topic, students will:

- describe
 - accounting period concept
 - statement of profit or loss
 - statement of financial position
 - statement of cash flows
 - end-of-month reporting
 - net profit ratio
 - return on owner's equity
- explain the relationship between
 - profit and the accounting equation
 - income and revenue
 - profit and net cash flow from operations
- explain the interrelationships between
 - assets, liabilities and owner's equity
 - expenses, revenue and profit
 - the elements of the accounting equation and the statement of financial position
 - the profit or loss determined in the statement of profit or loss and the owner's equity section of the statement of financial position
- apply accounting principles and processes (handwritten using a calculator and/or spreadsheet) for a service business to
 - calculate net profit or loss from a list of revenues and expenses
 - prepare a statement of profit or loss (simple classification) from a trial balance
 - calculate capital from a list of assets and liabilities
 - prepare a statement of financial position (simple classification) from a trial balance
 - prepare a statement of cash flows from a cash at bank account
- apply computerised accounting processes for a service business to generate end-of-month reports
- analyse and interpret the similarities and differences between the various accounts that comprise assets, liabilities, owner/share equity, revenue and expenses for a sole trader and a publicly listed company to draw conclusions
- analyse and interpret for a service business
 - the statement of profit or loss to draw conclusions about monthly performance
 - the statement of financial position to draw conclusions about assets and liabilities
 - the return on owner's equity in comparison with alternative investments and draw conclusions about net worth
- evaluate the impact of a change relating to end-of-month reporting for a service business to make decisions about future performance; changes may include new staff, increases in rent costs, purchases of assets or new suppliers

Subject matter (notional time 20 hours)

- create
 - sentence and paragraph responses to communicate descriptions and explanations of accounting concepts, principles and processes relating to end-of-month reporting to business owners or other stakeholders of a service business
 - paragraph responses to communicate analysis, interpretations, evaluations and decisions to business owners or other stakeholders of a service business
 - a 1–2 page letter of advice to communicate analysis and interpretations, conclusions, evaluations and decisions about monthly profitability and performance to the business owner of a service business.

2.5 Assessment guidance

In constructing assessment instruments for Unit 1, schools should ensure that the objectives cover, or are chosen from, the unit objectives. If one assessment instrument is developed for a unit, it must assess all the unit objectives; if more than one assessment instrument is developed, the unit objectives must be covered across those instruments.

2.5.1 Possible assessment for Unit 1

Topic	Objectives	Assessment technique
Topic 1: Accounting for a service business — cash, accounts receivable, accounts payable and no GST	1, 2, 3 and 4	<u>Examination</u> <ul style="list-style-type: none">• short response, including multiple choice, practical items and interpretive items• 90–120 minutes with 10–15 minutes perusal
Topic 2: End-of-month reporting for a service business	1, 2, 3, 4, 5 and 7	<u>Examination</u> <ul style="list-style-type: none">• combination, including short items, practical items and extended response item• 90–120 minutes with 10–15 minutes perusal

3 Unit 2: Management effectiveness

3.1 Unit description

In Unit 2, students explore how accounting information is used to effectively manage the finances for a business. The accounting process is conceptually applied to record and process transactions and accounts for a trading GST business. GST and credit transactions are introduced for purchasing inventories from accounts payable and selling inventories to accounts receivable. Accrual accounting principles and processes are applied to prepare balance day adjustments (amounts stated) at the end of year to determine profit or loss and net worth in the financial statements. The use of a computerised accounting package and spreadsheet software provides students with an authentic application of processes. Students explore the implementation of internal controls in the accounting process to secure inventories and effectively manage credit accounts, and communicate their conclusions, decisions and recommendations to internal users.

Unit requirements

The learning for this unit is organised into two separate and interrelated topics, as outlined below. Both topics are of equal importance in providing students with the knowledge and skills of the unit.

Topics and suggested notional time

Topics	Notional time (hours)
Topic 1: Accounting for a trading GST business	30
Topic 2: End-of-year reporting for a trading GST business	25

3.2 Unit objectives

Unit objectives are drawn from the syllabus objectives and are contextualised for the subject matter and requirements of the unit. Each unit objective must be assessed at least once.

Students will:

1. describe accounting concepts and principles relating to accounting for a trading GST business and end-of-year reporting
2. explain accounting concepts and principles relating to accrual accounting, controls and end-of-year processes
3. apply accounting principles and processes for a trading GST business using accrual accounting
4. analyse and interpret financial statements, ratios and other information for a trading GST business to draw conclusions
5. evaluate accounting practices relating to management effectiveness for a trading GST business to make decisions and propose recommendations
6. synthesise and solve accounting problems relating to management effectiveness for a trading GST business
7. create responses to communicate to business owners and managers of a trading GST business.

3.3 Topic 1: Accounting for a trading GST business

Subject matter (notional time 30 hours)

In this topic, students will:

- describe
 - a trading business
 - types of accounts for a trading business, including accounts receivable and accounts payable, and inventories
 - perpetual inventory system
 - inventory costing methods, including weighted average and first in first out (FIFO)
 - Goods and Services Tax (GST) and classifications for calculating GST
 - source documents evidencing credit transactions and their purpose
 - control accounts and subsidiary ledgers
 - the cash (banking), sales, purchases and inventories functions of a computerised accounting package
 - internal controls
 - administrative controls and accounting controls used by a business, including inventories and credit accounts (accounts receivable and accounts payable)
- explain
 - the difference between taxable sales, GST-free sales and input-taxed sales
 - why control accounts and subsidiary ledgers are used to control accounts receivable, accounts payable and inventories
 - the impact of not implementing internal controls for inventories and credit accounts
 - the computerised accounting processes used to determine costs of goods sold and value of stock on hand
- explain the implications of
 - GST on the recording of transactions in a business
 - credit transactions on the accounting process

Subject matter (notional time 30 hours)

- explain the interrelationships between subsidiary ledgers, general ledger and control accounts
- apply transaction analysis, double entry principles and accounting processes (handwritten using a calculator and/or spreadsheet) for a trading GST business to
 - record transactions in the general journal incorporating GST, perpetual inventories, accounts receivable and accounts payable, including opening entries and capital contributions; purchase and sales (at book value) of assets; purchase and sales of inventories with returns, and drawings of inventories (no discounts); accounts receivable with receipts and accounts payable with payments; other revenue and expenses; and correction of errors
 - process general journal transactions to the general ledger
 - report the general ledger accounts in a trial balance
- apply computerised accounting processes for a trading GST business with perpetual inventories to
 - record transactions incorporating GST, inventories, accounts receivable and accounts payable
 - generate reports, including accounts receivable, accounts payable, inventories and trial balance
- analyse and interpret for a trading GST business
 - the application of accounting concepts and principles in ledger accounts to draw conclusions
 - individual general ledger accounts to draw conclusions
 - an aged accounts receivable report to draw conclusions
 - inventory reports to draw conclusions
 - accounting processes relating to the recording and controlling of accounts receivable, accounts payable and inventories to draw conclusions
- evaluate proposed changes to accounting practices to make decisions and propose recommendations to improve management effectiveness for a trading business; proposed changes relating to control of accounts receivable, control of accounts payable and control of inventories
- synthesise and solve accounting problems (using forward processing, handwritten using a calculator and/or spreadsheet) relating to accounting for a trading GST business
 - for example, the goal may be to determine the end-of-month cash at bank and GST
 - students are provided with a range of unstructured and/or unfamiliar financial data and information relating to the goal (e.g. tax invoices, adjustment notes, receipts, bank statement, details of business activities/transactions, etc.)
 - students apply the problem-solving model to generate a solution
- create
 - sentence and paragraph responses to communicate descriptions and explanations to business managers and owners of a trading GST business
 - paragraph responses to communicate analysis, interpretations, conclusions to business managers of a trading GST business
 - paragraph responses to communicate evaluation, decisions and recommendations to business managers and owners of a trading GST business.

3.4 Topic 2: End-of-year reporting for a trading GST business

Subject matter (notional time 25 hours)

In this topic, students will:

- describe
 - gross profit and net profit
 - liquidity
 - accrual accounting
 - the matching concept
 - accounting period concept
 - the end-of-year reporting process for determining profit
 - balance day adjustments and their purpose
 - closing entries
 - reversing entries
 - turnover of inventories
 - turnover of accounts receivable
- explain the relationship between
 - the matching concept and accounting period concept
 - gross profit and net profit
 - control of inventories and the effect on profitability and liquidity
 - control of credit accounts and the effect on profitability and liquidity
 - low inventory turnover ratio and high inventory turnover ratio
 - low accounts receivable turnover ratio and high accounts receivable turnover ratio
 - the statement of profit or loss and the statement of financial position
- explain the effect of
 - closing and reversing entries
 - non-payment by accounts receivable
 - non-payment to accounts payable
 - a low gross profit figure
 - a net loss in the statement of profit or loss
 - significant drawings by the owner
 - low inventory turnover ratio
 - low accounts receivable ratio
- apply accrual accounting principles and processes (handwritten using a calculator and/or spreadsheet) for a trading GST business to
 - record balance day adjustments (amounts stated) for prepaid expenses, accrued expenses, unearned revenue and accrued revenue
 - prepare an adjusted trial balance
 - prepare statement of profit or loss (simple classification)
 - prepare statement of financial position (simple classification)
- apply ratio formulas (handwritten using a calculator and/or spreadsheet) for a trading GST business to calculate
 - gross profit
 - net profit
 - return on owner's equity
 - turnover of inventories
 - turnover of accounts receivable

Subject matter (notional time 25 hours)

- apply computerised accounting processes for a trading GST business to
 - record balance day adjustments
 - generate end-of-year financial reports
- apply spreadsheet features and spreadsheet functions for a trading GST business to
 - prepare end-of-year financial reports (statement of profit or loss, statement of financial position)
 - graph gross profit and net profit
 - graph individual and total revenue and expenses
 - graph individual and total assets, liabilities and owner's equity
- analyse and interpret for a trading GST business
 - the application of accounting concepts and principles in ledger accounts to draw conclusions
 - individual general ledger accounts to draw conclusions
- analyse and interpret financial data and information for a trading GST business to draw conclusions about management effectiveness; financial data and information may include general ledger accounts; the statement of profit or loss with vertical analysis (extract or in full); the statement of financial position with vertical analysis (extract or in full); or other information relating to inventories, accounts receivable and accounts payable
- evaluate proposed changes to accounting practices for a trading GST business to make decisions and propose recommendations regarding
 - management effectiveness
 - liquidity
- synthesise and solve accounting problems (using forward processing, handwritten using a calculator and/or spreadsheet) relating to accounting for a trading GST business
 - for example, the goal may be to determine the gross profit ratio and net profit ratio for the financial year
 - students may be provided with a range of unstructured financial data and information relating to the goal (e.g. a combination of general ledger extracts, a list of additional transactions, trial balance extract, notes about a calculation error or balance day adjustments)
 - students apply the problem-solving model to generate a solution
- create
 - sentence and paragraph responses to communicate descriptions and explanations to business managers and owners of a trading GST business
 - paragraph responses to communicate analysis, interpretation and conclusions to business managers and owners of a trading GST business
 - paragraph responses to communicate evaluations, decisions and recommendations to business managers and owners of a trading GST business
 - an extended response (e.g. a two-page business report), including the use of graphs to communicate explanations, analysis and interpretation, conclusions, evaluations, decisions and recommendations to business owners or business managers of a trading GST business.

3.5 Assessment guidance

In constructing assessment instruments for Unit 2, schools should ensure that the objectives cover, or are chosen from, the unit objectives. If one assessment instrument is developed for a unit, it must assess all the unit objectives; if more than one assessment instrument is developed, the unit objectives must be covered across those instruments.

3.5.1 Possible assessment for Unit 2

Topic	Objectives	Assessment technique
Topic 1: Accounting for a trading GST business	1, 2, 3, 4, 5 and 6	<u>Examination</u> <ul style="list-style-type: none">• short response, including multiple choice, practical items and interpretive items• 90–120 minutes with 10–15 minutes perusal
Topic 2: End-of-year reporting for a trading GST business	3, 4, 5, 6 and 7	<u>Project</u> <ul style="list-style-type: none">• case relating to end-of-year reporting• extended response — business report• 4 weeks duration

4 Unit 3: Monitoring a business

4.1 Unit description

In Unit 3, students monitor the resources of a trading GST business. Resources include accounts receivable, non-current assets and technology. Double entry and accrual accounting principles are applied to record the non-current assets (purchase, depreciation and disposal) and accounts receivable (bad debts, doubtful debts) in the life of the business. Fully classified financial statements are produced to report comprehensively on the performance of the business. The use of spreadsheet software provides opportunity for the authentic application of spreadsheet features and spreadsheet functions in accounting contexts. Students explore how administrative and accounting controls can be used effectively to protect and maintain the resources of a business.

