

RESUME OF CHIEF EXAMINERS' REPORTS FOR THE BUSINESS SUBJECTS

1. GENERAL COMMENTS

All the Chief Examiners reported that the standard of the papers compared favourably with that of previous years. They further stated that the questions were within the scope of the syllabuses and also appropriate for the level of the examination.

On performance of the candidates, the reports varied. Whereas the Chief Examiners for Financial Accounting 2 and Principles of Cost Accounting 2 indicated that performance in their respective subjects had improved over that of the previous years, those for Clerical Office Duties and Typewriting indicated that performance was average and about the same as what had been recorded in the previous years. However, in the observation of the Chief Examiner for Business Management, performance was below expectation in the subject when compared with that of the previous years.

2. A SUMMARY OF CANDIDATES' STRENGTHS

The strengths noticed in the candidates' work included:

- (1) their ability to adhere to the rubrics of the papers;
- (2) legibility of their handwriting;
- (3) demonstration of in-depth knowledge of subject matter on Valued Added Tax and Public Sector Accounting in Financial Accounting;
- (4) exhibition of good knowledge in the topics such as working and leadership styles in Business Management.

3. A SUMMARY OF CANDIDATES' WEAKNESSES

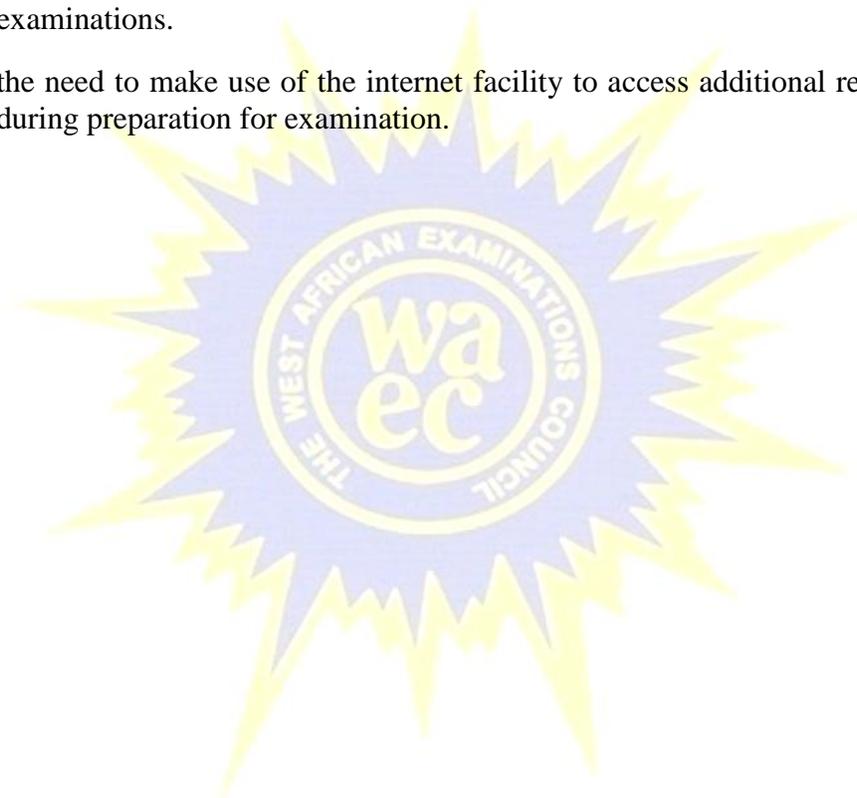
The weaknesses noticed in candidates work and reported by the Chief Examiners included;

- (1) inability of candidates for Financial Accounting to handle properly the treatment of Calls in Arrears and Advance in the books of accounts of a Company;
- (2) poor spelling of words and construction of sentences as reported by the Chief Examiner for Business Management;
- (3) memorization and production of notes and material learnt on topics without regard to the requirements of questions;
- (4) Provision of sketchy answers.

4. **SUGGESTED REMEDIES**

The Chief Examiners suggested the following as remedies for the candidates' challenges:

- (1) that the theory aspect of the various syllabuses should be well covered by tutors especially terminologies in Company Accounts;
- (2) that there should also be constant practice of examination questions under proper guidance. This will help to improve the candidates' ability to understand and compose the required answers to questions;
- (3) that candidates should also improve on their reading skills. Tutors should give more practice questions to examination candidates to prepare them adequately for examinations.
- (4) the need to make use of the internet facility to access additional reading material during preparation for examination.



BUSINESS MANAGEMENT

1. GENERAL COMMENTS

The standard of the paper compared favourably with that of the previous years.

Performance was generally below expectation.

2. A SUMMARY OF CANDIDATES' STRENGTHS

Candidates demonstrated a good understanding of capital appraisal.

They were able to calculate the Discounting Factor correctly leading to the correct calculation of the Net Present Values for the two projects. The payback periods for the projects were also calculated correctly.

