

Decisions on Conditions and guidance for AS and A level Accounting



In February 2016 we published a consultation about the rules and guidance we proposed to put in place for new AS and A levels in accounting.

This consultation set out draft Subject Level Conditions, requirements and guidance which would apply to all new AS and A levels in this subject.

We have reviewed the responses to the consultation and are now announcing our decisions. We are also publishing a more detailed analysis of the responses alongside this document¹.

AS and A level accounting

Compliance with content requirements

We proposed that all reformed AS and A levels in accounting should comply with the subject content requirements published by the Department for Education (DfE),² and with our assessment objectives.

We explain in our analysis document that there was only one response to this consultation that engaged with the questions we asked. The respondent in question supported this proposal and expressed no concerns in relation to it.

We have therefore decided to confirm our proposals in this area.

Assessment of double entry accounting

The respondent stated that the weightings for double entry accounting at A Level (25% to 30%) were restrictive. They argued that these weightings could lead to the assessment becoming too predictable as there are only a limited number of management and costing topics that would allow students to demonstrate and apply knowledge and understanding of double entry accounting. The respondent suggested a wider range of 20% to 30% at A Level and a range of 25% to 35% at AS.

The weightings we prescribed in the Conditions were based on those which appeared in the original draft of the Subject Content document for A Level and AS Accounting. These were consulted on by DfE. However, we clarified with DfE that

¹ www.gov.uk/government/consultations/gcse-as-and-a-level-reform-regulations-for-accounting

² www.gov.uk/government/publications/gce-as-and-a-level-accounting

they should form part of our rules on assessment, rather than the subject content. Given that these weightings were originally proposed to reflect curriculum expectations in this subject and have been consulted on previously without significant concerns about them being raised, we have concluded that there is not a strong basis to change them at this time, and that exam boards should address risks around predictability in the design of their assessments.

The respondent also stated that the maximum percentage for demonstrating double entry computational technique should be increased to 15% for A Level and to 20% for AS, stating that these increases would 'allow for more rigorous questions on preparing statements of financial position'. 'Preparing statements of financial position' is defined in the DfE subject content as a double entry book keeping task. Again, for the same reasons as noted above, we have concluded that there is not a strong basis to change these requirements.

We have decided not to change the weightings for the assessment of double entry accounting we proposed.

Guidance on assessment objectives

The respondent stated that the following interpretation should be removed from the interpretations and definitions section of AO2 as they considered it to be superfluous:

The application should relate principally to:

- *situations that are not clearly indicated in the specification;*
- *developing further material that is covered in the specification; or*
- *making links, which are not signalled in the specification, between such types of material.*

The respondent stated that the definition does not provide any further clarification of 'context' which is adequately defined in a footnote to the guidance. However, the emphasis here is on 'apply' rather than 'context'. This is standard text used in a number of subjects. We have decided to retain this definition as we think the guidance is relevant and it is consistent with the approach we have taken in other subjects.

The respondent also asked for further clarification on what was meant by '*to analyse and evaluate to present information*' in assessment objective AO3 strand 1. We have made a minor amendment to the guidance for assessment objective AO3 to clarify our guidance on how the evaluation of accounting data should be assessed.

The respondent was supportive of all our other proposals and we have decided to adopt them in full.

Next steps

We have published the following documents which formally introduce our rules and guidance for AS and A level accounting:

- *GCE Subject Level Conditions for Accounting*³
- *GCE Subject Level Guidance for Accounting*⁴

³ www.gov.uk/government/publications/gce-subject-level-conditions-and-requirements-for-accounting

⁴ www.gov.uk/government/publications/gce-subject-level-guidance-for-accounting