AGA KHAN UNIVERSITY EXAMINATION BOARD

Notes from E-Marking Centre HSSC-I Principles of Accounting Annual Examinations 2023

Introduction

This document has been prepared for the teachers and candidates of Higher Secondary School Certificate (HSSC) Part I (Class XI) Principles of Accounting. It contains comments on candidates' responses to the 2023 HSSC-I Examination indicating the quality of the responses and highlighting their relative strengths and weaknesses.

E-Marking Notes

This includes overall comments on candidates' performance on every question and *some* specific examples of candidates' responses which support the mentioned comments. Please note that the descriptive comments represent an overall perception of the better and weaker responses as gathered from the e-marking session. However, the candidates' responses shared in this document represent some specific example(s) of the mentioned comments.

Teachers and candidates should be aware that examiners may ask questions that address the Student Learning Outcomes (SLOs) in a manner that requires candidates to respond by integrating knowledge, understanding and application skills they have developed during the course of study. Candidates are advised to read and comprehend each question carefully before writing the response to fulfil the demand of the question.

Candidates need to be aware that the marks allocated to the questions are related to the answer space provided on the examination paper as a guide to the length of the required response. A longer response will not in itself lead to higher marks. Candidates need to be familiar with the command words in the SLOs which contain terms commonly used in examination questions. However, candidates should also be aware that not all questions will start with or contain one of the command words. Words such as 'how', 'why' or 'what' may also be used.

General Observations

Overall, the students made a commendable effort in their paper, scoring good scores in almost all questions. However, it is observed that across Paper II, students exhibited stronger performance in questions involving calculations and computations compared to theoretical inquiries. It is imperative to emphasise that while competence in computation is being cultivated, due attention must also be paid to theoretical comprehension.

A prevalent trend among students who achieved lower scores was their struggle in grasping the stimulus of question prompts, frequently leading to misinterpretations of command word, and provided information. In accounting, it is important to correctly turn the financial information into the right accounting details. This skill is very important and needs to be learned well and focused while teaching and learning.

Note: Candidates' responses reproduced in this report have not been corrected for grammar, spelling, format, or factual information.

DETAILED COMMENTS
Constructed Response Questions (CRQs)

Question No. 1	
Question Text	a. Describe TWO objectives of bookkeeping. b. Identify any ONE accounting system which follows book keeping.
SLO No.	1.1.6
SLO Text	Explain objectives of bookkeeping.
Max Marks	3
Cognitive Level	U*
Checking Hints	Give ONE mark for each objective (TWO required). Give ONE mark for the identification of any ONE accounting system.
Overall Performance	In this question, the candidates' performance did not meet the expected standards. For part 'a' of the question, which entailed explaining an objective for keeping accounting records, majority of the responses demonstrated a deficiency in fundamental theoretical understanding of accounting principles. Moving on to part 'b', where candidates were tasked with recognising the dual-entry system and single-entry system as the fundamental frameworks of accounting, a significant portion encountered challenges in accomplishing this task proficiently.
Description of Better Responses	The better responses reflect a strong understanding of part 'a', correctly identifying key accounting objectives, including profit calculation, recording, classifying, and summarising records. More so, in part 'b', they correctly recognised the double-entry, single-entry, and dual aspect systems as accounting systems.
Image of Better Response	
Description of Weaker Responses	In this question, candidates struggled to accurately describe the objectives of bookkeeping. In part 'a', many responses deviated by mentioning irrelevant aspects such as recognising receivables and payables, stages of accounting, or skills required to maintain accounting. The focus should have been on objectives like recording, classifying and summarising financial transactions. In part 'b', candidates mentioned accounting books instead of systems like double-entry and single-entry.
Image of Weaker Response	

Suggestions for Improvement (Highlighted part)

How to Approach SLO	Pedagogy** Used for that SLO	Assessment Strategies
• Understand the expectations of the command words • Look at the cognitive level • Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analyzing or evaluating) • Go through the past paper questions on that particular concept • Refer to the resource guide for extra resources	• Story Board • Cause and Effect • Fish and Bone • Concept mapping • Audio Visual resources • Think, pair and share • Knowledge Platform videos • Questioning Technique (Socratic approach) • Practical Demonstration ** For description of each pedagogy, refer to Annexure A	• Knowledge Platform real time assessment • Past paper questions • Discussion on E-Marking Notes

Any Additional Suggestion

Teachers should blend theories with real-life examples in their lectures. Many students confuse objectives and functions, so it's advised to clarify these and discuss different accounting branches. Use case studies from real life business scenario to identify accounting branches. This helps students remember theory better.

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Question No. 2

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Question Text	Complete the given table by using the rules of debit and credit on the following account heads along with their normal account balances. (Attempt any THREE)

Note: The first one has been done for your assistance.

Account head	Debit	Credit	Normal Account balance
Assets	**Increase**	**Decrease**	**Debit balance**
Liabilities			
Revenue			
Expenses			
Capital			

SLO No.	1.3.3
SLO Text	Apply the rules of debit and credit on different business transactions.
Max Marks	3
Cognitive Level	U
Checking Hints	Give ONE mark for completing each row (THREE required)
Overall Performance	The performance of the entire cohort in this question was better with the majority of candidates securing full marks. They demonstrated a strong command of the rules of debit and credit and a clear understanding of the normal balance of accounts. Their solid grasp of these fundamental accounting principles is evident in their accurate responses.
Description of Better Responses	The overall performance in this question was notable, with better responses accurately indicating the side for increase, decrease, and normal balance for each accounting head. However, some candidates attempted all accounting heads instead of the specified three, leading to unnecessary effort. Students should be encouraged to spent time in a structured manner to what has been asked and to what extent.