3. A SUMMARY OF CANDIDATES' WEAKNESSES

- (1) A cross-section of the candidates had problem with the spelling of common words and terms.
- (2) A cross-section of the candidates did not understand the demands of the questions.
- (3) It appeared most of them tried to memorise their notes and reproduce them during the examination hence their responses did not address the specific requirements of the questions.

4. SUGGESTED REMEDIES

- (1) The candidates should improve on their reading skills.

5. DETAILED COMMENTS

Question 1

This was a compulsory question. It had four sub-questions under it. The performance was average. The performance was worse in sub-question (c), where the candidates were asked to list four sources from which the Managing Director could have obtained business advice. Some of the expected answers are Lawyers, Accountants, Consultants, educational institutions, etc.

Sub-question (d) was also poorly answered. Some of the candidates stated trade credit and bank overdraft as examples of long-term sources of finance. Other candidates also mentioned financial institutions from which funds could be obtained as examples of long-term sources of finance which were all wrong.

Question 2

This question asked the candidates to list three marketing functions, distinguish between a bear and a bull and explain three functions of a stock exchange. Many candidates attempted this questions and the performance was good.

Question 3

In this question, the candidates were asked to (a) explain decision making, (b) explain the term feedback as used in communication and (c) explain the steps in the decision making process.

The question was popular and the general performance was good. All candidates who attempted it passed in it.

Question 4

This question required the candidates to explain the term contract and distinguish between the following terms:

- (a) offer and acceptance;
- (b) executed and executory consideration;
- (c) mistake and misrepresentation.

Most of the candidates answered the question and the performance was average. Candidates' main challenge was their inability to express themselves in legal language to drive home their ideas.

Question 5

In the first part of this question, the candidates were asked to state three benefits of informal communication and organisation. The second part required them to differentiate between (i) vertical communication and horizontal communication and (ii) formal communication and informational communication. The third sub-question was on causes of grapevine in an organisation.

The question was popular but the performance was below average. Most of the candidates limited vertical communication to only downward communication. They could also not explain informal communication and the causes of grapevine.

Some of the causes of grapevine in an organization are: confidential documents unattended to, delays in dissemination of information and eavesdropping.

Question 6

This question was on insurance. The candidates were required to distinguish between (a) endowment policy and whole life policy (b) insurable risk and non-insurable risk. Other requirements of the question were principles of insurance and contribution of insurance to trade and industry.

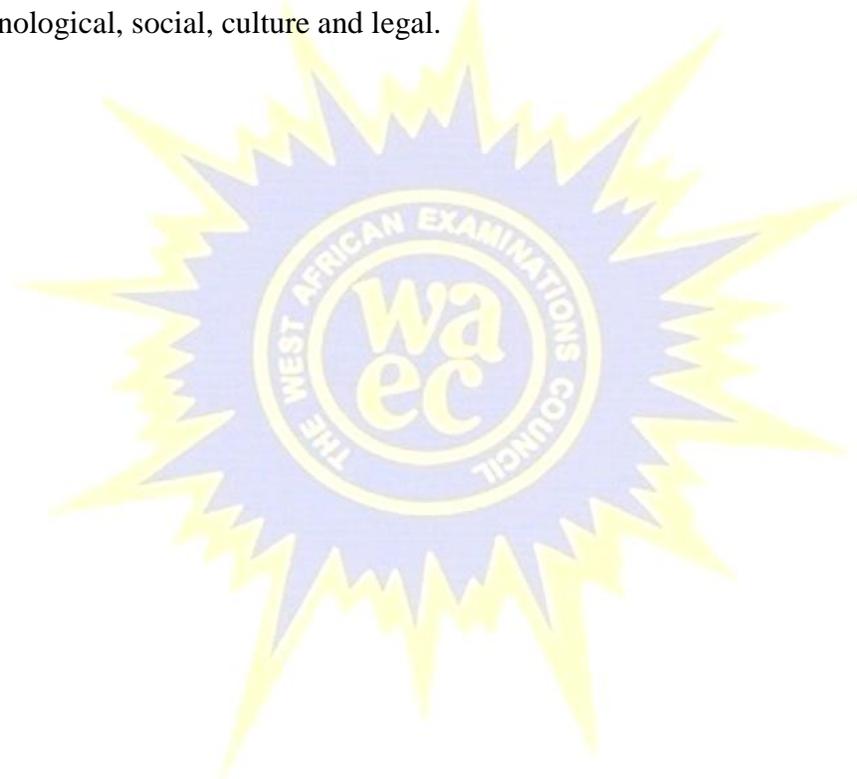
This was a popular question with the candidates and the performance was good.

Question 7

This question tested the candidates on the meaning of central bank, qualities of money and the functions of a central bank. Most of the candidates answered this question and the performance was good.

