

A Level Accounting – AQA

Curriculum Content

	Year 12	Year 13
Summer 2 (Roll over)		<p><u>3.13 Capital investment appraisal</u></p> <ul style="list-style-type: none"> • Payback and net present value (discounted cash flow) of a capital project. • The benefits and limitations of the payback and net present value methods of capital investment appraisal. • The use of capital appraisal measures in the evaluation of projects (INTRO). <p><u>3.17 Interpretation, analysis and communication of accounting information</u></p> <ul style="list-style-type: none"> • How accounting techniques, measures and ratios are used to analyse and interpret accounting information (both financial and management) and the limitations of using financial statement and ratio analysis when assessing business performance. • How performance is evaluated both internally and across accounting periods and externally in comparison to competitors. • The difference between cash and profits and the effect of transactions on profitability and liquidity. • The interests of stakeholders and importance of effective communication to both internal and external stakeholders. • The critical assessment of recommendations and their impact on stakeholders, the local and national economy and the environment.
Autumn 1	<p><u>3.1 An Introduction to the role of an accountant</u></p> <ul style="list-style-type: none"> • The responsibilities of the accountant within business. • The difference between financial accounting and management accounting and the purpose of each. • The role of the accountant in developing and overseeing accounting information systems to provide reliable and relevant information for both financial and management purposes. <p><u>3.2 Types of business organisation</u></p> <ul style="list-style-type: none"> • Types of business organisations including different business ownership models. • The associated benefits and risks and the impact on business reporting. 	<p><u>3.13 Capital investment appraisal</u></p> <ul style="list-style-type: none"> • The use of capital appraisal measures in the evaluation of projects (CONTINUED). <p><u>3.11 Standard costing and variance analysis</u></p> <ul style="list-style-type: none"> • The purpose, advantages and disadvantages of a standard costing system. • Calculation and interpretation of variances. • The interrelationship between variances. • How to prepare statements and the use of accounting techniques to reconcile budgeted and actual figures. <p><u>3.15 Partnership accounts</u></p> <ul style="list-style-type: none"> • Prepare and comment on the financial statements of partnerships. • Prepare capital and current accounts of partners.

- Sources of finance for different forms of business organisation and the risks related to those.

3.3 The double entry model

- The double entry system including the recording of transactions from source documents in books of prime entry and ledger accounts; transferring accounts to income statements, balancing accounts and the preparation of statements of financial position.
- The recording of adjustments in ledger accounts and financial statements (INTRO).
- Prepare and understand accounting records based on source documents and use the main books of prime entry and ledger accounts.
- Apply the double entry model in the preparation of financial statements for a range of business organisations (INTRO).
- Prepare income statements (trading and profit and loss accounts) and statements of financial position (balance sheets) working from trial balances and additional information.
- Prepare statements of financial position (balance sheets) with subheadings.
- Make entries for simple adjustments for expense prepayments and accruals in ledger accounts and in income statements and statements of financial position (INTRO).

3.6 Preparation of financial statements of sole traders

- The use of concepts in the preparation of financial statements.
- How to prepare financial statements of sole traders from ledger accounts including adjustments from the application of accounting concepts.
- How to prepare income statements and statements of financial position from a trial balance including adjustments from the application of accounting concepts.

3.7 Limited company accounts

- How to prepare the internal financial statements of limited liability companies – all sections apart from types of profit – already covered (INTRO).

- Account for changes in partnership.

<p>Autumn 2</p>	<p><u>3.3 The double entry model</u></p> <ul style="list-style-type: none"> • The recording of adjustments in ledger accounts and financial statements (CONTINUED). • Apply the double entry model in the preparation of financial statements for a range of business organisations (CONTINUED). • Make entries for simple adjustments for expense prepayments and accruals in ledger accounts and in income statements and statements of financial position (CONTINUED). • Make entries for irrecoverable debts in the sales ledger and financial statements • Make entries for depreciation in the income statement and statement of financial position. <p><u>3.5 Accounting concepts used in the preparation of accounting records</u></p> <ul style="list-style-type: none"> • General accounting concepts. • The use of accounting concepts in a variety of situations. <p><u>3.7 Limited company accounts</u></p> <ul style="list-style-type: none"> • How to prepare the internal financial statements of limited liability companies – all sections apart from types of profit – already covered (CONTINUED). 	<p><u>3.12 Absorption and activity based costing</u></p> <ul style="list-style-type: none"> • The use of absorption costing to calculate the total cost of a product. • The use of activity based costing (ABC) to calculate the total cost of a product. • Use of absorption and ABC to calculate the selling price of a product. • The benefits and limitations of absorption, ABC, marginal costing. <p><u>3.16 Accounting for limited companies</u></p> <ul style="list-style-type: none"> • The use of accounting techniques and principles when drafting financial statements for limited companies (based on IAS1). • Accounting for the revaluation of noncurrent assets. • The difference between the issue of shares, a rights issue and a bonus issue, and recording the effect of such transactions in financial statements. • The requirement to publish accounts and how these are used by a variety of stakeholders. • The purpose and importance of the international accounting standards framework. • The use of accounting techniques and principles when drafting financial statements for limited companies (based on IAS7).
<p>Spring 1</p>	<p><u>3.4 Verification of accounting records</u></p> <ul style="list-style-type: none"> • Verification of the double entry records. • How to correct errors in double entry records. • The effect of errors on profit calculations and statements of financial position. • The benefits and limitations of verification techniques. <p><u>3.7 Limited company accounts</u></p> <ul style="list-style-type: none"> • How to prepare the internal financial statements of limited liability companies – all sections apart from types of profit – already covered (INTRO). <p><u>Review of topics covered to date.</u></p>	<p><u>3.9 Budgeting</u></p> <ul style="list-style-type: none"> • The need for budgeting in business organisations. • The benefits and limitations of budgeting and budgetary control. • The use of accounting techniques in the preparation and analysis of budgets (INTRO). • How budgets are used in planning and control and the calculation and interpretation of variances (INTRO). <p><u>3.18 The impact of ethical considerations</u></p> <ul style="list-style-type: none"> • The fundamental principles of ethical behaviour. • How the principles of ethical behaviour impact the behaviour of accounting professionals and organisations. • The legal and regulatory frameworks which relate to the accounting sector, the importance of working within regulatory guidelines and the consequences of failing to do so.