Image of Better Response				
	Account head	**Debit**	**Credit**	**Normal Account balance**
	Assets	Increase	Decrease	Debit balance
	Liabilities	Decrease	Increase	credit balance
	Revenue	Decrease	Increase	credit balance
	Expenses	Increase	Decrease	Debit balance
	Capital	Decrease	Increase	Credit balance

Description of Weaker Responses	The weaker responses exhibited confusion regarding the normal balances of accounting heads and mostly have written incorrect. Another common mistake found in few of the weaker responses that despite the directions for increase and decrease with an example was given candidates write debit and credit in these columns or used arrows only.

Image of Weaker Response				
	Account head	**Debit**	**Credit**	**Normal Account balance**
	Assets	Increase	Decrease	Debit balance
	Liabilities	Increase	Decrease	credit Balance
	Revenue	Decrease	Increase	Debit Balance
	Expenses	Increase	Decrease	Credit Balance
	Capital	Increase	Increase	Debit Balance

Suggestions for Improvement (Highlighted part)

How to Approach SLO	Pedagogy Used for that SLO	Assessment Strategies
• Understand the expectations of the command words • Look at the cognitive level • Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analyzing or	• Story Board • Cause and Effect • Fish and Bone • Concept mapping • Audio Visual resources • Think, pair and share • Knowledge Platform videos • Questioning Technique (Socratic approach)	• Knowledge Platform real time assessment • Past paper questions • Discussion on E-Marking Notes

	• Practical Demonstration	
evaluating) • <mark>Go through the past paper questions on that particular concept</mark> • Refer to the resource guide for extra resources		

Any Additional Suggestion
Similar type of question should be tested in the classroom assessment to improve the understanding of normal balances of accounting account heads.

Question No. 3	
Question Text	Al-Aman Traders established a petty cash fund by issuing a cheque of Rs 12,000 to the petty cashier on January 01, 2022. The following is the summary of expenses for the month: {table} If Al-Aman Traders follows the imprest system of petty cash, then prepare the general journal entries for the following: • Establishment of petty cash fund • Recording of general journal entries for the petty cash • Replenishment (re-establishment) of the petty cash fund.
SLO No.	2.2.10
SLO Text	Record the entries for establishment, replenishment and recording of expenses.
Max Marks	6
Cognitive Level	A
Checking Hints	Give ONE mark for DEBIT and ONE mark for CREDIT of each transaction. (THREE entries required)
Overall Performance	Most of the candidates demonstrated excellent performance, securing full marks in this question. However, a small number of responses revealed difficulties in drawing general entries. Some candidates lacked knowledge about the imprest system, resulting in missed opportunities for full marks. Despite these instances, the overall response exhibited a good understanding of the content.
Description of Better Responses	The better responses demonstrated a higher level of understanding among candidates regarding general journal entries for establishment, petty payments, and replenishment of petty cash fund. These responses notably placed the correct amount of reimbursement in the final entry, showcasing a good grasp of various petty cash systems. The performance indicates that candidates had a solid foundation in handling petty cash transactions. To further excel, candidates can continue practicing and exploring more complex scenarios related to petty cash management..

The table within the Question Text:

Detail of Expense	Amount (Rs)
Conveyance charges paid for the month	1,450
Stationery items purchased	1,375
Postage and telegram	1,250
Travelling expenditure intercity	2,540
Food and beverages bills for guest	1,560
Sundries	1,550

S. No.	Particulars	P.R.	Debit	Credit
1)	Petty Cash fund		12000	
	Bank			12000
	(To record establishment of petty cash fund)			
2)	Conveyance charges		1450	
	Stationary expense		1375	
	Postage & telegram expense		1250	
	Travelling expense		2540	
	foods & beverages		1560	
	Sundries expense		1550	
	Petty cash fund			9725
	(To record various expenses from petty cashfund)			
3)	Petty cash fund		9725	
	Bank			9725
	(To Record replenishment of petty cash fun)			

Image of Better Response (table above)

Description of Weaker Responses	The weaker responses in the cohort exhibited some challenges in accurately sequencing the entries related to the petty cashbook. Specifically, they often overlooked the correct order of entries and only focused on the double entry for petty payments. Confusion regarding the reimbursement amount was also evident in some responses. Moreover, a few candidates made reverse entries, resulting in zero marks.

Image of Weaker Response

S. No.	Particulars	P.R.	Debit	Credit
1)	Conveyance charges		1450	
	Cash			1450
2)	Stationary expense		1375	
	Cash			1375
3)	Postage and Telegram expense		1250	
	Cash			1250
4)	Travelling expense		2540	
	Cash			2540
5)	Beverages & expense		1560	
	Cash			1560
6)	Sundries expenses		1550	
	Cash			1550.

Suggestions for Improvement (Highlighted part)

How to Approach SLO	Pedagogy Used for that SLO	Assessment Strategies
• Understand the expectations of the command words • Look at the cognitive level • Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) • Go through the past paper questions on that particular concept • Refer to the resource guide for extra resources	• Story Board • Cause and Effect • Fish and Bone • Concept mapping • Audio Visual resources • Think, pair and share • Knowledge Platform videos • Questioning Technique (Socratic approach) • Practical Demonstration	• Knowledge Platform real time assessment • Past paper questions • Discussion on E-Marking Notes
Any Additional Suggestion Students should be engaged in additional practices with various questions from different accounting practicing books so that they grasp the concepts concerning the systems employed in the petty cashbook.		