Question 8

This was a straight forward question on the factors in the external environment that affect a business organisation. Not many candidates answered this question and the performance was not good too. Some of the candidates wrote on stakeholders instead of factors such as political, economic, technological, social, culture and legal.



CLERICAL OFFICE DUTIES

1. GENERAL COMMENTS

The standard of the paper compared favourably with that of the previous years'

There was improvement in candidates' performance over that of the previous years.

2. A SUMMARY OF CANDIDATES' STRENGTHS

- (1) Majority of the candidates showed an understanding of the requirement of the questions and were able to provide the correct answers.
- (2) Most candidates obeyed the rubrics of the paper and also presented their ideas in a logical manner.

3. A SUMMARY CANDIDATES' WEAKNESSES

- (1) Candidates' knowledge of the preparation of a notice of a meeting for an Annual General Meeting with the requisite Agenda was poor.
- (2) Inadequate preparation for the paper was evident as candidates avoided answering questions on some particular topics which suggests that they did not read the topics or did not cover the syllabus.
- (3) Responses to questions involving calculations were inappropriate.

4. SUGGESTED REMEDIES

- (1) Both teachers and candidates must ensure that the whole syllabus has been covered before the examination date.
- (2) Candidate must work a lot of practical questions on the topic they have been taught, especially past questions.

5. DETAILED COMMENTS

CASE STUDY

- (a) Candidates were expected to state the type of office layout being operated by Cline Consultancy Services Limited. This was a recall question and the answer was simply Open Plan Office.

Very few candidates failed to supply the correct answer.

(b) This sub-question asked for the advantages of an open plan office and the following were some of the required responses:

- i. it is less expensive to set up;
- ii. there is free flow of work;
- iii. there is better supervision;
- iv. better use and saving of floor space;
- v. fittings and furniture could easily be re-arranged;
- vi. there is economy in the use of equipment, i.e sharing of equipment;
- vii. communication in an open plan office is easier and cheaper;
- viii. there is lower maintenance cost.

Virtually all candidates who attempted this question got the answers right. There were a few who were unable to answer it correctly, though. This could be attributed to the fact that they did not prepare adequately on the topic.

(c) The sub-question required candidates to give reasons why the office layout should be reviewed and the answers expected included the following:

- * the place for the meeting;
- * a date for the meeting;
- * the time for the meeting;
- * the name of the organisation;
- * the purpose of the meeting.

The Agenda for an Annual General Meeting is prescribed by the Companies' Code 1963 (Act 179) and the expected answers should include:

- i. To receive the reports of the Directors and Auditors;
- ii. To declare dividends;
- iii. To elect directors in the place of those retiring;
- iv. To approve remuneration of Auditors/To authorise the Board to approve the remuneration of Auditors;
- v. To approve directors remuneration.
- vi. Any other business;
- vii. By order of the Board;
- viii. Name of Secretary;
- ix. The inscription secretary.

Candidates who attempted this question failed to provide the necessary answers especially the second part that related to items of the agenda.

Most of them tried to use the ordinary agenda for societies or board meetings which did not answer the question.

Question 3

- (a) This question expected the candidates to name three types of bank accounts.

The expected answers included:

The features are:

Current Account

- i. It involves the use of cheque for withdrawals;
- ii. Account holders pay bank charges.
- iii. Account holders enjoy overdraft facility;
- iv. There is no limit on the number of withdrawals that can be made within a period of time.
- v. Account holders receive bank statements;
- vi. Paying-in-slip is used in making deposit.

Savings Account

- i. Account holders earn interest;
- ii. Passbook is issued to account holders;
- iii. There is a limit on the number of times that withdrawals are made within a period of time;
- iv. Payment from the account can be made through credit transfer;
- v. Paying-in-slip is used to make deposit;
- vi. A withdrawal form is used to withdraw money;
- vii. Only account holders can withdraw from the account.

Deposit Account

- i. Money is kept in the account for a specific period;
- ii. Withdrawals can be made before maturity but will lose the agreed interest;
- iii. Agreed interest is earned on the amount at the end of the period.

Just as in the (a) part, some candidates were unable to properly list the functions of the commercial bank. Indeed, some mixed up the functions of the commercial banks and the central bank.

Question 5

- (a) Candidates were to define Organisation Chart/Organogram. The expected answers should be:

It is a diagram that shows the structure of an organization. OR it is a pictorial representation of the structure of an organization.

(b) This section of the question requires the candidates to state six advantages of an organisation chart and the answers expected should include:

- i. It shows the lines of authority and responsibilities in an organisation.
- ii. It shows the structure of an organization at a glance.
- iii. It shows channels of communication the organisation.
- iv. It shows the span of control in an organisation.
- v. It shows the positions of staff in the organisation.
- vi. It is useful for orientation/induction course for new staff.

Many candidates failed to state correctly the advantages of an organisation chart. This failure can be attributed to the fact some teachers choose which topics they are comfortable with to teach or the candidates do selective reading.