Unit requirements

The learning for this unit is organised into two separate and interrelated topics, as outlined below. Both topics are of equal importance in providing students with the knowledge and skills of the unit.

The table below outlines the recommended division of hours between topics and assessment.

Topics and assessment	Notional time (hours)
Topic 1: Managing resources for a trading GST business — non-current assets	23
Summative internal assessment 1: Examination — combination response	2
Topic 2: Fully classified financial statement reporting for a trading GST business	28
Summative internal assessment 2: Examination — short response	2

4.2 Unit objectives

Unit objectives are drawn from the syllabus objectives and are contextualised for the subject matter and requirements of the unit. Each unit objective must be assessed at least once.

Students will:

Unit objective	IA1	IA2
1. <u>describe</u> accounting <u>concepts</u> and <u>principles</u> relating to managing resources and fully classified financial statement reporting	•	•
2. <u>explain</u> accounting concepts, principles and processes relating to managing resources and fully classified financial statement reporting	•	•
3. <u>apply</u> accounting principles and processes for trading GST businesses using accrual accounting	•	
4. <u>analyse</u> and <u>interpret</u> financial data and information relating to monitoring resources for a trading GST business to draw conclusions	•	•
5. <u>evaluate</u> accounting <u>practices</u> relating to monitoring resources for a trading GST business to <u>make decisions</u> and propose recommendations	•	•
6. <u>synthesise</u> and <u>solve</u> accounting problems relating to managing resources and fully classified financial statement reporting for a trading GST business		•
7. <u>create</u> responses to <u>communicate</u> to business owners and managers of a trading GST business.	•	

4.3 Topic 1: Managing resources for a trading GST business — non-current assets

Subject matter (notional time 25 hours)

In this topic, students will:

- describe
 - depreciation and the methods — straight line (prime cost) and diminishing balance (diminishing value)
 - accumulated depreciation (negative asset account)
 - historical cost principle
 - the accounting and administrative controls used to internally control non-current assets, including purchase, maintenance and sale
 - the controls used for security and privacy of technology
- explain
 - data as a vital resource
 - accounting processes to record the purchase, depreciation and disposal of non-current assets
 - the difference between capital and revenue expenditure
 - the importance of internally controlling non-current assets and technology
 - the role of the asset register in internally controlling non-current assets
- explain the impact of
 - cloud computing on business data and information
 - outsourcing accounting processes
 - security of business data and information
 - fraud and theft on accounting and administrative practices, both internal and external to the business

Subject matter (notional time 25 hours)

- explain the relationships between
 - historical cost principle and accumulated depreciation
 - matching concept and depreciation
 - asset and negative asset accounts (non-current assets and accumulated depreciation)
- apply accounting principles and processes (handwritten using a calculator and/or spreadsheet) for a trading GST business to calculate and record in the general ledger the
 - purchase of non-current assets, including capital and revenue expenditure
 - depreciation for a non-current asset using straight line and diminishing balance methods (including annual, half-year or quarterly calculations)
 - disposal of a non-current asset and recognition of gain or loss on sale
- apply accounting principles and processes (handwritten using a calculator and/or spreadsheet) for a trading GST business to calculate and record in the general ledger
 - report account balances for non-current asset accounts in the statement of profit or loss and statement of financial position
- apply spreadsheet features and spreadsheet functions for a trading GST business to
 - set up a spreadsheet template, including headings, labels, formatting of data (text, numbers and dates); formulae for calculations; and input and reporting areas
 - calculate for at least one asset — depreciation using both depreciation methods; and historical cost, accumulated depreciation and net value of the asset at the end of each period
 - graph depreciation for the life of at least one asset
- analyse and interpret financial data and information for a trading GST business to draw conclusions, including
 - issues with outsourcing accounting processes
 - issues with managing data
 - issues with internal controls (non-current assets and technology)
- evaluate for a trading GST business
 - control measures to secure data and information to make decisions and propose recommendations for improvement
 - internal control practices to make decisions and propose recommendations regarding the management of resources
 - internal control practices to make decisions and propose recommendations to prevent fraud both internal and external to the business
- synthesise and solve accounting problems (using backward processing and forward processing) relating to managing resources for a trading GST business
 - for example, the goal may be to accurately record and report depreciation for non-current assets given processed records and reports
 - students may be provided with a combination of unstructured and unfamiliar financial data and information relating to non-current assets (e.g. extracts from financial reports, ledger accounts, source documents, schedules of depreciation, lists of accounts, details of business activities)
 - students apply the problem-solving model to generate a solution
- create
 - sentence and paragraph responses to communicate descriptions, explanations to the business managers and owners of a trading GST business
 - paragraph responses to communicate analysis, interpretations and conclusions to business managers and owners of a trading GST business
 - paragraph responses to communicate evaluations, decisions and recommendations to business managers and owners of a trading GST business
 - a two-page letter of advice to communicate explanations, analysis, interpretations, conclusions, evaluations, decisions and recommendations to the manager of a trading GST business.

4.4 Topic 2: Fully classified financial statement reporting for a trading GST business

Subject matter (notional time 30 hours)

In this topic, students will:

- describe
 - general purpose financial reports
 - the classifications used in the fully classified statement of profit or loss and the statement of financial position
 - comparative reports
 - accounting concepts and principles that underpin the preparation of financial reports
 - matching concept
 - balance day adjustments and their purpose
 - bad debts
 - provision for doubtful debts (negative asset account)
 - the various profitability and liquidity ratios (see below)
- explain
 - the limitations of the statement of profit or loss and the statement of financial position
 - the qualitative characteristics of financial information that guide the preparation of general purpose financial reports
- explain the relationship between
 - matching concept and provision for doubtful debts
 - asset and negative asset accounts (accounts receivable and provision for doubtful debts)
 - the statement of profit or loss and the statement of financial position
- apply accounting principles and processes (handwritten using a calculator and/or spreadsheet) for a trading GST business to
 - record transactions — balance day adjustments (simple calculations) for prepaid expenses, accrued expenses, unearned revenue and accrued revenue with calculations; bad debts written off and bad debts recovered; interest on overdue accounts; provision for doubtful debts; depreciation (straight line and diminishing balance methods); and inventories (write off and lower of cost or net realisable value)
 - prepare an adjusted trial balance
 - report fully classified statement of profit or loss and statement of financial position (with or without working capital) from an adjusted trial balance
 - calculate profitability (gross profit ratio, net profit ratio, return on owner's equity, return on total assets) and liquidity (current ratio, quick ratio, turnover of accounts receivable and turnover of inventories)
- apply spreadsheet features and spreadsheet functions for a trading GST business to prepare an adjusted trial balance
- analyse and interpret for a trading GST business
 - the statement of profit or loss with horizontal and ratio analysis to draw conclusions about performance
 - the statement of financial position with horizontal and ratio analysis to draw conclusions about performance
 - the return on owner's equity in comparison with alternative investments and draw conclusions about net worth
- evaluate for a trading GST business
 - the effectiveness of accounting practices to make decisions and recommendations regarding monitoring business performance
 - the effectiveness of accounting practices to make decisions and recommendations regarding liquidity

Subject matter (notional time 30 hours)

- synthesise and solve accounting problems (using backward processing and forward processing) relating to fully classified financial statement reporting for a trading business
 - for example, the goal may be to report the profitability and net worth of the business
 - students may be provided with a combination of unstructured and unfamiliar financial data and information relating to the financial statements (e.g. a combination of extracts of financial statements, trial balance, general journal or ledger information containing conceptual errors, clerical errors and consequential errors)
 - students apply the problem-solving model to generate a solution
- create
 - paragraph responses to communicate descriptions, explanations to the business manager or owners of a trading GST business
 - paragraph responses to communicate analysis, interpretations, and conclusions to the business manager or owners of a trading GST business
 - paragraph responses to communicate evaluation, decisions and recommendations to the business manager or owners of a trading GST business.

4.5 Assessment

4.5.1 Summative internal assessment 1 (IA1): Examination — combination response (25%)

Description

The examination assesses the application of a range of cognitions to multiple provided items — questions, scenarios and problems.

Student responses must be completed individually, under supervised conditions, and in a set timeframe.

Assessment objectives

This assessment technique is used to determine student achievement in the following objectives:

1. describe accounting concepts and principles relating to managing resources
2. explain accounting concepts, principles and processes relating to managing resources
3. apply accounting principles and processes for a trading GST business to calculate, record and report the purchase, depreciation and disposal of non-current assets
4. analyse and interpret financial data and information relating to managing resources for a trading GST business to draw conclusions
5. evaluate accounting practices relating to managing resources for a trading GST business to make decisions and propose recommendations
7. create a letter of advice to communicate analysis and evaluation to the business owner of a trading GST business.

Note: Objective 6 is not assessed in this instrument.

Specifications

This examination will include a combination of short response and extended response items relating to Unit 3 Topic 1: Managing resources for a trading GST business — non-current assets.

The examination is divided into three parts.

Part A — multiple-choice items

Item description	Guidelines
<p>Students respond to 10 multiple-choice items.</p> <p>The multiple-choice items usually do not include stimulus and will include a selection of the subject matter detailed for <u>describe</u> and <u>explain</u> in Unit 3 Topic 1: Managing resources for a trading <u>GST</u> business — non-current assets.</p>	<p>Multiple choice:</p> <ul style="list-style-type: none"> • four items to describe concepts and principles in the context of managing resources • six items to explain concepts, principles and processes in the context of managing resources.

Part B — practical items

Item description	Guidelines
<p>Students respond (handwritten with calculator or using <u>spreadsheet</u>) to two practical items requiring students to <u>apply</u> accounting <u>concepts</u>, <u>principles</u> and <u>processes</u> relating to managing resources.</p> <p>Practical item 1, an extended fundamental problem, will require students to <u>calculate</u> and record transactions and report accounts relating to the purchase, maintenance and depreciation of non-current assets for two consecutive financial years.</p> <p>Practical item 2, a short fundamental problem, will require students to <u>calculate</u> and record transactions and report accounts relating to the disposal of non-current assets for one financial year.</p> <p>Teachers may include templates for students to complete their response to the practical items. Templates may include document headings, column headings and lines. Labels and account names are not to be included in any templates provided to students.</p>	<p>Practical item 1 includes:</p> <ul style="list-style-type: none"> • opening balances for one non-current asset • the purchase of one non-current asset, including capital and/or revenue expenditure • diminishing balance depreciation method • quarter and/or half year calculations • one other instance of capital or revenue expenditure • the preparation of ledger accounts related to recording non-current assets • the preparation of an extract of the statement of financial position. <p>Practical item 2 includes:</p> <ul style="list-style-type: none"> • the current balances for one non-current asset, including accumulated depreciation • the disposal of one non-current asset • straight-line depreciation method • quarter and/or half year calculations • the preparation of the disposal ledger account • the preparation of an extract of the statement of profit or loss.

Item description	Guidelines
<p>Students respond to one extended response item that requires <u>sustained</u> analysis, synthesis and evaluation to answer one question fully.</p> <p>The unseen stimulus will provide contextualised data and information relating to the control of non-current assets and technology for a trading GST business. The data and information presented will have varying levels of significance and <u>relevance</u> to the accounting context and question. The unseen stimulus may include:</p> <ul style="list-style-type: none"> • a range of <u>financial data</u> relating to the recording and reporting of non-current assets and use of technology • a range of information relating to the current accounting <u>processes</u> and <u>practices</u> implemented and presented in authentic formats. 	<p>The extended response is in the form of a <u>letter of advice</u> (salutation, body and complimentary close) and will include:</p> <ul style="list-style-type: none"> • analysis and interpretation of the <u>financial data</u> and <u>information</u> <ul style="list-style-type: none"> – relating to the current accounting practices used by the trading GST business to manage resources (non-current assets and technology) – focusing on two issues with the management of resources • conclusions synthesising two issues and their implications • evaluation of two proposed changes to current accounting practices • decisions and recommendations to improve the management of resources.

Conditions

- Time: 2 hours + 15 minutes planning time
 - the examination is completed in one sitting
- Length
 - practical items — should allow students to complete the response in the set time
 - extended response — letter of advice 400–600 words.
- Other
 - unseen stimulus and items are not copied from information or texts that students have previously been exposed to or have directly used in class
 - technology may be used to produce some or all responses, including:
 - spreadsheet software to produce a response to Part B
 - word processing software to produce a response to Part C
 - a computerised accounting package may not be used to produce responses for this examination
 - only non-programmable calculators permitted
 - guidelines for the use of technology (if used) include:
 - ensuring students start a new file or open a template file provided by the teacher for the examination and follow protocols for saving files to a secure network
 - implementing appropriate supervision of students to ensure existing files, resources and unauthorised software (including the internet) are not accessed by students during the examination
 - printing allowed during or at the completion of the examination (an additional 5–10 minutes may be provided for printing).

Summary of the instrument-specific marking guide

The following table summarises the criteria, assessment objectives and mark allocation for the Examination — combination response.