Question No. 4	
Question Text	Differentiate between purchase journal and purchase account.
SLO No.	2.1.2
SLO Text	Explain different books of original entry;
Max Marks	2
Cognitive Level	U
Checking Hints:	Give ONE mark for each difference (TWO required).
Overall Performance	The performance of the cohort in addressing this theoretical question highlights an area with potential for enhancement. Numerous responses were deficient in terms of knowledge and comprehension, leading to either incomplete or unrelated answers. it was expected that candidates would tackle it with diligence and showcase their grasp of the subject matter. Nonetheless, a handful of candidates managed to excel by adeptly distinguishing between the purchases journal and the account.
Description of Better Responses	In better responses, candidates demonstrated a commendable understanding of the topic by differentiating between Account and Journal effectively. They did so by considering cash and credit transactions, as well as the preparation of final accounts. This reflects a thorough study and observation by the candidates. It is encouraging to see that some candidates excelled in these aspects.
Image of Better Response	
Description of Weaker Responses	The overall performance of the cohort in differentiating between Account and Journal requires improvement. While attempting to differentiate based on cash and credit transactions, some candidates mixed the concepts or displayed confusion in their responses. For example, stating that Purchase Journal records cash and credit purchases of merchandise while Purchase Account records all types of things purchased is inaccurate.
Image of Weaker Response	

Suggestions for Improvement (Highlighted part)

How to Approach SLO	Pedagogy Used for that SLO	Assessment Strategies
• Understand the expectations of the command words • Look at the cognitive level • Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) • Go through the past paper questions on that particular concept. • Refer to the resource guide for extra resources	• Story Board • Cause and Effect • Fish and Bone • Concept mapping • Audio Visual resources • Think, pair and share • Knowledge Platform videos • Questioning Technique (Socratic approach) • Practical Demonstration	• Knowledge Platform real time assessment • Past paper questions • Discussion on E-Marking Notes

Any Additional Suggestion:
The performance can be enhanced by practicing and reviewing past papers and practicing similar questions from different accounting practice books. Encouraging active engagement with the material (i.e., practice questions from different accounting books and manuals) and providing clear explanations will lead to improved results in future assessments. Well-done to those who tackled the question effectively.

Question No. 5	
Question Text	The following transactions were extracted from the records of Saleem Traders. I. Purchased material costing Rs 150,000 by paying 20% as down payment and agreed to pay the balance in two months. II. Loan was given to an employee for Rs 60,000. It was agreed that an amount of Rs 5,000 will be deducted from his/ her salary over a period of twelve months from next month III. Cash of Rs 50,000 was received, as the full and final amount from a client, against Rs 52,000 IV. Bought a vehicle worth Rs 800,000 for business use via a bank loan V. Paid utility bills via bank account for Rs 75,000 VI. Withdrew Rs 50,000 from the bank for office use VII. Paid Rs 20,000 as school fee for the owner's children VIII. Received a cheque for settlement of a trade receivable (account receivable) for Rs 15,000 IX. Customer account of Rs 10,000 has been written off X. Paid Rs 1,500 as donation to a charitable institute Record the given transactions into cash in hand account (where applicable) using self-balancing ledger format, assuming the cash opening balance of Rs 150,000.
SLO No.	2.4.9
SLO Text	Post the transaction in a general ledger in all three types.
Max Marks	10

Cognitive Level	A
Checking Hints	Give ONE mark for posting each transaction. (7 required) Give ONE mark for making correct format. Give ONE mark for self-balancing. Give ONE mark for ending balance.
Overall Performance	The majority of candidates attempted this question and showed good performance. However, only a few candidates secured full marks. Few of the candidates Consequently, they got confused with the wording "self-balancing ledger" and prepared incorrect formats. A few even mistakenly prepared a cashbook, resulting in lost marks.
Description of Better Responses	The cohort demonstrated proficient skills in correctly entering the transactions in the elf-balancing format of the ledger. Their responses indicate ample practice in using this format, accurately placing each transaction and determining the correct ending balance of cash in hand.
Image of Better Response	
Description of Weaker Responses	In contrast to better responses, weaker ones struggled to prepare any form of ledger and incorrectly placed transactions in various books like the three-column cashbook, general journal, and bank reconciliation format. Moreover, some candidates mistakenly treated transaction number VIII as a bank deposit, despite no mention of depositing it into the bank. However, some candidates mistakenly prepared the T form of the ledger, resulting in lost marks due to format discrepancies. To improve, candidates should focus on understanding the appropriate ledger format and practice accurate transaction entries. Encouraging attention to details and carefully reading the question will help avoid such errors.

Image of Weaker Response	

Suggestions for Improvement (Highlighted part)

How to Approach SLO	Pedagogy Used for that SLO	Assessment Strategies
• Understand the expectations of the command words • Look at the cognitive level • Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) • Go through the past paper questions on that particular concept • Refer to the resource guide for extra resources	• Story Board • Cause and Effect • Fish and Bone • Concept mapping • Audio Visual resources • Think, pair and share • Knowledge Platform videos • Questioning Technique (Socratic approach) • Practical Demonstration	• Knowledge Platform real time assessment • Past paper questions • Discussion on E-Marking Notes

Any Additional Suggestion:

To facilitate a smoother approach to any question related to general ledgers and general journal students are encouraged to allocate a significant amount of their time to practicing general journal questions. This practice will prove highly beneficial in their preparedness.