		<ul style="list-style-type: none"> • The role of professional bodies in establishing and enforcing codes of conduct. • How to act ethically when working with clients, suppliers, colleagues and stakeholders and the importance of adhering to organisational and professional value, codes of practice and regulations. • Appropriate courses of action to take if there is a suspicion that an unethical or illegal act has been, or may be, committed by an employer, colleague or client. <p><u>3.14 Accounting for organisations with incomplete records</u></p> <ul style="list-style-type: none"> • The calculation of profit of an organisation where there are insufficient records to prepare income statements (INTRO). • How accounting techniques are applied in the preparation and analysis of financial statements for a business with incomplete records (INTRO). • The benefits and limitations of maintaining accounting records using different systems including single and double entry records (INTRO). <p><u>Preparation for the Mock Exam Period.</u></p>
<p>Spring 2</p>	<p><u>3.8 Analysis and evaluation of financial information</u></p> <ul style="list-style-type: none"> • Calculation and interpretation of financial measures and ratios. • Appraising business performance by using financial statements and ratios. • The difference between cash and profits and the effect of transactions on profitability and liquidity. • The limitations of financial statements and ratio analysis when assessing business performance. <p><u>3.9 Budgeting</u></p> <ul style="list-style-type: none"> • The need for budgeting in business organisations. • The benefits and limitations of budgeting and budgetary control. <p><u>3.10 Marginal Costing</u></p> <ul style="list-style-type: none"> • Categorisation of costs by behaviour and understanding of terms. <p><u>3.18 The impact of ethical considerations</u></p> <ul style="list-style-type: none"> • The fundamental principles of ethical behaviour. • How the principles of ethical behaviour impact the behaviour of accounting professionals and organisations. 	<p><u>3.9 Budgeting</u></p> <ul style="list-style-type: none"> • The use of accounting techniques in the preparation and analysis of budgets (CONTINUED). • How budgets are used in planning and control and the calculation and interpretation of variances (CONTINUED). <p><u>3.14 Accounting for organisations with incomplete records</u></p> <ul style="list-style-type: none"> • The calculation of profit of an organisation where there are insufficient records to prepare income statements (CONTINUED). • How accounting techniques are applied in the preparation and analysis of financial statements for a business with incomplete records (CONTINUED). • The benefits and limitations of maintaining accounting records using different systems including single and double entry records (CONTINUED).

	Exam preparation.	
Summer 1	3.10 Marginal Costing <ul style="list-style-type: none"> • Calculation and interpretation of breakeven point, interpreting break-even charts and the uses and limitations of breakeven analysis methods. • The use of marginal costing in decision making situations. 3.13 Capital investment appraisal <ul style="list-style-type: none"> • The calculation and use of cash flows in capital investment appraisal (INTRO). Exam feedback.	Exam preparation and assessment techniques.

Skills

The skills developed throughout the course include:

- Recalling detailed information accurately
- Knowledge and understanding of different financial and management accounting techniques and how these can be used in practice to ensure compliance with regulatory requirements and improve decision making in a range of different business environments.
- Applying knowledge and understanding of accounting principles procedures in a range of financial contexts.
- Analysing and evaluating the impact financial information can have on the decision making and subsequent success of a business.
- Making justified judgements with supported reasoning.
- Numeracy skills through the central role that calculations play in each topic of the course.
- Literacy skills through the effective presentation of information in an appropriate form enabling the reader to understand. Central to this is the use of accurate and appropriate terminology in line with newly updated accounting standards.
- Collaboration, communication and presentation skills through various group activities throughout the course content.
- Problem solving skills to ensure suitable advice can be provided to inform financial, management and operational decision making.

Assessment

Internal formal assessment takes place in Year 12 (including the mock exams) and in Year 13 in line with the school assessment policy. There will also be a series of departmental assessments and homework tasks throughout Year 12 and 13 to support students and provide appropriate interventions where necessary. For the award of the qualification, this linear A Level from AQA is examined entirely by examination at the end of Year 13. There are two papers:

- Paper 1 – Financial Accounting (3 Hours)
- Paper 2 – Accounting for Analysis and Decision-making (3 Hours)

Both Paper 1 and Paper 2 are made up of multiple choice, mid-mark (ranged) responses and two extended answer questions linking to case studies. Papers 1 and 2 are equally weighted

Further details about the course can be found at: <https://www.aqa.org.uk/subjects/accounting/as-and-a-level/accounting-7127>