Criterion	Objectives	Marks
Describing (Part A — multiple-choice items)	1	2
Explaining (Part A — multiple-choice items)	2	3
Executing (Part B — practical items)	3	7
Analysing (Part C — extended response item)	4	6
Evaluating (Part C — extended response item)	5	4
Communicating (Part C — extended response item)	7	3
Total		25

Instrument-specific marking guide

Criterion: Describing

Assessment objective

1. describe accounting concepts and principles relating to managing resources

The student work has the following characteristics:	Marks
• <u>accurate</u> selection of 3–4 descriptions.	2
• accurate selection of 1–2 descriptions.	1
• does not satisfy any of the descriptors above.	0

Criterion: Explaining

Assessment objective

2. explain accounting concepts, principles and processes relating to managing resources

The student work has the following characteristics:	Marks
• <u>accurate</u> selection of 5–6 explanations.	3
• accurate selection of 3–4 explanations.	2
• accurate selection of 1–2 explanations.	1
• does not satisfy any of the descriptors above.	0

Criterion: Executing

Assessment objective

3. apply accounting principles and processes for a trading GST business to calculate, record and report the purchase, depreciation and disposal of non-current assets

Practical item 1

The student work has the following characteristics:	Marks
<ul style="list-style-type: none">• <u>comprehensive</u> application of accounting principles and diminishing balance method to <u>precisely</u> calculate the purchase of non-current assets, including capital and revenue expenditure, and depreciation for part and full year periods• comprehensive application of double entry to <u>thoroughly</u> record and process transactions for the purchase and depreciation of non-current assets in the general ledger accounts• comprehensive application of accounting processes to precisely report non-current assets in the statement of financial position for two consecutive financial years.	4
<ul style="list-style-type: none">• <u>effective</u> application of accounting principles and diminishing balance method to <u>efficiently</u> calculate the purchase of non-current assets and depreciation for part and full year periods• effective application of double entry to <u>substantially</u> record and process transactions for the purchase and depreciation of non-current assets in the general ledger accounts• effective application of accounting processes to efficiently report non-current assets in the statement of financial position for two consecutive financial years.	3
<ul style="list-style-type: none">• <u>routine</u> application of accounting principles and diminishing balance method to calculate the purchase of non-current assets and depreciation• routine application of double entry to record and process transactions for the purchase and depreciation of non-current assets in the general ledger accounts• routine application of accounting processes to report non-current assets in the statement of financial position for two consecutive financial years.	2
<ul style="list-style-type: none">• <u>inconsistent</u> application of accounting principles and diminishing balance method to inaccurately calculate the purchase of non-current assets and depreciation• inconsistent application of double entry to record and process aspects of transactions for the purchase and depreciation of non-current assets in the general ledger accounts• inconsistent application of accounting processes to inaccurately report non-current assets in the statement of financial position.	1
<ul style="list-style-type: none">• does not satisfy any of the descriptors above.	0

Practical item 2

The student work has the following characteristics:	Marks
<ul style="list-style-type: none"> • <u>comprehensive</u> application of accounting principles and straight-line depreciation method to <u>precisely</u> calculate disposal of non-current assets, including historical cost, depreciation for a part year, accumulated depreciation and gain or loss on disposal • comprehensive application of double entry to thoroughly record and process transactions for the disposal of a non-current asset in the general ledger accounts • comprehensive application of accounting processes to precisely report disposal data and information in the statement of profit or loss. 	3
<ul style="list-style-type: none"> • <u>routine</u> application of accounting principles and straight-line depreciation method to <u>calculate</u> disposal of non-current assets • routine application of double entry to record and process transactions for the disposal of a non-current asset in the general ledger accounts • routine application of accounting processes to report disposal data and information in the statement of profit or loss. 	2
<ul style="list-style-type: none"> • <u>inconsistent</u> application of accounting principles or straight-line depreciation method to inaccurately calculate the disposal of non-current assets • inconsistent or partial application of double entry to record and process aspects of transactions for the disposal of a non-current asset in the general ledger accounts • inconsistent or <u>partial</u> application of accounting processes to inaccurately report the disposal in the statement of profit or loss. 	1
<ul style="list-style-type: none"> • does not satisfy any of the descriptors above. 	0

Criterion: Analysing

Assessment objective

4. analyse and interpret financial data and information relating to managing resources for a trading GST business to draw conclusions

The student work has the following characteristics:	Marks
<ul style="list-style-type: none"> • <u>insightful</u> analysis of data and information identifying and explaining <u>significant</u> and <u>relevant relationships</u> and issues with managing resources • <u>discerning</u> interpretation of significant and relevant <u>patterns</u> and <u>trends</u> in the data and information • <u>perceptive</u> and <u>concise</u> synthesis of issues and their implications for the management of resources. 	5–6
<ul style="list-style-type: none"> • <u>informed</u> analysis of data and information identifying and explaining relevant relationships and issues with managing resources • <u>considered</u> interpretation of relevant patterns and trends in the data and information • <u>appropriate</u> synthesis of issues and their implications for the management of resources. 	3–4
<ul style="list-style-type: none"> • <u>inconsistent</u> analysis of data or information identifying relationships or issues with managing resources • <u>superficial</u> interpretation of data or information • <u>narrow</u> or <u>partial</u> statements of issues. 	1–2
<ul style="list-style-type: none"> • does not satisfy any of the descriptors above. 	0

Criterion: Part C — Evaluating

Assessment objective

5. evaluate accounting practices relating to managing resources for a trading GST business to make decisions and recommendations

The student work has the following characteristics:	Marks
<ul style="list-style-type: none">• <u>perceptive</u> judgments for proposed changes to accounting practices relating to two areas of managing resources• <u>thoroughly justified</u> decisions for managing resources <u>relevant</u> to the accounting context• <u>convincing</u> recommendations for managing resources pertinent to the accounting context.	4
<ul style="list-style-type: none">• <u>reasonable</u> judgments for proposed changes to accounting practices relating to two areas of managing resources• <u>justified</u> decisions for managing resources <u>relevant</u> to the accounting context• <u>informed</u> recommendations for managing resources relevant to the accounting context.	3
<ul style="list-style-type: none">• <u>routine</u> judgments for proposed changes to accounting practices relating to two areas of managing resources• <u>feasible</u> decisions for managing resources relevant to the accounting context• <u>simple</u> recommendations for managing resources relevant to the accounting context.	2
<ul style="list-style-type: none">• <u>rudimentary</u> or <u>partial</u> statements for proposed changes to accounting practices relating to at least one area of managing resources• <u>inconsistent</u> or partial decisions for the accounting context• inconsistent or partial recommendations for the accounting context.	1
<ul style="list-style-type: none">• does not satisfy any of the descriptors above.	0

Criterion: Communicating

Assessment objective

7. create a letter of advice to communicate analysis and evaluations to the business owner of a trading GST business

The student work has the following characteristics:	Marks
<ul style="list-style-type: none">• <u>sophisticated</u> selection of language to communicate accounting data, information and advice to the business owner• <u>concise</u> and <u>logical</u> sequencing and organisation of ideas in the letter of advice• <u>precise</u> use of language conventions (grammar, punctuation and spelling).	3
<ul style="list-style-type: none">• <u>appropriate</u> selection of language to communicate accounting data, information and advice to the business owner• <u>clear</u> and <u>credible</u> sequencing and organisation of ideas in the letter of advice• <u>suitable</u> use of language conventions (grammar, punctuation and spelling).	2
<ul style="list-style-type: none">• <u>inappropriate</u> selection of language to communicate accounting data, information or advice• <u>unclear</u> or <u>fragmented</u> sequencing and organisation of ideas in the response• <u>rudimentary</u> use of language conventions (grammar, punctuation and spelling).	1
<ul style="list-style-type: none">• does not satisfy any of the descriptors above.	0

4.5.2 Summative internal assessment 2 (IA2): Examination — short response (25%)

Description

This assessment is a supervised test that assesses the application of a range of cognitions to multiple provided items — questions, scenarios and problems.

Student responses must be completed individually, under supervised conditions, and in a set timeframe.

Assessment objectives

This assessment technique is used to determine student achievement in the following objectives:

1. describe accounting concepts and principles relating to fully classified financial statement reporting
2. explain accounting concepts, principles and processes relating to fully classified financial statement reporting
4. analyse and interpret financial data and information relating to fully classified financial statement reporting for a trading GST business to draw conclusions
5. evaluate accounting practices relating to fully classified financial statement reporting for a trading GST business to make decisions and propose recommendations
6. synthesise and solve a fully classified financial statement reporting problem for a trading GST business.

Note: Objectives 3 and 7 are not assessed in this instrument.

Specifications

This short response examination consists of a number of items that ask students to respond to the following activities relating to Unit 3 Topic 2: Fully classified financial statement reporting for a trading GST business.

The examination is divided into three parts.

Part A — short items

Item description	Guidelines
<p>Students respond to five short items preparing sentence and paragraph responses.</p> <p>The short items usually do not include stimulus and will include a selection of the subject matter detailed for <u>describe</u> and <u>explain</u> in Unit 3 Topic 2: Fully classified financial statement reporting for a trading GST business.</p>	<p>Short items:</p> <ul style="list-style-type: none"> • three sentence responses to <u>describe concepts</u> and <u>principles</u> in the context of fully classified financial statement reporting • two paragraph responses to explain concepts, principles and processes in the context of fully classified financial statement reporting.

Part B — interpretive items

Item description	Guidelines
<p>Students are provided with seen stimulus relating to fully classified financial statement reporting for a trading GST business.</p> <p>Students respond to two interpretive items preparing paragraph responses, including:</p> <ul style="list-style-type: none"> • one item to <u>analyse</u> and <u>interpret financial data</u> and <u>information</u> relating to two areas of performance for a trading GST business • one item to <u>evaluate</u> two proposed changes to accounting <u>practices</u> relating to fully classified financial statement reporting for a trading GST business. <p>The seen stimulus provides a context for students and <u>financial data</u> and <u>information</u>, for example:</p> <ul style="list-style-type: none"> • a comparative statement of profit or loss with horizontal analysis (in full or extract) • a comparative statement of financial position with horizontal analysis (in full or extract) • a range of financial ratios for one or both financial periods and relating to at least three areas of performance. 	<p>Interpretive item 1:</p> <ul style="list-style-type: none"> • <u>analyse the significant financial data</u> and <u>information</u> relating to two areas of performance examining relationships and issues <ul style="list-style-type: none"> – the areas of performance must be specified in the item – students are not allowed to choose the areas of performance to <u>analyse</u> and <u>interpret</u> • interpret the <u>financial data</u> and <u>information</u> recognising trends and patterns • <u>draw conclusions</u> synthesising implications relating to the areas of performance. <p>Interpretive item 2:</p> <ul style="list-style-type: none"> • <u>evaluate</u> two proposed changes to accounting <u>practices</u> <ul style="list-style-type: none"> – students will be provided with four proposed changes to <u>evaluate</u> – proposed changes will <ul style="list-style-type: none"> ▪ vary in their degree of significance and <u>relevance</u>, to both areas of performance addressed in the first item (analysis and interpretation) ▪ vary in their suitability for the accounting context • make a decision and a recommendation.

Part C — practical item

Item description	Guidelines
<p>Students respond to one unseen stimulus item requiring them to <u>solve</u> an accounting problem relating to fully classified financial statement reporting for a trading <u>GST</u> business.</p> <p>The unseen stimulus is unstructured and <u>unfamiliar</u> to students, and will include:</p> <ul style="list-style-type: none"> • <u>financial information</u> for one financial year, including seven errors (<u>conceptual errors</u>, <u>clerical errors</u> and/or <u>consequential errors</u>) relating to a combination of <ul style="list-style-type: none"> – classification of accounts or report sections – application of accounting <u>concepts</u>, <u>principles</u> or <u>processes</u> relating to the preparation of fully classified financial statement reporting – implementation of balance day adjustments – bad debts, provision for doubtful debts, depreciation, inventories – calculations for financial ratios • other unstructured additional <u>financial data</u> and <u>information</u> relating to the goal-oriented problem. <p>Templates are not allowed for this item. Teachers may provide horizontally lined paper.</p>	<p>Practical item:</p> <ul style="list-style-type: none"> • <u>synthesise</u> and <u>solve</u> a goal-oriented problem for an authentic accounting context • application of the problem-solving model to <u>generate</u> a solution • <u>backward processing</u> to identify errors • <u>forward processing</u> to produce a solution • steps to <u>solve</u> the task are not provided to students in the item.