Question 6

(a) Candidates were to provide two uses of each of the following office machines:

Though majority of candidates were able to provide some of the uses of the office machines, their greatest challenge was with the uses of the franking machine and the computer.

(b) In this sub-question candidates were to list three input and three output devices of the computer.

Answers expected included:

Input Devices:

- Keyboard;
- Mouse;
- Scanner;
- Log arithmetic unit.

Output Devices

- Monitor/Visual Display Unit (VDU);
- Printer;
- Electronic tape.

Some candidates mixed up the input and output devices. It is recommended that teachers should clearly teach computing to students since its is the technology of modern time.

Question 7

- (a) The candidates were to state four duties of the Secretary before a meeting and the expected answers should include:
- i. He prepares notice of meeting in consultation with the chairman;
 - ii. He books the venue for the meeting;
 - iii. He arranges the venue for the meeting;
 - iv. He ensures that refreshment is available where necessary;
 - v. He provides extra copies of the agenda and other necessary documents;
 - vi. He prepares and circulates copies of minutes of the previous meeting;
 - vii. He ensures that attendance register is available.

This question was attempted by many candidates and the performance was satisfactory.

- (b) Candidates were expected to state and explain four duties of a receptionist in an office.
- i. Attending to visitors: - Being the first image builder of the organisation, he/she receives and directs callers to the specific officers. Receptionist advises visitors accordingly. He/she offers them newspapers, magazines, brochures and sometimes tea while waiting.
 - ii. Receiving telephone calls:- The duties of a receptionist include the operation of a switch board and telephone system.
 - iii. The receptionist usually keeps a register of appointments every day.
 - iv. Accepting deliveries:- A receptionist can receive correspondence for the office and pass them to the dispatch section for proper recording and final dispatch to the officers concerned.
 - v. Dealing with small sales:- The receptionist doubles as a sales officer by taking part in the sales of small office items such as brochures/pamphlets/magazines, etc.
 - vi. Typing:- sometimes the receptionist doubles as a typist.

Majority of candidates answered this question without first stating the points. Where the question is answered without stating first the point, the candidate loses 1 mark per point not duly stated.

Candidates should read the question carefully and attempt to answer them accordingly.

FINANCIAL ACCOUNTING

1. GENERAL COMMENTS

The standard of the paper compared favourably with that of the previous years with respect to syllabus coverage and the level of difficulty. The questions were fairly distributed among the various topics in the syllabus and within the scope of an average student. The rubrics were clear and unambiguous.

On the whole an average performance was recorded this year and can be said to be below expectation compared to the previous years.

2. A SUMMARY OF CANDIDATES' STRENGTHS

Few commendable features noticed in candidates' scripts were that:

- (1) a good number of the candidates adhered to the rubrics of the paper;
- (2) a significant number of candidates provided good answers to the question on Value Added Tax even though it is relatively a new topic in the syllabus coupled with inadequate materials on the topic;
- (3) in respect of the question in public sector accounting, there was remarkable improvement in the presentation of solutions to the (a) part of the question i.e preparation of Revenue and Expenditure Account;
- (4) there was a remarkable improvement in the preparation of Departmental Accounts especially the provision of totals column and the presentation of the Trading and Profit and Loss Account in columnar form.

3. A SUMMARY OF CANDIDATES' WEAKNESSES

- (1) Inability to explain the terms "Calls in arrears", "Calls in Advance", "Debentures" and how to record them in the books. Apparently, the theory portion of the Company Accounts was not adequately covered by teachers and candidates.
- (2) Lack of understanding of the bookkeeping entries in respect of Branch Accounts.
- (3) Poor understanding of principles of double entry which was manifested in the preparation of Journal entries.
- (4) Few candidates showed that they had not grasped the preparation of public sector accounting on cash basis. This culminated in their inability to distinguish between revenue and capital expenditure items and how they should be treated in the books.
- (5) Inability to apply the lower of cost and net realizable value when stock is overvalued.

- (6) Incorrect heading of financial statements.
- (7) Non-adherence to specific requirements of questions by some candidates who lumped solutions to sub-questions together.

4. SUGGESTED REMEDIES

- (1) The theory aspect of the syllabus should be well covered by tutors especially explanation of terminologies in Company Accounts.
- (2) The cash basis of Governmental Accounting should be emphasised and given in-depth treatment.

Clear distinction should be made in between revenue and capital expenditure items and how they should be treated in the books.

- (3) Candidates should endeavour to adhere to the rubrics of papers and questions in particular to avoid provision of inappropriate answers.
- (4) Financial statements should be correctly headed.

5. DETAILED COMMENTS

Question 1

It was obviously the least popular and poorly attempted question in section A - theory of Financial Accounting. The requirement was in two parts; the first on explanation of the terms, Calls in arrears, Calls in advance and Debenture. The second part asked candidates to explain the entries required to record them in the books. In majority of the cases, the second part was not even attempted.