Question No. 6	
Question Text	Differentiate between cross and bearer cheque.
SLO No.	3.2.1
SLO Text	Explain the types of cheque;

Max Marks	2
Cognitive Level	U
Checking Hints:	Give ONE mark for each difference (TWO required).
Overall Performance	The performance of the cohort in this straightforward question was below expectations, as most of candidates provided irrelevant responses. This indicates a lack of interest in accounting theory amongst candidates. Only few of candidates were able to score better but those who have done were exceptional, as in addition some of them also mentioned examples. This reflects their firm understanding of the types of cheques and their implication in real life.
Description of Better Responses	In better responses, candidates effectively distinguished between various aspects, including encashment, possession, two parallel lines, and adherence to safety provisions. These candidates demonstrated a thorough understanding of the subject matter.
Image of Better Response	
Description of Weaker Responses	The cohort's performance in differentiating the aspect was inadequate. Many candidates cited irrelevant items like cheque transactions, changes in cash or bank balance, and dishonoured cheques, which were unrelated to the requirement. Additionally, a significant number left the response blank.
Image of Weaker Response	

Suggestions for Improvement (Highlighted part)

How to Approach SLO	Pedagogy Used for that SLO	Assessment Strategies
• Understand the expectations of the command words • Look at the cognitive level • Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) • Go through the past paper questions on that	• Story Board • Cause and Effect • Fish and Bone • Concept mapping • Audio Visual resources • Think, pair and share • Knowledge Platform videos • Questioning Technique (Socratic approach) • Practical Demonstration	• Knowledge Platform real time assessment • Past paper questions • Discussion on E-Marking Notes

Any Additional Suggestion

To improve overall performance, the entire cohort should focus on grasping the key differences between the concepts and their practical implications. Encouraging critical thinking and providing real-life examples will help students develop a deeper understanding. Offering more practice opportunities from the accounting manuals and practice questions and constructive feedback will further enhance their ability to discern and articulate between the given aspects. Well done to those who provided excellent responses, and we encourage continuous engagement and growth in the cohort's understanding.

Question No. 7	
Question Text	Mention any FOUR reasons for the difference in the balances of cashbook and bank statement.
SLO No.	3.3.3
SLO Text	Explain the causes of difference in cashbook and bank statement balances.
Max Marks	4
Cognitive Level	K
Checking Hints	Give ONE mark for each reason (FOUR required)
Overall Performance	This was a straightforward question, so majority of candidates scored full marks, demonstrating a strong grasp of the content. However, some candidates struggled with comprehension.
Description of Better Responses	The cohort's responses displayed a commendable understanding of the bank reconciliation process, with candidates mentioning multiple reasons and some providing explanations. Common reasons cited were bank charges, dishonoured cheque, unpresented cheque, and uncleared cheque. This reflects a strong grip on the topic.
Image of Better Response	
Description of Weaker Responses	In weaker responses, there was a lack of understanding of the question. Candidates incorrectly used "overstatement" and "understatement" as single reasons instead of providing appropriate names for individual points. Additionally, some responses mentioned accounting errors like bookkeeping and trial balance errors instead of cashbook errors. Furthermore, a few candidates focused on differences between cash and passbook instead of specifying the reasons.

Image of Weaker Response	Mention any FOUR reasons for the difference in the balances of cash book and bank statement. The difference in the balance of cash book and bank statement is that 1) cash book deals with all transactions related to cash whereas bank deals with statem transactions related to bank. 2) the amount was wrongly posted in dr and cr. 3) the amount was posted to the wrong head of account. 4) the amount that was posted wrongly.

Suggestions for Improvement (Highlighted part)

How to Approach SLO	Pedagogy Used for that SLO	Assessment Strategies
• Understand the expectations of the command words • Look at the cognitive level • Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) • Go through the past paper questions on that particular concept • Refer to the resource guide for extra resources	• Story Board • Cause and Effect • Fish and Bone • Concept mapping • Audio Visual resources • Think, pair and share • Knowledge Platform videos • Questioning Technique (Socratic approach) • Practical Demonstration	• Knowledge Platform real time assessment • Past paper questions • Discussion on E-Marking Notes

Any Additional Suggestion

To improve further, students should focus on careful reading and understanding of question requirements. Encouraging critical thinking and providing practice with similar formats will enhance performance. Positive reinforcement and continued engagement will lead to better results in future assessments.

Question No. 8	

Question Text	The following errors were identified during the closing of accounts by Sabeer Brothers.
	I. A cheque of Rs 25,000 received from Ameen Brothers on account of credit sales was wrongly credited to Aman Brothers.
	II. A purchase of office furniture worth Rs 10,000 had been posted to the purchase account.
	III. On cross-checking with invoices of Alpha Traders, it was revealed that the purchases of Rs 150,000 have been posted in the accounts as Rs 15,000.
	IV. Cash sales worth Rs 20,000 were not recorded in the books.
	
	    • Identify the type of errors made in each of the given transactions (Attempt any THREE).
	    • Rectify the errors identified in part 'a', by preparing general entries (Attempt any THREE).

SLO No.	4.3.2
SLO Text	Illustrate the method of correcting various error affecting trial balance.

Max Marks	6
Cognitive Level	A
Checking Hints	Give ONE mark for identification (THREE marks). Give ONE mark for correcting entry (THRRE marks).
Overall Performance	This question revealed varying performance among candidates. It was evident that few candidates struggled to identify the correct error type but excelled in making appropriate correcting entries, earning maximum marks in second part of the question. Most of the candidates who performed remarkably, were able to identify the correct accounting error as well as the correct entry to rectify. Overall, the cohort's performance is satisfactory.
Description of Better Responses	The better responses demonstrated a strong understanding of various accounting errors. Candidates accurately identified error types, including error of commission, principle, original entry, and omission. They also displayed a clear grasp of double-entry principles related to accounting errors and made proper correcting entries with the correct amounts. This showcases their proficiency in addressing accounting discrepancies.
Image of Better Response	
Description of Weaker Responses	Some responses displayed incorrect knowledge of accounting errors, leading to inaccuracies in identifying error types and making incorrect entries. This suggests incomplete understanding among some candidates regarding accounting errors. Additionally, a few candidates attempted only the second part, possibly indicating a lack of understanding of the entire question. To improve, candidates should focus on studying different types of accounting errors thoroughly and their corresponding rectifying entries.