Conditions

- Time: 2 hours plus 15 minutes perusal
 - the examination is completed in one sitting
 - perusal provides additional time at the commencement of the assessment for students to read items and unseen stimulus in the assessment instrument.
- Length
 - short items — sentence responses 25–50 words each item, paragraph responses 50–100 words each item
 - interpretive items — paragraph responses 150–250 words each item
 - practical item — problem-solving requiring backward processing and forward processing; should allow students to complete the response in the set time.
- Other
 - the purpose of providing the seen stimulus for Part B is to provide sufficient time for students to read and become familiar with the data and information contained in the stimulus
 - guidelines for using seen stimulus for Part B
 - seen stimulus is provided to students three to five days prior to the administration of the examination — for example, if the examination is on a Monday, students will be provided with the stimulus on the previous Friday
 - seen stimulus is not to be processed, unpacked or explained to students by the teacher in class or in any communication

- the original student copy of the seen stimulus is not to be brought into the examination room
- the seen stimulus is reissued to students with the complete examination at the commencement of the examination
- students may not bring any notes relating to the seen stimulus into the examination
- unseen stimulus for Part C is not copied from information or texts that students have previously been exposed to or have directly used in class
- technology may be used to produce some or all responses, including
 - word processing software to produce a response to Parts A and B
 - spreadsheet software to produce a response to Part C
- a computerised accounting package may not be used to produce responses for this examination
- only non-programmable calculators permitted
- guidelines for the use of technology (if used) include
 - ensuring students start a new file for the examination and follow protocols for saving files to a secure network
 - implementing appropriate supervision of students to ensure existing files, resources and unauthorised software (including the internet) are not accessed by students during the examination
 - printing allowed during or at the completion of the examination (an additional 5–10 minutes may be provided for printing).

Summary of the instrument-specific marking guide

The following table summarises the criteria, assessment objectives and mark allocation for the short response examination.

Criterion	Objectives	Marks
Describing (Part A — short items)	1	3
Explaining (Part A — short items)	2	4
Analysing (Part B — interpretive items)	4	6
Evaluating (Part B — interpretive items)	5	4
Problem-solving (Part C — practical item)	6	8
Total		25

Instrument-specific marking guide

Criterion: Describing

Assessment objective

1. describe accounting concepts and principles relating to fully classified financial statement reporting

The student work has the following characteristics:	Marks
<ul style="list-style-type: none"> • <u>accurate</u> recall of the features or characteristics of accounting concepts and principles • <u>comprehensive</u> descriptions of accounting concepts and principles relating to fully classified financial statement reporting • <u>purposeful</u> use of accounting terminology. 	3
<ul style="list-style-type: none"> • <u>appropriate</u> recall of the features or characteristics of accounting concepts and principles • <u>appropriate</u> descriptions of accounting concepts and principles relating to fully classified financial statement reporting • <u>adequate</u> use of accounting terminology. 	2
<ul style="list-style-type: none"> • <u>inaccurate</u> recall of the features or characteristics of accounting concepts and principles • <u>irrelevant</u> or <u>partial</u> descriptions of the features or characteristics of accounting concepts or principles relating to fully classified financial statement reporting • <u>inconsistent</u> use of accounting terminology. 	1
<ul style="list-style-type: none"> • does not satisfy any of the descriptors above. 	0

Criterion: Explaining

Assessment objective

2. explain accounting concepts, principles and processes relating to fully classified financial statement reporting

The student work has the following characteristics:	Marks
<ul style="list-style-type: none"> • <u>accurate</u> identification of the <u>significant</u> elements of accounting concepts, principles and processes relating to fully classified financial statement reporting • <u>thorough</u> explanation of the <u>precise</u> relationships associated with accounting <u>concepts</u>, <u>principles</u> and <u>processes</u> relating to fully classified financial statement reporting • <u>purposeful use</u> of accounting terminology. 	4
<ul style="list-style-type: none"> • accurate identification of the <u>relevant</u> elements of accounting concepts, principles and processes relating to fully classified financial statement reporting • <u>detailed</u> explanation of the <u>relevant</u> relationships associated with accounting concepts, principles and processes relating to fully classified financial statement reporting • <u>informed</u> use of accounting terminology. 	3
<ul style="list-style-type: none"> • accurate identification of the <u>basic</u> elements of accounting concepts, principles or processes relating to fully classified financial statement reporting • <u>adequate</u> explanation of the <u>basic</u> relationships associated with accounting concepts, principles and processes relating to fully classified financial statement reporting • <u>simple</u> use of accounting terminology. 	2

The student work has the following characteristics:	Marks
<ul style="list-style-type: none"> • <u>inaccurate</u> or <u>partial</u> identification of elements of accounting concepts, principles or processes relating to fully classified financial statement reporting • <u>narrow</u> or <u>inconsistent</u> statements of accounting concepts, principles or processes relating to fully classified financial statement reporting • <u>inconsistent</u> use of accounting terminology. 	1
<ul style="list-style-type: none"> • does not satisfy any of the descriptors above. 	0

Criterion: Analysing

Assessment objective

4. analyse and interpret financial data and information relating to fully classified financial statement reporting for a trading GST business to draw conclusions

Interpretive item 1

The student work has the following characteristics:	Marks
<ul style="list-style-type: none"> • <u>insightful</u> analysis of data and information identifying and explaining <u>significant</u> and <u>relevant relationships</u> and issues with two areas of performance • <u>discerning</u> interpretation of significant and relevant <u>patterns</u> and <u>trends</u> in the data and information • <u>perceptive</u> and <u>concise</u> synthesis of issues and their implications for two areas of performance. 	5–6
<ul style="list-style-type: none"> • <u>informed</u> analysis of data and information identifying and explaining <u>relevant</u> relationships and issues with two areas of performance • <u>considered</u> interpretation of relevant patterns and trends in the data and information • <u>appropriate</u> synthesis of issues and their implications for two areas of performance. 	3–4
<ul style="list-style-type: none"> • <u>inconsistent</u> analysis of data or information identifying relationships or issues with at least one area of performance • <u>superficial</u> interpretation of data or information • <u>narrow</u> or <u>partial</u> statements of issues. 	1–2
<ul style="list-style-type: none"> • does not satisfy any of the descriptors above. 	0

Criterion: Evaluating

Assessment objective

5. evaluate accounting practices relating to fully classified financial statements reporting for a trading GST business to make decisions and propose recommendations

Interpretive item 2

The student work has the following characteristics:	Marks
<ul style="list-style-type: none">• <u>perceptive</u> judgments for two proposed changes to accounting practices relating to two areas of performance• <u>thoroughly justified</u> decisions for the areas of performance <u>relevant</u> to the accounting context• <u>convincing</u> recommendations for the areas of performance pertinent to the accounting context.	4
<ul style="list-style-type: none">• <u>reasonable</u> judgments for two proposed changes to accounting practices relating to two areas of performance• <u>justified</u> decisions for the areas of performance <u>relevant</u> to the accounting context• <u>informed</u> recommendations for the areas of performance relevant to the accounting context.	3
<ul style="list-style-type: none">• <u>routine</u> judgments for at least one proposed changes to accounting practices relating to at least one area of performance• <u>feasible</u> decisions for an area of performance <u>suitable</u> for the accounting context• <u>simple</u> recommendations for an area of performance suitable for the accounting context.	2
<ul style="list-style-type: none">• <u>rudimentary</u> or <u>partial</u> judgments for proposed changes to accounting practices relating to at least one area of performance• <u>inconsistent</u> or partial decisions for the accounting context• inconsistent or partial recommendations for the accounting context.	1
<ul style="list-style-type: none">• does not satisfy any of the descriptors above.	0

Criterion: Problem-solving

Assessment objective

6. synthesise and solve a fully classified financial statement reporting problem for a trading GST business

The student work has the following characteristics:	Marks
<ul style="list-style-type: none">• <u>insightful</u> synthesis of the problem to determine <u>significant</u> and <u>relevant</u> challenges in solving the problem• <u>perceptive</u> evaluation of fully classified financial statement reporting principles and processes• solution produced that <u>thoroughly</u> solves the problem.	7–8
<ul style="list-style-type: none">• <u>informed</u> synthesis of the problem to determine relevant challenges in solving the problem• <u>purposeful</u> evaluation of fully classified financial statement reporting principles and processes• solution produced that <u>effectively</u> solves the problem.	5–6
<ul style="list-style-type: none">• <u>appropriate</u> synthesis of the problem to determine familiar challenges in solving the problem• <u>obvious</u> evaluation of fully classified financial statement reporting principles and processes• solution produced that solves the <u>fundamental</u> elements of the problem.	3–4
<ul style="list-style-type: none">• <u>inconsistent</u> synthesis of the problem to determine superficial challenges in solving the problem• <u>rudimentary</u> evaluation of fully classified financial statement reporting principles and processes• <u>inappropriate</u> or <u>partial</u> solution produced.	1–2
<ul style="list-style-type: none">• does not satisfy any of the descriptors above.	0

5 Unit 4: Accounting — the big picture

5.1 Unit description

In Unit 4, students connect the relationship between the financial statements (reporting on past performance) and the cash budget (projecting for the future) and their importance in the financial management of a business. This unit brings together the complete process of preparing the financial statements for a trading sole trader GST business, both conceptually and using a computerised accounting package; the preparation of the cash budget using a spreadsheet; and an analysis of the financial statements (statement of profit or loss, statement of financial position and statement of cash flows). Ratios are calculated and questions asked about the various elements that make up these financial statements in order to make decisions about the business. Making links to Unit 1, students examine external financial reports, calculate a range of ratios and compare these with past performance and industry benchmarks in order to determine how the listed public company is performing and make decisions for stakeholders about the results.

Unit requirements

The learning for this unit is organised into three separate and interrelated topics, as outlined below. All topics are of equal importance in providing students with the knowledge and skills of the unit.

The table below outlines the recommended division of hours between topics and assessment.

Topics and assessment	Notional time (hours)
Topic 1: Cash management	18
Summative internal assessment 3: Project — cash management	7
Topic 2: Complete accounting process for a trading GST business	10
Topic 3: Performance analysis of a listed public company	18
Summative external assessment: Examination — short response	2

5.2 Unit objectives

Unit objectives are drawn from the syllabus objectives and are contextualised for the subject matter and requirements of the unit. Each unit objective must be assessed at least once.

Students will:

Unit objective	IA3	EA
1. <u>describe</u> accounting concepts and principles relating to cash management, the complete accounting process and performance analysis		•
2. <u>explain</u> accounting concepts, principles and processes relating to cash management, the complete accounting process and performance analysis		•
3. <u>apply</u> accounting principles and processes for a trading GST business using accrual accounting	•	•
4. <u>analyse</u> and <u>interpret</u> financial data and information relating to cash management and performance analysis for a business to draw conclusions	•	•
5. <u>evaluate</u> accounting <u>practices</u> relating to cash management and performance analysis for a business to make decisions and propose recommendations	•	•
6. <u>synthesise</u> and <u>solve</u> accounting problems relating to cash management and the complete accounting process for a trading GST business	•	•
7. <u>create</u> responses to communicate to the internal and/or external stakeholders of a business.	•	

5.3 Topic 1: Cash management

Subject matter (notional time 25 hours)

In this topic, students will:

- describe
 - the administrative and accounting controls used to internally control cash
 - petty cash system and variations of (e.g. use of corporate credit card)
 - electronic transactions especially cash
 - bank reconciliation process
 - cash budget and its purpose
 - what-if analysis and its purpose with cash budgets
- explain
 - the variables which can be used for what-if analysis in cash budgets
 - the benefits of using what-if analysis
 - the nature and purpose of a statement of cash flows
- explain
 - how the petty cash system contributes to the internal control of cash
 - how the bank reconciliation process contributes to the internal control of cash
 - how the process of preparing cash budgets assists to control cash
- explain the relationship between the financial reports and the cash budget
- apply accounting principles and processes (handwritten using a calculator and/or spreadsheet) to prepare a bank reconciliation

Subject matter (notional time 25 hours)

- apply accounting principles and processes (handwritten using a calculator and/or spreadsheet) to prepare a cash budget including
 - statement of estimated receipts from accounts receivable
 - statement of GST payable and receivable
- apply spreadsheet features and spreadsheet functions to prepare a cash budget including
 - input and report areas
 - what-if analysis
- apply computerised accounting processes* for a trading sole trader GST business to
 - record transactions, including opening entry; purchase and sales of assets; purchase and sale of inventories with returns; accounts receivable with receipts and accounts payable with payments; other revenues and expenses; obtaining finance; drawings of cash or inventories, perpetual inventories, no discounts; and correction of errors
 - carry out a bank reconciliation
 - record balance day adjustments
 - generate end of period reports
 - implement end-of-year processes to ready accounts for a new financial year
 - record or process reversing entries
- analyse and interpret for a trading GST business
 - the similarities and differences between a cash budget and a statement of cash flows
 - cash and accounts receivable data and information to draw conclusions about the management of cash resources
 - a cash budget to draw conclusions about the future liquidity of the business
- evaluate for a trading GST business to make decisions and propose recommendations, including
 - the effectiveness of internal control practices regarding cash management
 - alternative projects and their impact on cash resources
 - alternative proposed changes to accounting practices impacting the cash budget
- synthesise and solve accounting problems relating to cash management for a trading GST business
 - for example, the goal is to determine the optimum cash budget
 - students may be provided with a combination of unstructured and unfamiliar financial data and information relating to cash management (e.g. an incomplete budget or an existing budget with negative bank balances, information about the business and its activities, schedules of accounts receivable and payable, bank statement)
 - students apply the problem-solving model to generate a solution
- create
 - sentence and paragraph responses to communicate to business managers or owners of a trading GST business, including descriptions and explanations relating to cash management; analysis, interpretations and conclusions relating to cash management; and evaluations, decisions and recommendations relating to cash management
 - 1–2 page business report to communicate explanations, analysis, interpretations, conclusions, evaluations, decisions and recommendations relating to cash management to business managers or owners of a trading GST business.