The correct explanations of the terms and corresponding entries are as follows:

- (a) Calls in arrears:
These are amounts owed on shares allotted to shareholders.
Entries:
Debit Calls in Arrears Account
Credit Share Capital Account.
- (b) Calls in Advance:
These are amounts prepaid for shares allotted to shareholders.
Entries:
Debit Bank Account
Credit Calls in Advance Account
- (c) Debenture:

It is a written acknowledgement of indebtedness by a company , setting out the terms and conditions of the loan.

Entries:

Debit Bank Account

Credit Debenture Account.

The terminologies and bookkeeping entries on issue of shares and debenture portion of the syllabus should be covered well by candidates and instructors.

Question 2

The question required candidates to:

- (a) define a bank reconciliation statement;
- (b) give four reasons accounting for the balance shown at the bank column of the cash book not agreeing with the balance shown on the bank statement.

A significant number of candidates were able to state the reasons responsible for the discrepancy between the balances on the bank column of the cash book and that shown on the bank statement. A good number of candidates correctly indicated that a bank reconciliation statement is a document prepared by the current account holder to get the bank balance in the cash book to agree with the balance in the bank statement.

However, it was observed that majority of the candidates were unable to explain how in the normal course of business the reasons adduced in (b) could lead to disagreement. In (a), few candidates did not indicate who prepares the accounts.

In (b) it was expected that a stated point would be well explained to show how it is a cause of a discrepancy. For example, Standing Orders. These are instructions by account holders to their bankers to pay specific amounts to named persons at specified times. The bank debits the customer's account on due dates. Not until the customer receives the bank statement to effect the entry, the two balances will differ.

Question 3

This was a fairly popular question recording average performance.

Candidates were asked to:

- (a) explain the meaning of Value Added Tax (VAT);
- (b) distinguish between Input VAT and Output VAT;
- (c) state three (3) characteristics of VAT.

Even though VAT is a new subject area introduced into the syllabus, above average performance was recorded in the (a) and (c) parts of the question. Candidates were able to identify that VAT is a tax on value added into supply of goods and services. It was also observed that candidates were unable to distinguish between Input VAT and Output VAT.

Answers such as “VAT is on goods and services”, and “VAT is levied on goods and services” featured in the answers of many candidates. A few candidates erroneously stated advantages and principles of taxation as characteristics of VAT.

Expected answers included the following:

- (a) VAT is a tax on value added into supply of goods and services.
 - * It is borne by the final consumer;
 - * It is collected at each stage of the production and distribution chain.

- (b) Output VAT is a tax on value added to the cost of items purchased whilst the Input VAT is a value added to items sold.
 - * Characteristics of VAT include the following:
 - It is a general tax on consumption expenditure;
 - It is borne by the final consumer;
 - It is a multi-stage tax;
 - It is collected by registered businesses who act as agents of the VAT authorities;
 - It is imposed by the government;
 - It is an indirect tax.

Question 4

This was a two-part question on accounting information.

Candidates were asked to explain in the (a) part, the following users of accounting information:

- * Owners/Shareholders;
- * Creditors;
- * Prospective investors;
- * Managers;
- * Employees.

The (b) part called for an interest of each of the users identified. This was a favourite question which ironically recorded average performance.

Majority of the candidates were able to correctly identify informational needs of users of accounting information.

However, solutions to questions (a) and (b) were lumped together even though the requirements were explicitly indicated separately as (a) and (b) which affected orderly presentation of their answers.

In few instances, candidates answers for creditors were actually for debtors.

The correct explanations of the terms are as follows:

- * Owners/Shareholders:
 - These are people who provide the finances of the organization and ensure that it is managed properly.

- * **Creditors:**
They are short/long-term suppliers/lenders to an organisation. They include bankers, suppliers of stock, debenture holders and service providers whose bills are outstanding.
- * **Prospective investors:**
They are people who are interested in contributing funds towards the growth of a business in return for profit/dividend.
- * **Managers:**
They are people who are responsible for the day-to-day administration of the business. They plan, organize, direct and control the business.
- * **Employees:**
These are workers of an organization who are paid periodic remuneration.
- * **The interests of the users of accounting information include:**
 - Owners:**
 - * values of assets and liabilities;
 - * how much profit or loss the business has made in each year;
 - * how much dividend is to be paid.
 - Creditors:**
 - * capital structure of the organization;
 - * the firm's ability to pay its debts promptly.
 - Prospective investors:**
 - * share prices;
 - * liquidity position of the firm;
 - * profit ability of the firm.
 - Managers:**
 - * product pricing;
 - * inventory managements;
 - * cash position to know the organization's ability to honour obligations.
 - Employees:**
 - * the growth of the company;
 - * job security;
 - * firm's ability to pay regular and reasonable wages and salaries.