Image of Weaker Response	a. Identify the type of errors made in each of the given transactions (Attempt any THREE). (3 Marks) 1) omission error 2) Debit error 3) Credit error b. Rectify the errors identified in part 'a', by preparing general entries (Attempt any THREE). (3 Marks) | S. No.	Particulars	P.R.	Debit	Credit
---	---	---	---	---
(I)	Suspense A/c A/c Reeivable		25,000	28,000
	——— ✗ ———			
(II)	A/c Payable Suspense		10,000	10,000
	——— ✗ ———			
(III)	Sales Suspense		20,000	20,000	

Suggestions for Improvement (Highlighted part)

How to Approach SLO	Pedagogy Used for that SLO	Assessment Strategies
• Understand the expectations of the command words • Look at the cognitive level. • Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) • Go through the past paper questions on that particular concept • Refer to the resource guide for extra resources	• Story Board • Cause and Effect • Fish and Bone • Concept mapping • Audio Visual resources • Think, pair and share • Knowledge Platform videos • Questioning Technique (Socratic approach) • Practical Demonstration	• Knowledge Platform real time assessment • Past paper questions • Discussion on E-Marking Notes

Any Additional Suggestion

To improve, students should strengthen their understanding of error types and rectifying entries by practicing through accounting manuals and practicing exercise. Encouraging practice with diverse scenarios and providing detailed explanations will enhance problem-solving skills. Encouraging critical thinking and offering practical examples will deepen their comprehension and continuous engagement with the subject matter will lead to even better results in future assessments.

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Question No. 9

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Question Text	The extract of the trail balance of Amen Traders showed salary expense as Rs 25,000. **<u>Cases for Adjustment</u>** **Case 1:** salaries expenses for the year was Rs 36,000. **Case 2:** prepaid salaries at the end of the year were Rs 18,000. **Case 3:** salaries expenses for the year was Rs 15,000. Considering each of the given cases separately, mention how these will be reflected in the financial statements of Ameen Traders after adjustments.
SLO No.	4.6.6
SLO Text	Prepare income statement including adjustments in classified form;
Max Marks	6
Cognitive Level	A*
Checking Hints	Give ONE mark for mentioning each effect in the Financial Statements (Six required).
Overall Performance	The question received an average performance, as most of candidates were unable to achieve better marks. However, most responses exhibited adjusting entries instead of illustrating the effect of each adjustment on different accounts.
Description of Better Responses	The better responses showcased a strong command of making adjusting entries and accurately incorporating their effects into the trial balance. The final amounts required for the Income Statement and Statement of Financial Position are clearly presented in these responses. This reflects a comprehensive understanding of the concept.
Image of Better Response	<table><tr><th></th><th colspan="2">Statement of Affairs</th><th>Income Statement</th></tr><tr><th></th><th>Prepaid Salary</th><th>Salary Payable</th><th>Salary Expense</th></tr><tr><td>Case 1</td><td></td><td>11,000</td><td>36,000</td></tr><tr><td>Case 2</td><td>18,000</td><td></td><td>7,000</td></tr><tr><td>Case 3</td><td>10,000</td><td></td><td>15,000</td></tr></table>
Description of Weaker Responses	In weaker responses, candidates incorrectly showed an increase, decrease, debit, and credit in each account without mentioning the specific amounts. Some responses included irrelevant items and adjusting entries that were unrelated to the question.
Image of Weaker Response	<table><tr><th></th><th>Statement of Affairs Prepaid Salary</th><th>Salary Payable</th><th>Income Statement Salary Expense</th></tr><tr><td>Case 1</td><td></td><td>11,000 Salary exp 11,000 Credit Salary pay 11,000</td><td>11,000 Debit Salary exp 11,000 Salary pay 11,000</td></tr><tr><td>Case 2</td><td>prepaid salary 18,000 salary exp 18,000</td><td></td><td>prepaid salary 18,000 salary exp 18,000</td></tr><tr><td>Case 3</td><td>salary exp Vo000 su</td><td>salary exp 10,000 salary payable 10,000</td><td>salary exp 10,000 salary payable 10,000</td></tr></table>

Suggestions for Improvement (Highlighted part)

How to Approach SLO	Pedagogy Used for that SLO	Assessment Strategies
- Understand the expectations of the command words - Look at the cognitive level. - Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) - Go through the past paper questions on that particular concept - Refer to the resource guide for extra resources	- Story Board - Cause and Effect - Fish and Bone - Concept mapping - Audio Visual resources - Think, pair and share - Knowledge Platform videos - Questioning Technique (Socratic approach) - Practical Demonstration	- Knowledge Platform real time assessment - Past paper questions - Discussion on E-Marking Notes

Any Additional Suggestion

To boost candidate performance, they should persist in practicing adjusting entries within diverse business scenarios from different accounting practicing manuals. This cultivates a clear grasp of how adjustments influence financial statements and specific accounts. Nurturing critical thinking through real examples of adjustment of different business transactions and their impacts refines their understanding.

Question No. 10				
Question Text	The following data has been extracted from the books of Al-Hamra Associates as on December 31, 2022.			