* **Note:** Some computerised accounting processes may not be applicable for the computerised accounting package facilitating the delivery of the subject matter. Teachers should adjust processes accordingly.

5.4 Topic 2: Complete accounting process for a trading GST business

Subject matter (notional time 10 hours)

In this topic, students will:

- describe
 - matching concept
 - balance day adjustments
 - correction of errors
 - inventory adjustments and reasons for inventory adjustments
 - closing and reversing entries
- explain the steps in the complete accounting process
- explain the relationship between:
 - balance day adjustments and reversing entries in accrual accounting
 - adjustments to accounts on balance day and the matching concept
 - net profit based on accrual accounting and net cash from operating activities
- apply accounting principles and processes (handwritten using a calculator and/or spreadsheet) for a trading sole trader GST business to
 - record transactions in the general journal and/or general ledger, including an opening entry; purchase and sales of assets; purchase and sale of inventories with returns; accounts receivable with receipts, and accounts payable with payments; other revenues and expenses; obtaining finance; drawings of cash or inventories, perpetual inventories with cost of goods sold given, no control account/subsidiary ledgers, no discounts; and correction of errors
 - calculate and record balance day adjustments, including accrued revenue, accrued expenses, unearned revenue and prepaid expenses; depreciation; provision for doubtful debts; and inventory adjustments for discrepancies with consideration of lower of cost or net realisable value
 - record reversing entries
- apply accounting principles and processes (handwritten using a calculator and/or spreadsheet) for a trading GST business (sole trader) to prepare a fully classified statement of profit or loss and statement of financial position
- synthesise and solve accounting problems relating to the complete accounting process for a trading GST business
 - for example, the business is converting from cash records to accrual accounting and needs the financial reports generated
 - students may be provided with a combination of unstructured and unfamiliar financial data and information relating to the cash records
 - students apply the problem-solving model to generate a solution
- create sentence and paragraph responses to communicate descriptions and explanations relating to the complete accounting process for a trading GST business to stakeholders.

5.5 Topic 3: Performance analysis of a listed public company

Subject matter (notional time 20 hours)

In this topic, students will:

- describe
 - types of ratios, including profitability, liquidity, stability, cash flow and company
 - types of analysis, including ratio, vertical, horizontal and trend
 - industry benchmarks
- explain
 - the differences between accounting for a sole trader and accounting for a company
 - the ratios used to measure profitability, liquidity and stability; and extra ratios only applicable to companies
 - the factors that complicate the comparison of reports over a period of time
 - the benefits of using vertical, horizontal, trend and ratio analysis
- explain
 - how the results obtained from ratio analysis will be useful for internal and external stakeholders
 - how benchmarking within an industry can be used when analysing and interpreting performance
- explain the interrelationships between a fully classified statement of profit or loss, statement of financial position and statement of cash flows
- apply accounting processes to calculate the following ratios (formulas given but no cash flow ratios)
 - profitability, including gross profit ratio, net profit ratio, return on owner's equity, return on total assets
 - liquidity, including current ratio, quick ratio, turnover of accounts receivable, turnover of inventories
 - stability, including equity ratio, debt ratio, times interest earned
 - extra specific ratios for companies, including earnings per share, price earnings ratio, dividend yield
- analyse and interpret for a listed public company
 - the statement of profit or loss using horizontal, vertical, ratio and/or trend analysis to draw conclusions relating to profitability
 - the statement of financial position using horizontal, vertical, ratio and/or trend analysis to draw conclusions relating to profitability, liquidity and stability
 - the statement of cash flows, ratio and/or trend analysis to draw conclusions relating to stability and liquidity
- evaluate for a listed public company
 - the performance against industry benchmarks to make decisions and propose recommendations regarding the future operations and direction of the business
 - proposed changes to accounting practices to make decisions and propose recommendations regarding the future operations and direction of the business
- create
 - sentence responses to communicate descriptions and explanations relating to the performance of a company for stakeholders
 - paragraph responses to communicate analysis, interpretation and conclusions relating to the performance of a listed public company for shareholders or potential investors; and evaluations, decisions and recommendations relating to the performance of a listed public company for shareholders or potential investors.

5.6 Assessment

5.6.1 Summative internal assessment 3 (IA3): Project — cash management (25%)

Description

This assessment focuses on a problem-solving process that requires the application of a range of cognitive, technical and creative skills and theoretical understandings. Students document the iterative process undertaken to develop a solution to a problem. The response is a coherent work that includes the use of technology (computerised accounting package, spreadsheet and word processing software) to generate financial documents and a written report. This assessment occurs over an extended and defined period. Students may use class time and their own time to develop a response.

Assessment objectives

This assessment technique is used to determine student achievement in the following objectives:

3. apply computerised accounting processes for a trading GST business to calculate, record, process and report accounts
4. analyse and interpret financial data and information relating to cash management for a trading GST business to draw conclusions
5. evaluate accounting practices relating to cash management for a trading GST business to make decisions and propose recommendations
6. synthesise and solve accounting problems relating to cash management for a trading GST business
7. create a business report to communicate explanations, analysis, interpretations, conclusions, evaluations, decisions and recommendations to the business manager of a trading GST business.

Note: Objectives 1 and 2 are not assessed in this instrument.

Specifications

The cash management project focuses on a real-life accounting context for a trading GST business relating to Unit 4 Topic 1: Cash management. Financial data and information for the real-life accounting context is presented as a case.

The problem-solving model (see Section 1.2.4) is used as a tool to develop a solution to achieve an accounting goal for the trading GST business.

In developing a solution, students will use technology (computerised accounting package, spreadsheet and word processing software) to generate practical and written responses.

In response to the desired goal presented in the case, students prepare:

- practical responses
 - financial documents and/or reports using a computerised accounting package
 - financial documents and/or reports using spreadsheet software
- an extended response — written report to the business manager.

The written report will require students to:

- analyse and interpret the data and information relating to the goal
- draw conclusions synthesising the data and information relating to the goal
- evaluate the proposed solutions to achieve the goal
- decide on a solution and make recommendations to achieve the goal.

The written report provides information to the business manager. It is divided into sections using headings and sub-headings. The report includes the following sections:

- title page
- introduction
- body — analysis and interpretation organised into appropriate headings and sub-headings, includes inserted graphs/tables and in-text referencing
- conclusion — conclusions, evaluation, decisions and recommendations
- reference list — includes any references used to produce the report
- appendices — financial documents referenced in the report.

The case will include:

- a novel business context including a wide range of financial data and information relating to Unit 4 Topic 1: Cash management
- a goal relating to cash management and the accounting context, indicating what the business is trying to achieve, for example:
 - expanding the business
 - moving to new premises
 - implementing a new project (e.g. establishing an online presence, outsourcing, etc.)
 - purchase of a major non-current asset
- a range of financial data and information relating to at least three months, which will allow for multiple solutions (not one unique solution) and enables the effective application of the problem-solving model
- information presented in a variety of formats, including unfamiliar, unstructured and unknown elements
- financial data and other information may include
 - electronic files, such as pre-set up MYOB accounts with transactions for two months (July–August)
 - budgeted data relating to revenues and expenses
 - transactions for at least one month (not at the end of the financial year), such as individual transactions and grouped transactions for September
 - details of accounting practices involving the management of cash
 - collection rates for accounts receivable
 - loan information or application, etc.
 - financial reports and/or trial balance (in full or extracts of)
 - accounting processes implemented.

Conditions

- Duration: 4 weeks
- Length
 - practical accounting solutions, including
 - solutions generated from computerised accounting package
 - solutions generated using spreadsheet software
 - written report, 800–1000 words, excluding the title page, reference list and appendices.
- Scaffolding
 - students must have the opportunity to implement the problem-solving model
 - scaffolding cannot include
 - templates (electronic or hard copies)
 - steps or tasks to complete to achieve the goal.
- Authentication strategies as implemented by the school.
- Other
 - technology is used to produce all responses, including
 - word processing software to prepare and present the written report
 - computerised accounting package and spreadsheet software to prepare and present practical accounting solutions.

Summary of the instrument-specific marking guide

The following table summarises the internal assessment guide for marking the Project — cash management.

Criterion	Objectives	Marks
Executing (practical responses)	3	4
Problem-solving (practical responses)	6	8
Analysing (extended response)	4	6
Evaluating (extended response)	5	4
Communicating (extended response)	7	3
Total		25

Instrument-specific marking guide

Criterion: Executing

Assessment objective

3. apply computerised accounting processes for a trading GST business to calculate, record, process and report accounts

The student work has the following characteristics:	Marks
<ul style="list-style-type: none"> • <u>comprehensive</u> application of accounting principles to <u>precisely</u> calculate amounts for transactions • comprehensive application of computerised accounting processes to <u>thoroughly</u> record and process transactions • generate <u>relevant</u> financial reports. 	4
<ul style="list-style-type: none"> • <u>effective</u> application of accounting principles to <u>efficiently</u> calculate amounts for transactions • effective application of computerised accounting processes to <u>substantially</u> record and process transactions • generate <u>relevant</u> financial reports. 	3
<ul style="list-style-type: none"> • <u>routine</u> application of accounting principles to calculate amounts for transactions • routine application of computerised accounting processes to record and process transactions • generate <u>sufficient</u> financial reports. 	2
<ul style="list-style-type: none"> • <u>inconsistent</u> application of accounting principles to <u>inaccurately</u> calculate amounts for transactions • inconsistent application of computerised accounting processes to record and process aspects of transactions • generate <u>inappropriate</u> financial reports. 	1
<ul style="list-style-type: none"> • does not satisfy any of the descriptors above. 	0

Criterion: Problem-solving

Assessment objective

6. synthesise and solve cash management accounting problems for a trading GST business

The student work has the following characteristics:	Marks
<ul style="list-style-type: none"> • <u>insightful</u> synthesis of the problem to determine <u>significant</u> and <u>relevant</u> challenges in solving the cash management problem • <u>perceptive</u> evaluation of accounting principles and processes relating to cash management • solution produced that <u>thoroughly</u> solves the problem. 	7–8
<ul style="list-style-type: none"> • <u>informed</u> synthesis of the problem to determine relevant challenges in solving the cash management problem • <u>purposeful</u> evaluation of accounting principles and processes relating to cash management • solution produced that <u>effectively</u> solves the problem. 	5–6
<ul style="list-style-type: none"> • <u>appropriate</u> synthesis of the problem to determine <u>familiar</u> challenges in solving the cash management problem • <u>familiar</u> evaluation of accounting principles and processes relating to cash management • solution produced that solves <u>fundamental</u> elements of the problem. 	3–4

The student work has the following characteristics:	Marks
<ul style="list-style-type: none"> • <u>inconsistent</u> synthesis of the problem to determine superficial challenges in solving the cash management problem • <u>rudimentary</u> evaluation of accounting principles or processes relating to cash management • <u>inappropriate</u> or <u>partial</u> solution produced. 	1–2
<ul style="list-style-type: none"> • does not satisfy any of the descriptors above. 	0

Criterion: Analysing

Assessment objective

4. analyse and interpret financial data and information relating to cash management for a trading GST business to draw conclusions

The student work has the following characteristics:	Marks
<ul style="list-style-type: none"> • <u>insightful</u> analysis of data and information identifying and explaining <u>significant</u> and <u>relevant relationships</u> and issues with cash management • <u>discerning</u> interpretation of significant and relevant <u>patterns</u> and <u>trends</u> in the data and information • <u>perceptive</u> and <u>concise</u> synthesis of issues and their implications for cash management. 	5–6
<ul style="list-style-type: none"> • <u>informed</u> analysis of data and information identifying and explaining relevant relationships and issues with cash management • <u>considered</u> interpretation of relevant patterns and trends in the data and information • <u>effective</u> synthesis of issues and their implications for cash management. 	3–4
<ul style="list-style-type: none"> • <u>inconsistent</u> analysis of data or information identifying relationships or issues with cash management • <u>superficial</u> interpretation of data or information • <u>narrow</u> or <u>partial</u> statements of issues. 	1–2
<ul style="list-style-type: none"> • does not satisfy any of the descriptors above. 	0

Criterion: Evaluating

Assessment objective

5. evaluate accounting practices relating to cash management for a trading GST business to make decisions and propose recommendations