Question 5

This was a question on Correction of Errors and candidates were expected to prepare:

- (a) General journal to correct errors from given transactions;
- (b) Suspense Account after the corrections had been effected.

It was a fairly popular question with below average performance.

Candidates gave incorrect heading to the solution to (a) as “Journal” and also gave Improper description of accounts when writing the journal entries.

They lacked understanding of basic double entry principles which manifested in the manner in which the candidates sought to correct errors and indicated the difference in the trial balance as balance brought down (b/d) in the Suspense Account.

Candidates needed to have an understanding of the double entry system to be able to answer the question well.

Question 6

This was a question on accounts of a not-for-profit making organisation. Candidates were required to prepare:

- (a) Subscriptions Account;
- (b) Receipts and Payments Account;
- (c) Income and Expenditure Accounts.

It was not a favourite question. Performance was however, below average. There was an error in the question. Subscriptions to 31/3/2010 was GH¢3,200 but included GH¢5,600 to 31/3/2011. The marking scheme was modified to take care of the error based on the double entry.

Few candidates were able to deduce the subscriptions for the year as GH¢6,800 and the closing balance on the Receipts and Payments Account of GH¢18,000 and those who applied the double entry well scored the full marks allocated to the question.

Question 7

This question on Branch Accounts was the least popular of the questions in section B of the paper. The performance of the few candidates who attempted it was unimpressive. They did not display clear understanding of the bookkeeping entries relating to branch transactions.

Majority of the candidates could not properly identify the demands of the question and gave irrelevant or wrong entries in the accounts.

They were unable to treat normal loss in the accounts and made wrong conversions and subsequent incorrect conversion of mark-up to margin. This resulted in the Branch Adjustment Account being prepared with inaccurate figures.

Teachers and students should make effort to cover in detail this aspect of the syllabus.

* The mark-up of $33\frac{1}{3}\%$ ($\frac{1}{3}$) converted to margin is 25% ($\frac{1}{4}$).

* In the Branch Stock Account, the expected debit entries were:

	N
Stock on hand - Bal b/d	13,200
Goods from Head Office	74,400

The expected entries on the credit side were:

	N
Sales: Credit	63,000
Cash	7,200
Returns to Head Office (Ho)	3,000
Goods stolen in transit	1,800
Normal loss	300
Shortage - balancing	456
Balance c/d (stock on hand)	11,844

* In the Branch Adjustment Account, the relevant entries were as follows:

<u>Debits</u>	N
Returns (N3000 x $\frac{1}{4}$)	750
Normal loss	300
Shortage	456
Margin on goods stolen (N1,800 x $\frac{1}{4}$)	450
Gross Profit (balancing figure)	16,983
Balance c/d (Stock 11,844 x $\frac{1}{4}$)	<u>2,961</u>
	<u>21,900</u>

<u>Credits</u>	
Balance b/d (Stock 1/1/10) (N13,200 x $\frac{1}{4}$)	3,300
Goods from Head Office (N74,400 x $\frac{1}{4}$)	<u>18,600</u>
	<u>21,900</u>

Question 8

This was a question testing candidates' ability to prepare Departmental Trading and Profit and Loss Account for a Company Operating Separate Provisions and Textiles Departments. It was a popular question and very well answered.

Candidates were able to correctly apportion expenses to the two departments on the bases indicated.

They however, omitted total columns in the Departmental Trading and Profit and Loss Account and prepared separate accounts for the departments instead of in columnar form

Question 9

This was a question on Governmental Accounts requiring candidates to prepare the following for East Kofi District Assembly for December 2009:

- (a) Revenue and Expenditure Account;
- (b) Statement of Revenue Expenditure;
- (c) Statement of Capital Expenditure.

It was a popular question. Candidates' performance was quite impressive.

Many of the candidates were able to identify the accounting Heads 1001 - 1011 as revenue items and 2001 - 2009 as expenditure items. They were also able to correctly debit the Revenue and Expenditure Account with all items falling within 2001 - 2009 that were capital expenditure and credit the account with items 1001 - 1011 which were revenue items.

A few candidates correctly prepared the Statement of Capital Expenditure by stating only the capital items - Sinking of wells GH¢25,000 and Building of classrooms GH¢28,000. Others added irrelevant entries.

The expected procedure to follow in making the entries is as follows:

- (i) The Revenue and Expenditure Account is debited with all expenditure items (both revenue and capital) and credited with all revenue items (revenue and capital inflows)
- (ii) The Statement of Revenue Expenditure deals only with revenue expenditure items such as teachers' salaries, purchase of drugs, maintenance of hospital ward, stationery exclusive of capital items i.e. sinking of wells and building of classrooms.
- (iii) Statement of Capital Expenditure is only for capital items i.e. Sinking of wells GH¢25,000 and Building of classrooms GH¢28,000.
- (iv) The principles underlying the preparation of Governmental Accounts on cash basis should be well taught in order to boost the understanding of candidates and the answers they compose for questions on the topic.