S. No.	Particulars	Debit	Credit
1	Cash	75,000	
2	Trade receivables (accounts receivable)	150,000	
3	Office fixtures	65,000	
4	Prepaid shop rent	38,000	
5	Equipment	105,000	
6	Purchases	132,000	
7	Carriage inwards	15,000	
8	Advertising expenses	24,000	

9	Miscellaneous expense	22,000	
10	Office supplies expenses	12,000	
11	Delivery expenses	15,000	
12	Salaries expenses	25,000	
13	Sales return and allowance	12,000	
14	Allowance for bad debt		25,000
15	Sales revenue		225,000
16	Commission income		100,000
17	Account payable		40,000
18	Capital		300,000
	Total	690,000	690,000

The data for adjustment on December 31, 2022 is as follows:
I. Prepaid shop rent is Rs 19,000
II. Office supplies unused Rs 1,500
III. Commission unearned 10,000
IV. Salaries outstanding Rs 9,000
Prepared a TEN column Worksheet on the given format
Note: The business follows zero inventory model.

SLO No.	4.7.4
SLO Text	Prepare the worksheet for given business information.
Max Marks	8
Cognitive Level	A
Checking Hints	(Award 1 mark for two correct responses and allocate 2 marks for more than two accurate answers.) Give 2 marks for adjusted trail balance. Give 2 marks if 8 accounts are correctly posted in income statement. Give 2 marks if 8 accounts are correctly posted in balance sheet.
Overall Performance	The cohort's performance on this question was varied. Only few of candidates achieved full marks, while others struggled. Overall, the performance was average, resulting in average marks. Some candidates seemed unprepared for this question format, leading to mixed outcomes.
Description of Better Responses	In the better responses, candidates accurately demonstrated the effects of adjustments and incorporated them into the trial balance, arriving at an adjusted trial balance. They proficiently placed the accounts into the income statement and balance sheet as required. This reflects a strong understanding of the accounting concepts.

Particulars	Trail Balance Dr	Cr	Adjustments Dr	Cr	Adj. T-balance Dr	Cr	Income Statement Dr	Cr	Balance Sheet Dr	Cr
Cash	75,000				75000				75000	
Trade receivable	150,000				150000				150,000	
Office fixtures	65,000				65000				65000	
Prepaid shop rent	38,000			19000	19000				19000	
Sales equipment	105,000				105000				105000	
Purchases	132,000				132000		132000			
Carriage inwards	15,000				15000		15000			
Advertising expenses	24,000				24000		24000			
Miscellaneous expense	22,000				22000		22000			
Office supplies expenses	12,000			1500	10500		10500			
Delivery expenses	15,000				15000		15000			
Salaries expenses	25,000		9000		34000		34000			
Sales return and allowance	12,000				12000		12000			
Allowance for bad debt		25,000				25000		~~225000~~		25000
Sales revenue		225,000				225000		225000		
Commission income		100,000	10,000			90,000		90,000		
Account payable		40,000				40000				40,000
Capital		300,000				300,000				300,000
Shop rent expense			19000		19000		19000			
Prepaid office supplies			1500		1500				500	
Commission unearned				10,000		10,000				10,000
Salary payable				9000		9000				9000
	690,000	690,000			699000	699000	283500	315000	415500	384000
Net Income							31500			31500
							315000	315000	415500	415500

Description of Weaker Responses

In this cohort, candidates struggled to demonstrate the effect of adjustments, with many simply copying the trial balance into the remaining columns. Several responses were left blank or only filled up to the adjusted trial balance without considering the impact of adjustments. To improve, candidates should focus on understanding the significance of adjustments and their influence on financial statements.

Image of Weaker Response

Particulars	Trail Balance Dr	Cr	Adjustments Dr	Cr	Adj. T-balance Dr	Cr	Income Statement Dr	Cr	Balance Sheet Dr	Cr
Cash	75,000		75000		75000		75000		75000	
Trade receivable	150,000		150,000		150,005		150,000		150,000	
Office fixtures	65,000		65000		65000		65000		65000	
Prepaid shop rent	38,000		19,000		19000		19000		19000	
Sales equipment	105,000		105000		108000		108000		108000	
Purchases	132,000		132000		132000		132,000		132000	
Carriage inwards	15,000		15000		15000		15000		15000	
Advertising expenses	24,000		24000		24000		24000		2400	
Miscellaneous expense	22,000		22000		22000		22000		2200	
Office supplies expenses	12,000		1500		10500		10500		100	
Delivery expenses	15,000		15000		15000		15000		1500	
Salaries expenses	25,000		25000		25000		250,000		25000	
Sales return and allowance	12,000		12000							
Allowance for bad debt		25,000		25000		25000		25000	25000	25000
Sales revenue		225,000		225000		225,000		225000		
Commission income		100,000		100000		100,000		100000		
Account payable		40,000		40,000		40,000		40,000		40,000
Capital		300,000		300,000		300,000		300,000		300,000
Shop rent expense										
Prepaid office supplies										
Commission unearned			10,000		10,000				10,000	
Salary payable				9000		9000		9000		9000
	690,000	690,000	681000	699000	681000	699000	681,000	699000	300,000	394000
Net Income										

Suggestions for Improvement (Highlighted part)

How to Approach SLO	Pedagogy Used for that SLO	Assessment Strategies
- Understand the expectations of the command words - Look at the cognitive level - Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) - Go through the past paper questions on that particular concept - Refer to the resource guide for extra resources	- Story Board - Cause and Effect - Fish and Bone - Concept mapping - Audio Visual resources - Think, pair and share - Knowledge Platform videos - Questioning Technique (Socratic approach) - Practical Demonstration	- Knowledge Platform real time assessment - Past paper questions - Discussion on E-Marking Notes

Any Additional Suggestion

To improve, students should encounter diverse practice questions of different accounting records or manuals and practice constructed responses. Offering guidance on approaching such questions and providing clear examples will enhance their performance. Continuous support and exposure to various question types will lead to improved results in future assessments.