The student work has the following characteristics:	Marks
<ul style="list-style-type: none">• <u>perceptive</u> judgments for proposed changes to accounting practices relating to cash management• <u>thoroughly justified</u> decisions for cash management pertinent to the accounting context• <u>convincing</u> recommendations for cash management pertinent to the accounting context.	4
<ul style="list-style-type: none">• <u>reasonable</u> judgments for proposed changes to accounting practices relating to cash management• <u>justified</u> decisions for cash management <u>relevant</u> to the accounting context• <u>informed</u> recommendations for cash management relevant to the accounting context.	3
<ul style="list-style-type: none">• <u>routine</u> judgments for proposed changes to accounting practices relating to cash management• <u>feasible</u> decisions for cash management <u>suitable</u> for the accounting context• <u>simple</u> recommendations for cash management suitable for the accounting context.	2
<ul style="list-style-type: none">• <u>rudimentary</u> statements for a proposed change to accounting practices• <u>inconsistent</u> or <u>partial</u> decisions• inconsistent or partial recommendations.	1
<ul style="list-style-type: none">• does not satisfy any of the descriptors above.	0

Criterion: Communicating

Assessment objective

7. create a business report to communicate explanations, analysis and evaluations to the business manager of a trading GST business

The student work has the following characteristics:	Marks
<ul style="list-style-type: none">• <u>sophisticated</u> selection of language to <u>communicate</u> accounting data, information and solutions to the business manager• <u>concise</u> and <u>logical</u> sequencing and organisation of ideas in the business report• <u>effective use</u> of in-text referencing and <u>efficient</u> recording of references• <u>precise use</u> of language conventions (grammar, punctuation and spelling)• <u>effective</u> presentation of the business report following genre conventions.	3
<ul style="list-style-type: none">• <u>appropriate</u> selection of language to <u>communicate</u> accounting data, information and solutions to the business manager• <u>clear</u> and <u>credible</u> sequencing and organisation of ideas in the business report• <u>appropriate use</u> of in-text referencing and <u>adequate</u> recording of references• <u>suitable use</u> of language conventions• <u>adequate</u> presentation of the business report.	2
<ul style="list-style-type: none">• <u>inappropriate</u> selection of language to <u>communicate</u> accounting data, information or solutions• <u>unclear</u> or <u>fragmented</u> sequencing and organisation of ideas in the response• <u>inconsistent use</u> of in-text referencing and <u>inappropriate</u> recording of references• <u>rudimentary use</u> of language conventions.	1
<ul style="list-style-type: none">• does not satisfy any of the descriptors above.	0

5.6.2 Summative external assessment (EA): Examination — short response (25%)

General information

Summative external assessment is developed and marked by the QCAA. In Accounting it contributes 25% to a student's overall subject result.

The external assessment in Accounting is common to all schools and administered under the same conditions, at the same time, on the same day.

Description

The examination assesses the application of a range of cognitions to multiple provided items — questions, scenarios and problems.

Student responses must be completed individually, under supervised conditions, and in a set timeframe.

Assessment objectives

This assessment technique is used to determine student achievement in the following objectives:

1. describe concepts and principles relating to the complete accounting process and performance analysis
2. explain concepts, principles and processes for the complete accounting process and performance analysis
3. apply accounting principles and processes relating to the complete accounting process for a trading GST business and performance analysis for a listed public company
4. analyse and interpret financial data and information relating to the performance of a listed public company to draw conclusions
5. evaluate accounting practices relating to performance for a listed public company to make decisions and propose recommendations
6. synthesise and solve accounting problems relating to the complete accounting process for a trading GST business.

Note: Objective 7 is not assessed in this instrument.

Specifications

This short response examination consists of a number of items that ask students to respond to the following activities relating to Unit 4 Topic 2: Complete accounting process for a trading GST business and Unit 4 Topic 3: Performance analysis of a listed public company.

The examination is divided into three parts.

Part A — multiple choice

Students respond to multiple-choice items relating to subject matter detailed for describe and explain in Unit 4 Topic 2: Complete accounting process for a trading GST business and Unit 4 Topic 3: Performance analysis of a listed public company.

Part B — practical items

Students respond to practical items, including:

- short fundamental problem/s requiring the application of accounting principles and processes
- goal-oriented problem/s requiring synthesis to solve the accounting problem/s.

Practical items relate to the subject matter in Unit 4 Topic 2: Complete accounting process for a trading GST business and Unit 4 Topic 3: Performance analysis of a listed public company.

Part C — interpretive items

Students respond to unseen stimulus requiring the analysis and interpretation and evaluation of a representation of the financial statements of a listed public company.

Students prepare responses to interpretive items requiring the preparation of paragraph responses.

The following table summarises the criteria, assessment objectives and approximate weighting of items within the Examination — short response.

Criterion	Objectives	Approximate weighting of items
Part A: <ul style="list-style-type: none">• Describing• Explaining	1 and 2	20%
Part B: <ul style="list-style-type: none">• Executing• Problem-solving	3 and 6	40%
Part C: <ul style="list-style-type: none">• Analysing• Evaluating	4 and 5	40%
Total		100%

Conditions

- Time: 2 hours plus 15 minutes perusal
- Length
 - practical items — should allow students to complete the response in the set time.
 - interpretive items — paragraph responses, 200–250 words each item.
- Other
 - unseen stimulus
 - only non-programmable calculator permitted.

Instrument-specific marking guide

No ISMG is provided for the external assessment.

6 Glossary

Term	Explanation
A	
accomplished	highly trained or skilled in a particular activity; perfected in knowledge or training; expert
accuracy	the condition or quality of being true, correct or exact; freedom from error or defect; precision or exactness; correctness; in science, the extent to which a measurement result represents the quantity it purports to measure; an accurate measurement result includes an estimate of the true value and an estimate of the uncertainty
accurate	precise and exact; to the point; consistent with or exactly conforming to a truth, standard, rule, model, convention or known facts; free from error or defect; meticulous; correct in all details
adept	very/highly skilled or proficient at something; expert
adequate	satisfactory or acceptable in quality or quantity equal to the requirement or occasion
analyse	dissect to ascertain and examine constituent parts and/or their relationships; break down or examine in order to identify the essential elements, features, components or structure; determine the logic and reasonableness of information; examine or consider something in order to explain and interpret it, for the purpose of finding meaning or relationships and identifying patterns, similarities and differences
applied learning	the acquisition and application of knowledge, understanding and skills in real-world or lifelike contexts that may encompass workplace, industry and community situations; it emphasises learning through doing and includes both theory and the application of theory, connecting subject knowledge and understanding with the development of practical skills
Applied subject	a subject whose primary pathway is work and vocational education; it emphasises applied learning and community connections; a subject for which a syllabus has been developed by the QCAA with the following characteristics: results from courses developed from Applied syllabuses contribute to the QCE; results may contribute to ATAR calculations
apply	use knowledge and understanding in response to a given situation or circumstance; carry out or use a procedure in a given or particular situation
appraise	evaluate the worth, significance or status of something; judge or consider a text or piece of work
appreciate	recognise or make a judgment about the value or worth of something; understand fully; grasp the full implications of
appropriate	acceptable; suitable or fitting for a particular purpose, circumstance, context, etc.

Term	Explanation
apt	suitable to the purpose or occasion; fitting, appropriate
area of study	a division of, or a section within a unit
argue	give reasons for or against something; challenge or debate an issue or idea; persuade, prove or try to prove by giving reasons
aspect	a particular part of a feature of something; a facet, phase or part of a whole
assess	measure, determine, evaluate, estimate or make a judgment about the value, quality, outcomes, results, size, significance, nature or extent of something
assessment	purposeful and systematic collection of information about students' achievements
assessment instrument	a tool or device used to gather information about student achievement
assessment objectives	drawn from the unit objectives and contextualised for the requirements of the assessment instrument (see also 'syllabus objectives', 'unit objectives')
assessment technique	the method used to gather evidence about student achievement, (e.g. examination, project, investigation)
astute	showing an ability to accurately assess situations or people; of keen discernment
ATAR	Australian Tertiary Admission Rank
authoritative	able to be trusted as being accurate or true; reliable; commanding and self-confident; likely to be respected and obeyed
B	
backward processing	synthesising financial information to identify conceptual, clerical and consequential errors in calculations and processing
balanced	keeping or showing a balance; not biased; fairly judged or presented; taking everything into account in a fair, well-judged way
basic	fundamental
C	
calculate	determine or find (e.g. a number, answer) by using mathematical processes; obtain a numerical answer showing the relevant stages in the working; ascertain/determine from given facts, figures or information
categorise	place in or assign to a particular class or group; arrange or order by classes or categories; classify, sort out, sort, separate
challenging	difficult but interesting; testing one's abilities; demanding and thought-provoking; usually involving unfamiliar or less familiar elements
characteristic	a typical feature or quality

Term	Explanation
clarify	make clear or intelligible; explain; make a statement or situation less confused and more comprehensible
clarity	clearness of thought or expression; the quality of being coherent and intelligible; free from obscurity of sense; without ambiguity; explicit; easy to perceive, understand or interpret
classify	arrange, distribute or order in classes or categories according to shared qualities or characteristics
clear	free from confusion, uncertainty, or doubt; easily seen, heard or understood
clearly	in a clear manner; plainly and openly, without ambiguity
clerical errors	in accounting, errors committed in the process of calculating, recording, processing and reporting financial transactions, and that are the result of carelessness
coherent	having a natural or due agreement of parts; connected; consistent; logical, orderly; well-structured and makes sense; rational, with parts that are harmonious; having an internally consistent relation of parts
cohesive	characterised by being united, bound together or having integrated meaning; forming a united whole
comment	express an opinion, observation or reaction in speech or writing; give a judgment based on a given statement or result of a calculation
communicate	convey knowledge and/or understandings to others; make known; transmit
compare	display recognition of similarities and differences and recognise the significance of these similarities and differences
competent	having suitable or sufficient skills, knowledge, experience, etc. for some purpose; adequate but not exceptional; capable; suitable or sufficient for the purpose; having the necessary ability, knowledge or skill to do something successfully; efficient and capable (of a person); acceptable and satisfactory, though not outstanding
competently	in an efficient and capable way; in an acceptable and satisfactory, though not outstanding, way
complex	composed or consisting of many different and interconnected parts or factors; compound; composite; characterised by an involved combination of parts; complicated; intricate; a complex whole or system; a complicated assembly of particulars
comprehend	understand the meaning or nature of; grasp mentally
comprehensive	inclusive; of large content or scope; including or dealing with all or nearly all elements or aspects of something; wide-ranging; detailed and thorough, including all that is relevant
computerised accounting package	electronic accounting software used to perform accounting functions, including the recording, processing and reporting of accounts (e.g. MYOB, QuickBooks, Xero)

Term	Explanation
computerised accounting processes	the accounting processes applied when using a computerised accounting system to set up accounts, enter transactions and report accounting information
concepts	in accounting, the basic theoretical ideas devised to support the activity of accounting
conceptual accounting	accounting based on concepts to ensure the production of high quality financial reports that meet users' needs
conceptual errors	in accounting, errors that occur as a result of incorrectly applying accounting concepts, principles and processes
conceptually	the production of financial records using handwritten or spreadsheet applications that require knowledge of accounting concepts, principles and processes
concise	expressing much in few words; giving a lot of information clearly and in a few words; brief, comprehensive and to the point; succinct, clear, without repetition of information
concisely	in a way that is brief but comprehensive; expressing much in few words; clearly and succinctly
conduct	direct in action or course; manage; organise; carry out
consequential errors	in accounting, errors that follow on as an effect or outcome of a previous error
consider	think deliberately or carefully about something, typically before making a decision; take something into account when making a judgment; view attentively or scrutinise; reflect on
considerable	fairly large or great; thought about deliberately and with a purpose
considered	formed after careful and deliberate thought
consistent	agreeing or accordant; compatible; not self-opposed or self-contradictory, constantly adhering to the same principles; acting in the same way over time, especially so as to be fair or accurate; unchanging in nature, standard, or effect over time; not containing any logical contradictions (of an argument); constant in achievement or effect over a period of time
construct	create or put together (e.g. an argument) by arranging ideas or items; display information in a diagrammatic or logical form; make; build
contrast	display recognition of differences by deliberate juxtaposition of contrary elements; show how things are different or opposite; give an account of the differences between two or more items or situations, referring to both or all of them throughout
controlled	shows the exercise of restraint or direction over; held in check; restrained, managed or kept within certain bounds
convincing	persuaded by argument or proof; leaving no margin of doubt; clear; capable of causing someone to believe that something is true or real; persuading or assuring by argument or evidence; appearing worthy of belief; credible or plausible
course	a defined amount of learning developed from a subject syllabus