PRINCIPLES OF COST ACCOUNTING

1. GENERAL COMMENTS

The standard of the paper on the whole was comparable to that of previous years'. All the questions were within the contents of the teaching and examinations syllabuses. The questions covered the different levels of thinking from recall to comprehension and application.

The performance of the candidates was also quite good and comparable to that of previous years.

2. A SUMMARY OF CANDIDATES' STRENGTHS

- (1) Candidates showed more maturity in answering the essay-type questions. Most candidates answers were stated in clear and simple language and marks were scored for clarity of expression and precision of answers.
- (2) With the practice questions there was clear evidence of orderly presentation of answers, even where the wrong answers were provided.
- (3) Most of the candidates produced legible handwriting.
- (4) Most of the candidates obeyed the rubrics of the paper.

3. A SUMMARY OF CANDIDATES' WEAKNESSES

There was evidence of inadequate preparation for the examination by some candidates from the answers given especially questions that required them to apply the basic principles of cost accounting. They grossly displayed ignorance of the principles in their answers.

4. SUGGESTED REMEDIES

- (1) Adequate preparation for the examination is highly recommended.
- (2) Candidates need to fully understand the various topics and their application in practical situations.
- (3) Constant practice of examination questions under proper guidance will improve candidates ability to understand and produce the required answers to questions.

5. DETAILED COMMENTS

Question 1

This is an essay-type question on Standard Costing. Candidates were required to explain standard costing and state four purposes of standard costing.

This was a popular question which was very well answered.

Many candidates were able to give the precise definition and good explanation of standard costing. The purposes of standard costing were also well outlined.

A few candidates however, defined standard cost instead of standard costing and others tended to describe standard costing in place of the purposes.

On the whole, this was a good question for candidates and many scored the full marks.

Question 2

This question sought to test candidates on the introduction to cost accounting.

Candidates were required to state ten activities likely to be undertaken by a Cost Accountant.

This was a very practical question which required complete understanding of the role of the cost accountant.

This was not a very popular question. The performance was just average.

While some candidates were able to state some duties of the cost accountant, answers were often mixed with the uses of cost accounting information or the importance of cost accounting. On the whole it was observed that candidates could not apply principles learnt theoretically and it is expected that, teachers will lay more emphasis on the role and duties of the cost accountant in industry.

Question 3

This was also an essay type question based on Marginal Costing.

Candidates were required to explain marginal costing and state four advantages of marginal costing. This was also a very popular question with candidates. Many candidates were able to explain marginal costing very well and gave very good advantages of marginal costing.

The level of clarity and maturity exhibited by some candidates in answering this question was pleasing. Other candidates however, explained Marginal Cost instead of Marginal Costing and also gave various uses of Marginal Costing instead of giving advantages of marginal costing.

Question 4

This question was based on absorption of overheads.

Candidates were required to state two reasons for over absorption of overheads and explain why pre-determined overheads are used for product costing.

This was a question which was almost completely avoided by candidates. The answers by the very few who attempted it were very inadequate. This question also required practical application of overhead absorption and it was clear that knowledge of the candidates about the requirement and on the subject matter was shallow.

Question 5

This was a practice question on marginal costing.

Candidates were required to calculate unit contribution under marginal costing and the net profit under absorption costing.

The first part was very poorly answered. Many candidates rather computed the total profit under marginal costing instead of the unit contribution.

The second part was however, quite well answered.

Candidates were able to compute the sales correctly as well as all the elements of cost. The presentation of the answer was also very well done. Some candidates lost marks because they did not show the sub totals for labour and overheads. On the whole it responded to well.

Question 6

This was a Job Costing question and candidates were required to calculate the cost of two jobs. This was a popular question and quite well answered. The question involved computations to obtain direct labour and overheads for three different departments under each job.

Many candidates were able to show this correctly.

Some candidates however, lost marks for not showing the workings to obtain the direct labour and overheads.

The calculation of the profit was not well done. The profit of 25% on selling price meant that the cost was 75% of the selling price so profit was $\frac{25}{75}$ of cost not $\frac{25}{100}$ of cost as was done by a sizable number of candidates. Some candidates also combined the two jobs. Candidates obtained average marks in this question.

This was a Standard Costing question which involved the computation of variances. It was a very popular question with the candidates and very well answered. There were a few challenges with the formulae used by a few candidates but majority of them answered the question very well. Other challenges noticed bordered on the qualification of the final answers as favourable or adverse.

Teachers need to take note of this and impress on candidates the need to qualify final answers when variances are computed.

This question was a Job Cost question which involved the preparation of a Contract Account and a Contractee's Account.

A good number of candidates attempted this question and the performance was just also average. Candidates were able to appropriately record the Materials, wages and other contract costs in the Contract Account.