Question No. 11	
Question Text	The following records have been extracted from the non-current (fixed) assets register of Al-Huda Associates as on December 31, 2021.

S. #	Account Title	Cost (Rs)	Date of Purchase	Accumulated Depreciation (Rs)	Depreciation Method
1	Furniture	750,000	January 01, 2020	450,000	Straight line @ 15%
2	Computers	950,000	July 01, 2019	397,270	Sum of year digit with life of 10 years
3	Van	800,000	January 01, 2019	462,500	Diminishing Balance 25%

On March 31, 2022, the business decided to exchange the computers with the updated version from Alpha Computers. The Alpha Computers offered Rs 400,000 as a trade in allowance. The new computers have an estimated life of 5 years with sales service warranty of 1 year. The cost of the new computers is Rs 1,200,000.

Required:

Perform the following tasks for the given scenario:

- Compute the depreciation for 2022.
- Compute the gain or loss on disposal of computers (non-current assets).

SLO No.	5.3.5
SLO Text	Compute and record disposal of non-current assets;
Max Marks	5

Cognitive Level	A
Checking Hints	Marks for Depreciation: 1 mark for correct formula. 1 mark for putting correct value. 1 mark for computing depreciation. Marks for Profit/loss: 1 mark for computing book value. 1 mark for loss and gain.
Overall Performance	The cohort's performance was below expectations, as most candidates struggled to comprehend the question's requirements and wasted time on unnecessary computations. Few of the candidates were unable to secure any marks, and only a few achieved full marks. It is evident that candidates lacked familiarity with the formula for calculating depreciation using the sum of the years digit method.
Description of Better Responses	In the better responses, candidates correctly computed the computer's depreciation using the sum of the year digit method up to the disposal date. They skilfully determined the gain or loss by adding the accumulated depreciation to the current year's depreciation to find the book value. Then, they deducted the trade-in value from the book value to arrive at the correct gain or loss amount on disposal. This demonstrated a comprehensive understanding of depreciation and disposal concepts.
Image of Better Response	
Description of Weaker Responses	In this cohort, many candidates used incorrect formulas or methods to calculate depreciation. Some calculated depreciation for non-current assets not required in the question. Additionally, a few responses focused on finding the cash payment for the new asset. The computation of gain or loss was also performed in an inappropriate manner.

Image of Weaker Response	

Suggestions for Improvement (Highlighted part)

How to Approach SLO	Pedagogy Used for that SLO	Assessment Strategies
• Understand the expectations of the command words • Look at the cognitive level • Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) • Go through the past paper questions on that particular concept • Refer to the resource guide for extra resources	• Story Board • Cause and Effect • Fish and Bone • Concept mapping • Audio Visual resources • Think, pair and share • Knowledge Platform videos • Questioning Technique (Socratic approach) • Practical Demonstration	• Knowledge Platform real time assessment • Past paper questions • Discussion on E-Marking Notes

Any Additional Suggestion

To improve, candidates should focus on thoroughly understanding the question before attempting calculations. Encouraging practice with depreciation formulas and providing clear explanations will enhance their performance. Supporting their learning journey with constructive feedback and additional practice opportunities will lead to better results in future assessments.

Question No. 12	
Question Text	Differentiate between capital and revenue expenditure. (Attempt any FIVE)

Basis of Comparison	Capital Expenditure	Revenue Expenditure
Definition		

	Term		
	Value Addition		
	Physical Existence		
	Occurrence		
	Impact on Revenue		
	Benefits		
	Appearance		

SLO No.	5.2.1
SLO Text	Distinguish between capital and revenue expenditure;
Max Marks	5
Cognitive Level	U*
Checking Hints	Give One mark for each point of difference (FIVE required).
Overall Performance	The cohort's performance varied significantly, indicating a lack of knowledge, and understanding among many candidates. While a few responses were satisfactory, the majority received average marks.
Description of Better	Candidates demonstrated a fair understanding of differentiating between capital and revenue expenditures. Better responses exhibited their ability to compare the two types effectively.

Responses			

Basis of Comparison	Capital Expenditure	Revenue Expenditure
Definition	Cap It is that expenditure which is included in cost of asset or it increase the efficiency of asset	It is expenditure which occurs on asset but does not improve the asset in any way (for e.g repair of machine)
Term	It gives benefit for more than 1 year long term.	It gives benefit for short term
Value Addition	It increases cost of an asset (value of asset)	It doesn't impact the cost of asset (value of asset)
Physical Existence	It exists physically (Tangible)	It may not exist physically
Occurrence	It occures once in a lifetime (of asset)	It can occurs more than one time.

Image of Better Response

Basis of Comparison	Capital Expenditure	Revenue Expenditure
Definition		
Term	It is expenditure held for long term.	It is expenditure which is short term or less than 1 year.
Value Addition	It increases the value of asset.	It doesn't increase the value of asset.
Physical Existence	Capital Expenditure have physical existence except intangible asset.	It doesn't have its physical existence.
Occurrence		
Impact on Revenue	It increases the revenue of the firm.	It decreases the revenue of the firm.
Benefits	It increases the efficiency of asset.	It is used to maintain and keeping asset to the mark.

Description of Weaker Responses	A significant portion of the candidates demonstrated confusion as they interchanged the terms "capital" and "capital expenditure." Many were unable to differentiate between capital and revenue expenditure.