Term	Explanation
create	bring something into being or existence; produce or evolve from one's own thought or imagination; reorganise or put elements together into a new pattern or structure or to form a coherent or functional whole
creative	resulting from originality of thought or expression; relating to or involving the use of the imagination or original ideas to create something; having good imagination or original ideas
credible	capable or worthy of being believed; believable; convincing
criterion	the property or characteristic by which something is judged or appraised
critical	involving skilful judgment as to truth, merit, etc.; involving the objective analysis and evaluation of an issue in order to form a judgment; expressing or involving an analysis of the merits and faults of a work of literature, music, or art; incorporating a detailed and scholarly analysis and commentary (of a text); rationally appraising for logical consistency and merit
critique	review (e.g. a theory, practice, performance) in a detailed, analytical and critical way
cursory	hasty, and therefore not thorough or detailed; performed with little attention to detail; going rapidly over something, without noticing details; hasty; superficial
D	
decide	reach a resolution as a result of consideration; make a choice from a number of alternatives
deduce	reach a conclusion that is necessarily true, provided a given set of assumptions is true; arrive at, reach or draw a logical conclusion from reasoning and the information given
defensible	justifiable by argument; capable of being defended in argument
define	give the meaning of a word, phrase, concept or physical quantity; state meaning and identify or describe qualities
demonstrate	prove or make clear by argument, reasoning or evidence, illustrating with practical example; show by example; give a practical exhibition
derive	arrive at by reasoning; manipulate a mathematical relationship to give a new equation or relationship; in mathematics, obtain the derivative of a function
describe	give an account (written or spoken) of a situation, event, pattern or process, or of the characteristics or features of something
design	produce a plan, simulation, model or similar; plan, form or conceive in the mind; in English, select, organise and use particular elements in the process of text construction for particular purposes; these elements may be linguistic (words), visual (images), audio (sounds), gestural (body language), spatial (arrangement on the page or screen) and multimodal (a combination of more than one)

Term	Explanation
detailed	executed with great attention to the fine points; meticulous; including many of the parts or facts
determine	establish, conclude or ascertain after consideration, observation, investigation or calculation; decide or come to a resolution
develop	elaborate, expand or enlarge in detail; add detail and fullness to; cause to become more complex or intricate
devise	think out; plan; contrive; invent
differentiate	identify the difference/s in or between two or more things; distinguish, discriminate; recognise or ascertain what makes something distinct from similar things; in mathematics, obtain the derivative of a function
discerning	discriminating; showing intellectual perception; showing good judgment; making thoughtful and astute choices; selected for value or relevance
discriminate	note, observe or recognise a difference; make or constitute a distinction in or between; differentiate; note or distinguish as different
discriminating	differentiating; distinctive; perceiving differences or distinctions with nicety; possessing discrimination; perceptive and judicious; making judgments about quality; having or showing refined taste or good judgment
discuss	examine by argument; sift the considerations for and against; debate; talk or write about a topic, including a range of arguments, factors or hypotheses; consider, taking into account different issues and ideas, points for and/or against, and supporting opinions or conclusions with evidence
disjointed	disconnected; incoherent; lacking a coherent order/sequence or connection
distinguish	recognise as distinct or different; note points of difference between; discriminate; discern; make clear a difference/s between two or more concepts or items
diverse	of various kinds or forms; different from each other
document	support (e.g. an assertion, claim, statement) with evidence (e.g. decisive information, written references, citations)
draw conclusions	make a judgment based on reasoning and evidence

Term	Explanation
E	
effective	successful in producing the intended, desired or expected result; meeting the assigned purpose
efficient	working in a well-organised and competent way; maximum productivity with minimal expenditure of effort; acting or producing effectively with a minimum of waste, expense or unnecessary effort
element	a component or constituent part of a complex whole; a fundamental, essential or irreducible part of a composite entity
elementary	simple or uncompounded; relating to or dealing with elements, rudiments or first principles (of a subject); of the most basic kind; straightforward and uncomplicated
erroneous	based on or containing error; mistaken; incorrect
essential	absolutely necessary; indispensable; of critical importance for achieving something
evaluate	make an appraisal by weighing up or assessing strengths, implications and limitations; make judgments about ideas, works, solutions or methods in relation to selected criteria; examine and determine the merit, value or significance of something, based on criteria
examination	a supervised test that assesses the application of a range of cognitions to one or more provided items such as questions, scenarios and/or problems; student responses are completed individually, under supervised conditions, and in a set timeframe
examine	investigate, inspect or scrutinise; inquire or search into; consider or discuss an argument or concept in a way that uncovers the assumptions and interrelationships of the issue
experiment	try out or test new ideas or methods, especially in order to discover or prove something; undertake or perform a scientific procedure to test a hypothesis, make a discovery or demonstrate a known fact
explain	make an idea or situation plain or clear by describing it in more detail or revealing relevant facts; give an account; provide additional information
explicit	clearly and distinctly expressing all that is meant; unequivocal; clearly developed or formulated; leaving nothing merely implied or suggested
explore	look into both closely and broadly; scrutinise; inquire into or discuss something in detail
express	convey, show or communicate (e.g. a thought, opinion, feeling, emotion, idea or viewpoint); in words, art, music or movement, convey or suggest a representation of; depict

Term	Explanation
extended response	an open-ended assessment technique that focuses on the interpretation, analysis, examination and/or evaluation of ideas and information in response to a particular situation or stimulus; while students may undertake some research when writing of the extended response, it is not the focus of this technique; an extended response occurs over an extended and defined period of time
Extension subject	a two-unit subject (Units 3 and 4) for which a syllabus has been developed by QCAA, that is an extension of one or more General subject/s, studied concurrently with, Units 3 and 4 of that subject or after completion of, Units 3 and 4 of that subject
extensive	of great extent; wide; broad; far-reaching; comprehensive; lengthy; detailed; large in amount or scale
external assessment	summative assessment that occurs towards the end of a course of study and is common to all schools; developed and marked by the QCAA according to a commonly applied marking scheme
external examination	a supervised test, developed and marked by the QCAA, that assesses the application of a range of cognitions to multiple provided items such as questions, scenarios and/or problems; student responses are completed individually, under supervised conditions, and in a set timeframe
extrapolate	infer or estimate by extending or projecting known information; conjecture; infer from what is known; extend the application of something (e.g. a method or conclusion) to an unknown situation by assuming that existing trends will continue or similar methods will be applicable
F	
factual	relating to or based on facts; concerned with what is actually the case; actually occurring; having verified existence
familiar	well-acquainted; thoroughly conversant with; well known from long or close association; often encountered or experienced; common; (of materials, texts, skills or circumstances) having been the focus of learning experiences or previously encountered in prior learning activities
feasible	capable of being achieved, accomplished or put into effect; reasonable enough to be believed or accepted; probable; likely
financial data	pieces or sets of information related to the financial aspects of a business
financial reporting	the financial results of a business used for internal or external purposes
financial statements	summary reports used to provide specific information about a business, including the statement of profit or loss, statement of financial position and statement of cash flows
fluent	spoken or written with ease; able to speak or write smoothly, easily or readily; articulate; eloquent; in artistic performance, characteristic of a highly developed and excellently controlled technique; flowing; polished; flowing smoothly, easily and effortlessly

Term	Explanation
fluently	in a graceful and seemingly effortless manner; in a way that progresses smoothly and readily
formative assessment	assessment whose major purpose is to improve teaching and student achievement
forward processing	applying accounting concepts, principles and processes to data to generate a solution
fragmented	disorganised; broken down; disjointed or isolated
frequent	happening or occurring often at short intervals; constant, habitual, or regular
fundamental	forming a necessary base or core; of central importance; affecting or relating to the essential nature of something; part of a foundation or basis
G	
General subject	a subject for which a syllabus has been developed by the QCAA with the following characteristics: results from courses developed from General syllabuses contribute to the QCE; General subjects have an external assessment component; results may contribute to ATAR calculations
generate	produce; create; bring into existence
GST	goods and services tax
H	
hypothesise	formulate a supposition to account for known facts or observed occurrences; conjecture, theorise, speculate; especially on uncertain or tentative grounds
I	
identify	distinguish; locate, recognise and name; establish or indicate who or what someone or something is; provide an answer from a number of possibilities; recognise and state a distinguishing factor or feature
illogical	lacking sense or sound reasoning; contrary to or disregarding of the rules of logic; unreasonable
implement	put something into effect, e.g. a plan or proposal
implicit	implied, rather than expressly stated; not plainly expressed; capable of being inferred from something else
improbable	not probable; unlikely to be true or to happen; not easy to believe
inaccurate	not accurate
inappropriate	not suitable or proper in the circumstances
inconsistent	lacking agreement, as one thing with another, or two or more things in relation to each other; at variance; not consistent; not in keeping; not in accordance; incompatible, incongruous
independent	thinking or acting for oneself, not influenced by others

Term	Explanation
in-depth	comprehensive and with thorough coverage; extensive or profound; well-balanced or fully developed
infer	derive or conclude something from evidence and reasoning, rather than from explicit statements; listen or read beyond what has been literally expressed; imply or hint at
information	in accounting, processed data and monetary facts about a person or organisation and their/its financial activities
informed	knowledgeable; learned; having relevant knowledge; being conversant with the topic; based on an understanding of the facts of the situation (of a decision or judgment)
innovative	new and original; introducing new ideas; original and creative in thinking
insightful	showing understanding of a situation or process; understanding relationships in complex situations; informed by observation and deduction
instrument-specific marking guide	ISMG; a tool for marking that describes the characteristics evident in student responses and aligns with the identified objectives for the assessment (see 'assessment objectives')
integral	<i>adjective</i> necessary for the completeness of the whole; essential or fundamental; <i>noun</i> in mathematics, the result of integration; an expression from which a given function, equation, or system of equations is derived by differentiation
intended	designed; meant; done on purpose; intentional
internal assessment	assessments that are developed by schools; summative internal assessments are endorsed by the QCAA before use in schools and results externally confirmed contribute towards a student's final result
interpret	use knowledge and understanding to recognise trends and draw conclusions from given information; make clear or explicit; elucidate or understand in a particular way; bring out the meaning of, e.g. a dramatic or musical work, by performance or execution; bring out the meaning of an artwork by artistic representation or performance; give one's own interpretation of; identify or draw meaning from, or give meaning to, information presented in various forms, such as words, symbols, pictures or graphs
investigation	an assessment technique that requires students to research a specific problem, question, issue, design challenge or hypothesis through the collection, analysis and synthesis of primary and/or secondary data; it uses research or investigative practices to assess a range of cognitions in a particular context; an investigation occurs over an extended and defined period of time

Term	Explanation
investigate	carry out an examination or formal inquiry in order to establish or obtain facts and reach new conclusions; search, inquire into, interpret and draw conclusions about data and information
irrelevant	not relevant; not applicable or pertinent; not connected with or relevant to something
ISMG	instrument-specific marking guide; a tool for marking that describes the characteristics evident in student responses and aligns with the identified objectives for the assessment (see 'assessment objectives')
isolated	detached, separate, or unconnected with other things; one-off; something set apart or characterised as different in some way
J	
judge	form an opinion or conclusion about; apply both procedural and deliberative operations to make a determination
justified	sound reasons or evidence are provided to support an argument, statement or conclusion
justify	give reasons or evidence to support an answer, response or conclusion; show or prove how an argument, statement or conclusion is right or reasonable
L	
learning area	a grouping of subjects, with related characteristics, within a broad field of learning, e.g. the Arts, sciences, languages
letter of advice	a communication from an accountant or business consultant, providing advice to a client relating to a specific accounting context or situation; the letter of advice requires a salutation, body and complimentary close; it is appropriate for the body of the letter to include a subject heading, paragraph headings, paragraphs (including numbered or bulleted lists); factual data and information may also be included in the body of the letter or as inserted objects, e.g. graphs or tables to support the analysis and interpretation; the formality of the letter will depend on the client's expertise or familiarity with accounting concepts, principles and processes; a letter of advice written to a client without professional or extensive accounting experience is written using common terms rather than extensive accounting terminology.
logical	rational and valid; internally consistent; reasonable; reasoning in accordance with the principles/rules of logic or formal argument; characterised by or capable of clear, sound reasoning; (of an action, decision, etc.) expected or sensible under the circumstances
logically	according to the rules of logic or formal argument; in a way that shows clear, sound reasoning; in a way that is expected or sensible