One item that many candidates placed wrongly on the debit side of the Contract Account was "prepayments carried down". Some candidates also wrongly brought cash received into the contract account.

The contractee's account was better prepared and many more candidates got it right.

Question 9

This was a question on labour and candidates were required to compute the labour cost of two jobs. The computations also involved the calculation of overtime at time and a half.

This was not a very popular question with candidates.

Majority of candidates who attempted this question were able to compute up to the basic wages for the employees. Few candidates were able to go on to compute the overtime wages correctly and obtain the total labour cost for the two jobs.

Some candidates combined the hours for Sister Davies and V.C Johnson for the two jobs and computed the wages, which was wrong.

The performance in this question was far below average.

TYPEWRITING

1. **GENERAL COMMENTS**

The standard of the WASSCE May/June 2012 Typewriting Examination paper compared favourably with that of previous years.

The performance was slightly better than last year's.

2. **A SUMMARY OF CANDIDATES' STRENGTHS**

There was an improvement in the presentation of the letter and the typing of the manuscript. Some candidates scored good marks in these two tasks. Candidates are advised to keep it up.

3. **A SUMMARY OF CANDIDATES' WEAKNESSES**

The weaknesses were as follows:

- poor mastery of the keyboard;
- failure to follow instructions;
- typographical errors;
- overtyping;
- poor correction of errors;
- inconsistent punctuation;
- inconsistent line spacing;
- wrong alignment of figures, margins and words;
- wrong and inconsistent indentation of paragraphs;
- wrong spacing between and within words;
- omission of date in letters and memos;
- wrong placement of date;
- date rendered in figures;
- poor paragraphing;
- general poor display.

4. **SUGGESTED REMEDIES**

The following should be considered as remedy for the weaknesses:

- sufficient practice on the keyboard;
- follow rubric instructions;
- improvement in speed, accurate typing skill and good presentation of work;
- errors should be properly corrected so that no traces of previous letters could be seen;
- the 10 minutes reading time should be seriously taken;
- sufficient preparation should be done before registering for the exam;
- typewriters should be well serviced periodically;
- machines should be in good working condition and students must have used them for sometime before using them for examinations.

5. DETAILED COMMENTS

TASK 1 - SPEED AND ACCURACY

Majority of the candidates typed the passage to the end - 40 words per minute for 5 minutes. However, some of them failed to score the 5 marks for speed due to the omission of words/lines/sentences. There were also typographical errors and poor paragraphing.

TASK 2 - LETTER AND ENVELOPE

Candidates were instructed to type the letter on plain A4 paper and address an envelope.

The following problems were observed:

- Poor paragraphing. Some candidates left 4 character spaces for the indentation whilst others left as many as 8 character paces.
- Blocked headings were used for indented paragraphs and vice versa.
- Letters were typed in double line spacing instead of single line spacing.
- The abbreviation “plc” was given different interpretations. The abbreviation was not expected to be expanded.
- Typographical errors.
- Omission of the addressees’ address.
- Omission of the date and reference No.
- Date was typed in figures.
- Marginal instructions were not followed.

Envelopes are to be typed with a top margin of not less than 1½” (38mm) and 2” (50 mm) left margin. It should be blocked and the line spacing should be consistent.

TASK 3 – MANUSCRIPT

Candidates were instructed to type on plain A4 paper and to use double line spacing.

Majority of the candidates used 1½ line spacing instead of the double line spacing as requested. They left no extra line space between blocked paragraphs of work typed in double line spacing, but rather left an extra line space in indented paragraphs of work typed in double line space.

There were quite a number of typographical errors, poor erasing and omissions.

TASK 4 - FORM PREPARATION AND COMPLETION

Candidates were instructed to type a form and take a carbon copy. Information was given for the completion of the carbon copy only.

Majority of the candidates completed both the original and the carbon copy. Some used dashes instead of dots for the dotted lines. Some failed to type the information on the dotted lines.

No space is required between an amount of money and its symbol e.g. N50.00. Some candidates failed to type the amount of the money in words. Some prepared the form and type the information at the bottom of it.

TASK 5 - NOTICE OF MEETING

An easy task but some candidates scored poor marks:-

- Poor style of display. Notice is always in single line spacing. The Agenda also in single line spacing with double line spacing in between the items. Some changed the time from 24 hour clock to 12 hour clock e.g. 1400 hours - 20.00 p.m.

TASK 6 – TABULAR

The instruction to type “Other Periods” as the last column was ignored. Some sent only the columnar heading of “Other Periods” to the last column and forgot about the figures in the column. Others too mixed up the figures of “Easter Periods” with the “Christmas Periods”. The correct way of typing this tabular is to type “Outfit” column first, “Easter” column second, “Christmas” column third and “Other Periods” column last. The balloon instruction was ignored. Some ignored the apostrophe marks. Some used the aswte accent sign (‘) as apostrophe.