Image of Weaker Response			

First table (Weaker Response, top):

Basis of Comparison	Capital Expenditure	Revenue Expenditure
Definition	Expense which is done from capital	Expense which is done from Revenue or income.
Term	Assets expense	Revenue. expense.
Value Addition		
Physical Existence	No capit If there is no capital expenditure we will be very strong by capital	If there is no revenue expenditure there is more profit.
Occurrence		
Impact on Revenue	Revenue depend on capital.	Revenue gets filtered.
Benefits	To start a good Can make any asset for company from this	Revenue Non benefits.

Second table (bottom):

Basis of Comparison	Capital Expenditure	Revenue Expenditure
Definition	Those expenditures that are done on the product.	Those expenditures that are done on the business.
Term	Fixed Assets.	Current Assets.
Value Addition		
Physical Existence		
Occurrence		
Impact on Revenue	Revenue is increased because of efficiency of asset.	Revenue is increased due to the efficiency of the business.
Benefits	In capital expenditure you can make your product / machine more efficient.	In revenue expenditore you can make your business more efficient.
Appearance	Repairing of machine.	Purchase of a new store.

Suggestions for Improvement (Highlighted part)

How to Approach SLO	Pedagogy Used for that SLO	Assessment Strategies
• Understand the expectations of	• Story Board	• Knowledge

the command words • Look at the cognitive level • Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) • Go through the past paper questions on that particular concept • Refer to the resource guide for extra resources	• Cause and Effect • Fish and Bone • Concept mapping • Audio Visual resources • Think, pair and share • Knowledge Platform videos • Questioning Technique (Socratic approach) • Practical Demonstration	Platform real time assessment • Past paper questions • Discussion on E-Marking Notes

Any Additional Suggestion

To improve, students should continue practicing and reinforcing their knowledge of capital and revenue expenditures from the accounting practice exercises given in the recommended and reference list of AKUEB. Encouraging critical thinking and providing real-life examples will deepen their comprehension. Offering constructive feedback and additional practice opportunities will enhance their performance.

Annexure A: Pedagogies Used for Teaching the SLOs

Pedagogy: Storyboard
Description: A visual pedagogy that uses a series of illustrated panels to present a narrative, encouraging creativity and critical thinking. It helps learners organise ideas, sequence events, and comprehend complex concepts through storytelling.
Example: In a Literature class, students are tasked with creating storyboards to visually retell a novel. They draw key scenes, write captions, and present their stories to the class, enhancing their reading comprehension and fostering their imagination.

Pedagogy: Cause and Effect
Description: This pedagogy explores the relationships between actions and consequences. By analysing cause-and-effect relationships, learners develop a deeper understanding of how events are interconnected and how one action can lead to various outcomes.
Example: In a History class, students study the causes and effects of the Industrial Revolution. They research and discuss how technological advancements in manufacturing led to significant societal changes, such as urbanisation and labour reform movements.

Pedagogy: Fish and Bone
Description: A method that breaks down complex topics into main ideas (the fish) and supporting details (the bones). This visual approach enhances comprehension by highlighting essential concepts and their relevant explanations.
Example: During a Biology class on human anatomy, the teacher uses the fish and bone technique to teach about the human skeletal system. Teacher presents the main components of the human skeleton (fish) and elaborates on each bone's structure and function (bones).

Pedagogy: Concept Mapping
Description: An effective way to visually represent relationships between ideas. Learners create diagrams connecting key concepts, aiding in understanding the overall structure of a subject and fostering retention.
Example: In a Psychology assignment, students use concept mapping to explore the various theories of personality. They interlink different theories, such as Freud's psychoanalysis, Jung's analytical psychology, and Bandura's social-cognitive theory, to see how they relate to each other.

Pedagogy: Audio Visual Resources
Description: Incorporating multimedia elements like videos, images, and audio into lessons. This approach caters to different learning styles, making educational content more engaging and memorable.
Example: In a General Science class, the teacher uses a documentary-style video to teach about the solar system. The video includes stunning visual animations of the planets, interviews with astronomers, and background music, enhancing students' interest and understanding of space.

Pedagogy: Think, Pair, and Share
Description: A collaborative learning technique where students ponder a question or problem individually, then discuss their thoughts in pairs or small groups before sharing with the entire class. It fosters active participation, communication skills, and diverse perspectives.

Example: In a Literature in English class, the teacher poses a thought-provoking question about a novel's moral dilemma. Students first reflect individually, then pair up to exchange their opinions, and finally participate in a lively class discussion to explore different viewpoints.

Pedagogy: Questioning Technique (Socratic Approach)
Description: Based on Socratic dialogue, this method stimulates critical thinking by posing thought-provoking questions. It encourages learners to explore ideas, justify their reasoning, and discover knowledge through a process of inquiry.
Example: In an Ethics class, the instructor uses the Socratic approach to lead a discussion on the meaning of justice. By asking a series of probing questions, the students engage in a deeper exploration of ethical principles and societal values.

Pedagogy: Practical Demonstration
Description: A hands-on approach where learners observe real-life applications of theories or skills. Practical demonstrations enhance comprehension, skill acquisition, and problem-solving abilities by bridging theoretical concepts with real-world scenarios.
Example: In a Food and Nutrition class, the instructor demonstrates the proper technique for filleting a fish. Students observe and then practice the skill themselves, learning the practical application of knife skills and culinary precision.

(**Note:** The examples provided in this annexure serve as illustrations of various pedagogies. It is important to understand that these pedagogies are versatile and can be applied across subjects in numerous ways. Feel free to adapt and explore these techniques creatively to enhance learning outcomes in your specific context.)

Acknowledgements