Term	Explanation
M	
make decisions	select from available options; weigh up positives and negatives of each option and consider all the alternatives to arrive at a position
manipulate	adapt or change to suit one's purpose
mental procedures	a domain of knowledge in Marzano's taxonomy, and acted upon by the cognitive, metacognitive and self-systems; sometimes referred to as 'procedural knowledge' there are three distinct phases to the acquisition of mental procedures — the cognitive stage, the associative stage, and the autonomous stage; the two categories of mental procedures are skills (single rules, algorithms and tactics) and processes (macroprocedures)
methodical	performed, disposed or acting in a systematic way; orderly; characterised by method or order; performed or carried out systematically
minimal	least possible; small, the least amount; negligible
modify	change the form or qualities of; make partial or minor changes to something
multimodal	uses a combination of at least two modes (e.g. spoken, written), delivered at the same time, to communicate ideas and information to a live or virtual audience, for a particular purpose; the selected modes are integrated so that each mode contributes significantly to the response
N	
narrow	limited in range or scope; lacking breadth of view; limited in amount; barely sufficient or adequate; restricted
nuanced	showing a subtle difference or distinction in expression, meaning, response, etc.; finely differentiated; characterised by subtle shades of meaning or expression; a subtle distinction, variation or quality; sensibility to, awareness of, or ability to express delicate shadings, as of meaning, feeling, or value
O	
objectives	see 'syllabus objectives', 'unit objectives', 'assessment objectives'
obvious	clearly perceptible or evident; easily seen, recognised or understood
optimal	best, most favourable, under a particular set of circumstances
organise	arrange, order; form as or into a whole consisting of interdependent or coordinated parts, especially for harmonious or united action
organised	systematically ordered and arranged; having a formal organisational structure to arrange, coordinate and carry out activities

Term	Explanation
outstanding	exceptionally good; clearly noticeable; prominent; conspicuous; striking
P	
partial	not total or general; existing only in part; attempted, but incomplete
particular	distinguished or different from others or from the ordinary; noteworthy
pattern	a regular and notable form or sequence discernible in the behaviour of a variable
perceptive	having or showing insight and the ability to perceive or understand; discerning (see also 'discriminating')
performance	an assessment technique that requires students to demonstrate a range of cognitive, technical, creative and/or expressive skills and to apply theoretical and conceptual understandings, through the psychomotor domain; it involves student application of identified skills when responding to a task that involves solving a problem, providing a solution or conveying meaning or intent; a performance is developed over an extended and defined period of time
persuasive	capable of changing someone's ideas, opinions or beliefs; appearing worthy of approval or acceptance; (of an argument or statement) communicating reasonably or credibly (see also 'convincing')
perusal time	time allocated in an assessment to reading items and tasks and associated assessment materials; no writing is allowed; students may not make notes and may not commence responding to the assessment in the response space/book
planning time	time allocated in an assessment to planning how to respond to items and tasks and associated assessment materials; students may make notes but may not commence responding to the assessment in the response space/book; notes made during planning are not collected, nor are they graded or used as evidence of achievement
polished	flawless or excellent; performed with skilful ease
practices	in accounting, the daily implementation of accounting principles and processes within an organisation
precise	definite or exact; definitely or strictly stated, defined or fixed; characterised by definite or exact expression or execution
precision	accuracy; exactness; exact observance of forms in conduct or actions
predict	give an expected result of an upcoming action or event; suggest what may happen based on available information
principles	in accounting, the rules, standards and conventions followed by accountants in measuring, recording and reporting transactions
processes	sequences of activities that begin with a transaction and end with the closing of the books; these processes are repeated each reporting period and are referred to as the accounting cycle

Term	Explanation
product	an assessment technique that focusses on the output or result of a process requiring the application of a range of cognitive, physical, technical, creative and/or expressive skills, and theoretical and conceptual understandings; a product is developed over an extended and defined period of time
proficient	well advanced or expert in any art, science or subject; competent, skilled or adept in doing or using something
project	an assessment technique that focusses on a problem-solving process requiring the application of a range of cognitive, technical and creative skills and theoretical understandings; the response is a coherent work that documents the iterative process undertaken to develop a solution and includes written paragraphs and annotations, diagrams, sketches, drawings, photographs, video, spoken presentations, physical prototypes and/or models; a project is developed over an extended and defined period of time
propose	put forward (e.g. a point of view, idea, argument, suggestion) for consideration or action
prove	use a sequence of steps to obtain the required result in a formal way
psychomotor procedures	a domain of knowledge in Marzano's taxonomy, and acted upon by the cognitive, metacognitive and self-systems; these are physical procedures used to negotiate daily life and to engage in complex physical activities; the two categories of psychomotor procedures are skills (foundational procedures and simple combination procedures) and processes (complex combination procedures)
purposeful	having an intended or desired result; having a useful purpose; determined; resolute; full of meaning; significant; intentional
Q	
QCE	Queensland Certificate of Education
R	
realise	create or make (e.g. a musical, artistic or dramatic work); actualise; make real or concrete; give reality or substance to
reasonable	endowed with reason; having sound judgment; fair and sensible; based on good sense; average; appropriate, moderate
reasoned	logical and sound; based on logic or good sense; logically thought out and presented with justification; guided by reason; well-grounded; considered
recall	remember; present remembered ideas, facts or experiences; bring something back into thought, attention or into one's mind
recognise	identify or recall particular features of information from knowledge; identify that an item, characteristic or quality exists; perceive as existing or true; be aware of or acknowledge
refined	developed or improved so as to be precise, exact or subtle
reflect on	think about deeply and carefully

Term	Explanation
rehearsed	practised; previously experienced; practised extensively
related	associated with or linked to
relationship	a connection or correlation between variables that has an element of causation or dependence
relevance	being related to the matter at hand
relevant	bearing upon or connected with the matter in hand; to the purpose; applicable and pertinent; having a direct bearing on
repetitive	containing or characterised by repetition, especially when unnecessary or tiresome
reporting	providing information that succinctly describes student performance at different junctures throughout a course of study
resolve	in the Arts, consolidate and communicate intent through a synthesis of ideas and application of media to express meaning
routine	often encountered, previously experienced; commonplace; customary and regular; well-practised; performed as part of a regular procedure, rather than for a special reason
rudimentary	relating to rudiments or first principles; elementary; undeveloped; involving or limited to basic principles; relating to an immature, undeveloped or basic form
S	
safe	secure; not risky
secure	sure; certain; able to be counted on; self-confident; poised; dependable; confident; assured; not liable to fail
select	choose in preference to another or others; pick out
sensitive	capable of perceiving with a sense or senses; aware of the attitudes, feelings or circumstances of others; having acute mental or emotional sensibility; relating to or connected with the senses or sensation
sequence	place in a continuous or connected series; arrange in a particular order
show	provide the relevant reasoning to support a response
significant	important; of consequence; expressing a meaning; indicative; includes all that is important; sufficiently great or important to be worthy of attention; noteworthy; having a particular meaning; indicative of something
simple	easy to understand, deal with and use; not complex or complicated; plain; not elaborate or artificial; may concern a single or basic aspect; involving few elements, components or steps
simplistic	characterised by extreme simplification, especially if misleading; oversimplified

Term	Explanation
sketch	execute a drawing or painting in simple form, giving essential features but not necessarily with detail or accuracy; in mathematics, represent by means of a diagram or graph; the sketch should give a general idea of the required shape or relationship and should include features
skilful	having technical facility or practical ability; possessing, showing, involving or requiring skill; expert, dexterous; demonstrating the knowledge, ability or training to perform a certain activity or task well; trained, practised or experienced
skilled	having or showing the knowledge, ability or training to perform a certain activity or task well; having skill; trained or experienced; showing, involving or requiring skill
solve	find an answer to, explanation for, or means of dealing with (e.g. a problem); work out the answer or solution to (e.g. a mathematical problem); obtain the answer/s using algebraic, numerical and/or graphical methods
sophisticated	of intellectual complexity; reflecting a high degree of skill, intelligence, etc.; employing advanced or refined methods or concepts; highly developed or complicated
specific	clearly defined or identified; precise and clear in making statements or issuing instructions; having a special application or reference; explicit, or definite; peculiar or proper to something, as qualities, characteristics, effects, etc.
sporadic	happening now and again or at intervals; irregular or occasional; appearing in scattered or isolated instances
spreadsheet (software)	an application or computer program used to generate electronic documents in which data is arranged in the rows and columns of a grid, and can be manipulated and used in calculations
spreadsheet features	the facilities available when using spreadsheet software to manipulate data in rows and columns, including entering, editing and formatting data, rearranging data, filtering data, and copy and pasting data
spreadsheet functions	the preprogramed applications available when using spreadsheet software to process data, e.g. graphing, applying pre-set formulae and performing what-if analysis
straightforward	without difficulty; uncomplicated; direct; easy to do or understand
structure	<i>verb</i> give a pattern, organisation or arrangement to; construct or arrange according to a plan; <i>noun</i> in languages, arrangement of words into larger units, e.g. phrases, clauses, sentences, paragraphs and whole texts, in line with cultural, intercultural and textual conventions
structured	organised or arranged so as to produce a desired result

Term	Explanation
subject	a branch or area of knowledge or learning defined by a syllabus; school subjects are usually based in a discipline or field of study (see also 'course')
subject matter	the subject-specific body of information, mental procedures and psychomotor procedures that are necessary for students' learning and engagement within that subject
substantial	of ample or considerable amount, quantity, size, etc.; of real worth or value; firmly or solidly established; of real significance; reliable; important, worthwhile
substantiated	established by proof or competent evidence
subtle	fine or delicate in meaning or intent; making use of indirect methods; not straightforward or obvious
successful	achieving or having achieved success; accomplishing a desired aim or result
succinct	expressed in few words; concise; terse; characterised by conciseness or brevity; brief and clear
sufficient	enough or adequate for the purpose
suitable	appropriate; fitting; conforming or agreeing in nature, condition, or action
summarise	give a brief statement of a general theme or major point/s; present ideas and information in fewer words and in sequence
summative assessment	assessment whose major purpose is to indicate student achievement; summative assessments contribute towards a student's subject result
superficial	concerned with or comprehending only what is on the surface or obvious; shallow; not profound, thorough, deep or complete; existing or occurring at or on the surface; cursory; lacking depth of character or understanding; apparent and sometimes trivial
supported	corroborated; given greater credibility by providing evidence
sustained	carried on continuously, without interruption, or without any diminishing of intensity or extent
syllabus	a document that prescribes the curriculum for a course of study
syllabus objectives	outline what the school is required to teach and what students have the opportunity to learn; described in terms of actions that operate on the subject matter; the overarching objectives for a course of study (see also 'unit objectives', 'assessment objectives')
symbolise	represent or identify by a symbol or symbols
synthesise	combine different parts or elements (e.g. information, ideas, components) into a whole, in order to create new understanding

Term	Explanation
systematic	done or acting according to a fixed plan or system; methodical; organised and logical; having, showing, or involving a system, method, or plan; characterised by system or method; methodical; arranged in, or comprising an ordered system
T	
test	take measures to check the quality, performance or reliability of something
thorough	carried out through, or applied to the whole of something; carried out completely and carefully; including all that is required; complete with attention to every detail; not superficial or partial; performed or written with care and completeness; taking pains to do something carefully and completely
thoughtful	occupied with, or given to thought; contemplative; meditative; reflective; characterised by or manifesting thought
topic	a division of, or sub-section within a unit; all topics/sub-topics within a unit are interrelated
trend	a general direction and momentum of behaviour of a variable in a time series
U	
unclear	not clear or distinct; not easy to understand; obscure
understand	perceive what is meant by something; grasp; be familiar with (e.g. an idea); construct meaning from messages, including oral, written and graphic communication
uneven	unequal; not properly corresponding or agreeing; irregular; varying; not uniform; not equally balanced
unfamiliar	not previously encountered; situations or materials that have not been the focus of prior learning experiences or activities
unit	a defined amount of subject matter delivered in a specific context or with a particular focus; it includes unit objectives particular to the unit, subject matter and assessment direction
unit objectives	drawn from the syllabus objectives and contextualised for the subject matter and requirements of a particular unit; they are assessed at least once in the unit (see also 'syllabus objectives', 'assessment objectives')
unrelated	having no relationship; unconnected
use	operate or put into effect; apply knowledge or rules to put theory into practice

Term	Explanation
V	
vague	not definite in statement or meaning; not explicit or precise; not definitely fixed, determined or known; of uncertain, indefinite or unclear character or meaning; not clear in thought or understanding; couched in general or indefinite terms; not definitely or precisely expressed; deficient in details or particulars; thinking or communicating in an unfocused or imprecise way
valid	sound, just or well-founded; authoritative; having a sound basis in logic or fact (of an argument or point); reasonable or cogent; able to be supported; legitimate and defensible; applicable
variable	<i>adjective</i> apt or liable to vary or change; changeable; inconsistent; (readily) susceptible or capable of variation; fluctuating, uncertain; <i>noun</i> in mathematics, a symbol, or the quantity it signifies, that may represent any one of a given set of number and other objects
variety	a number or range of things of different kinds, or the same general class, that are distinct in character or quality; (of sources) a number of different modes or references
W	
wide	of great range or scope; embracing a great number or variety of subjects, cases, etc.; of full extent
with expression	in words, art, music or movement, conveying or indicating feeling, spirit, character, etc.; a way of expressing or representing something; vivid, effective or persuasive communication

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8 Version history

Version	Date of change	Update
1.1	June 2017	Minor amendments to ISMGs

ISBN:978-1-921802-87-4

Accounting General Senior Syllabus 2019

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