

GENERAL COMMENT

1. Some candidates still struggled to complete the paper within the stipulated three hours.
2. Too many candidates still did not show workings and calculations in brackets and, therefore, did not obtain part marks.
3. In general, candidates struggled with analysis and interpretation in all the questions.

QUESTION 1: CASH BUDGETS

This question was, generally speaking, well answered. However, candidates omitted the additional entries for receipts and payments, e.g. loan, shares, dividends and tax. Calculations of interest were problematic.

QUESTION 2: BANK RECONCILIATION

Questions 2.4 and 2.5 were poorly answered. Candidates had no idea about how to reflect an issued post-dated cheque in the financial statements. The reason for preparing a bank reconciliation statement was also problematic.

QUESTION 3: CLOSE CORPORATIONS**Members contribution**

This account was poorly attempted and candidates entered many foreign items. Many candidates did not balance the account.

Notes on retained income

Poorly attempted. Many candidates confused distribution to members, members' contribution and distribution payable to members.

QUESTION 4: COMPANIES**Balance Sheet**

Some candidates struggled with the layout. Many candidates did not show working in brackets and lost many marks.

Financing and investing activities

This was poorly answered. Very few candidates could calculate the figure for Fixed Assets Purchased. There was confusion over Investing Activities and Financial Activities.

Interpretations

Candidates did not always state whether an indicator increased or decreased, and by what percentage.

QUESTION 5: PERIODIC STOCK SYSTEM

Educators should pay more attention to the format of the trading account of the periodic inventory system. The interpretative questions on percentage mark-up and how plastic bags would be reflected in the financial statements presented some difficulty.

QUESTION 6: PARTNERSHIPS**Ledger accounts**

The calculation of salaries (Jen) was poorly done. Drawings was incorrectly included in the Appropriation Account. The Current Account: Jen was completed with many errors, i.e. contra-accounts. The closing balance was mistaken for the opening balance.

Candidates were able to calculate the ratios, but were not always sure about how to interpret them.

QUESTION 7: CLUBS

The Membership Fees Account was generally well done. Many candidates were penalised for missing or incorrect dates.

The interpretation part of the question was, on the whole, poorly done. Candidates gave emotional rather than accounting solutions.