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Accounting

How to get a 50 in Accounting (without a tutor!)



By **Jared**

Jared graduated from Mount Scopus College and is currently studying a double degree in Commerce and Actuarial Science at Monash University

NB – New Study Design

In 2019, we saw a new Study Design which introduced new terms and new topics to reflect the ongoing changes in the accounting world. As a result, select questions and answers from VCAA exams and trial papers which pre-dates 2018 might not be correct under the new study design.

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Classwork

The first thing I would recommend for any students who want to study Accounting is to ensure they have organised themselves. This includes having both the textbook and workbook for the first day of school and already starting to allocate spots in your binder folder for each topic

1. Staying on Top of Your Work

Many might claim that accounting is “boring”, it is important to have a good attitude towards the subject for the entire year. Accounting is very accumulative where you need the previous topics to understand future topics. It is therefore important to stay on top of all the work throughout the year because as soon as you begin to fall behind a week or two, the work will really feel like it is piling up.

2. Taking Notes in Class

The end of year exam is ultimately handwritten. Even though it might be slower compared to those who are typing notes on computers, handwriting allows you to practise writing in a pressured environment which is extremely beneficial for the exam. It’s also a proven better way to help retain the information you are writing about!



3. Vocabulary List

The accounting course consists of many new terminologies which you might have never heard of. I made a list of all the different terminology and useful phrases which I stuck around my room to ensure it will be engraved in my head; my aim was to be “fluent” in the language of accounting.

4. Summarising Topics

After finishing each chapter in class, aim to summarise that topic in a page or two; this forces you to reduce all the information into a more practical set of notes. I found this technique of studying particularly useful for topic tests and SACs as it allowed me time to practise questions.

5. Question Bank

A question bank is document where you record all the questions you didn't receive full marks in. One way to get the most use out of the question bank is **add dot points in another colour** underneath each answer saying what you left out and/or phrasing that you did incorrectly. Another method to maximise the usefulness of the question bank is to create a little study group with your friends where you mark each other's answers as this will allow you to see how different people approach the one question.



How do I Study for SACs?

An accounting SAC (School assessed coursework) can ask **three** types of questions...

▶ Practical Questions

A practical question is simply doing the accounting procedures such as filling in Inventory Cards, performing Balance Day Adjustments or creating Budgeted Reports.

▶ Theory Based Questions

A theory based question underpins the accounting procedures and explains why the practical work is done in a certain way.

▶ Analysis Based Questions

An analysis question looks at analysing data from graphs or a statement from the owner where it can ask you to interpret and extrapolate the information. This type of question is most common in unit 4 when looking at profitability and liquidity. However, this type of question can be asked throughout the entire course.

How are Accounting SACs presented?...



An accounting SAC is typically presented in two different formats. However, each school is at liberty to present their SACs in different ways such as a case study or a report.

- **Handwritten SACs**

This type of SAC (the most common) can include all of the three types of question which were mentioned above (Practical, Theory Based, Analysis Based). This format, much like the exam, will have a question booklet and an answer booklet.

- **ICT SACs**

The ICT based SAC is a prescribed component for 30% of both unit 3 and unit 4 SACs by VCAA. **Put simply...** an ICT based SAC is a practical heavy SAC done on excel or google sheets. Whilst the practical questions might be very similar between both SACs such as completing an income statement, on excel there are formulas which makes the process easier. It is important to **be familiar with all the different formulas** as it will reduce the time taken to complete the longer questions, allowing you more time to think on the harder questions.



How do I Study for the Exam?

Organise a Plan

Studying for the accounting exam is a long yet rewarding process. **If you fail to plan, you are planning to fail.** With this in mind, the first step in your revision should be to try and create a detailed schedule of what topics to revise, how you will revise for that day and which days you will study accounting on.

Practice Exams

Personally, I began doing the exams closed book and timed so that I could see which topics I understood and the topics that I needed to spend more time on revising. I would say that the most important part of practice exams is to **mark the paper and reflect on your mistakes**. After each practise exam, I recorded my mark in an excel sheet and underneath it I noted down where I dropped my marks so that I would become aware of any common/silly mistakes that I make.

Old Study Design

The introduction of the new study design does make papers that pre-date 2018 a bit irrelevant. However, those papers are not obsolete. Generally, the older papers will contain roughly 10 marks which are no longer relevant for the new study design. If you are unsure about whether a question/answer is relevant or not, ask your teacher or other peers in your class.



Different Methods of Studying

Whilst it is definitely important to do timed practice exams, doing an excessive amount might become boring and counterproductive. Listed below are some alternate, fun and effective study methods:

- [Make a Rhyme](#)

I found making rhymes were helpful in remembering lists, specifically the headings and subheadings of the accounting reports. Although it might seem rudimentary, it is a simple way to remember all the different titles and avoid losing basic marks.

- [Play Games](#)

My go-to study game was called ‘heads up’. To set up the game, all you would need to do is to cut up a piece of paper into small squares, writing a prompt on the one side such as ‘financial indicators’ or ‘accrued expenses’. Lay out all the cards face down and flip one card over; you have 1 min to write down everything you know about that topic.

- [Do Quizzes](#)

A quiz is a great way to test your understanding of each topic. Doing quizzes such as the quizzes found on Studyclix allows you to find (if any) holes in your knowledge. Being able to isolate any weaknesses or mistakes within topics enables you to amend any errors so that it won’t happen again during the exams.



How Do I Handle the Exam?

- [The Exam Layout](#)

Each year the exam is set out in a similar format. The exam consists of 100 marks shared between 7-10 different scenarios with a range of questions for each scenario. There is no prescribed ratio of theory/analysis/practical questions. However, it tends to be 20-20-60 ratio.

- [Time Management](#)

With the exam being **100 marks and 2 hours** long (excluding reading time), the rule of thumb is that, at a minimum, you should try aim to do **1 mark every 1.2 min**. That being said, some marks require harder and longer work to get them.

- ▶ **Reading Time**

In every accounting exam, there is always a question known on the streets as the “discriminator” where only the top students will be able to identify it, let alone answer it correctly. It is during reading time where you should be looking for all the small tricks that the examiners will throw at you.

- ▶ **Writing Time**

Quite a common occurrence within the exam are ambiguous questions where it seems there could be several interpretations of the questions and several answers. As mentioned before, the 1.2 minute rule is very important here.



- Theory

- ▶ Try not to learn answers off, but rather get a deeper understanding of the content so you can answer any question that is thrown at you.
- ▶ Theory Qs range between 1-6 marks; make sure that you write enough relevant information so that the examiners can give you full marks. E.g., if the question is four marks, ensure you have four different and precise points in your answer.
- ▶ A common theory question worth 2-3 marks will ask to explain an accounting concept with the relevant qualitative characteristic or accounting assumption. Here, use the answer format 'IDL' (identity, define, link). With the link, it is important to refer the scenario in the question and explain how the characteristic/assumption is appropriate for the situation or how the accounting procedure breaches it.

- Analysis Question

- ▶ When faced with analysing either a graph, a chart or other displays of information the first step is to read the full question including extra information as this will shape your answer. Then identify what information is given, what is left out and if it's compared to a benchmark (previous performance, industry average, goals).
- ▶ When dealing with a profitability question, the financial indicators are connected with each other in groups of three. Generally, the question will provide the data for only 2 of the financial indicators where the examiners expect you to discuss the missing indicator and be able to infer information about it.



- ▶ **When discussing liquidity**, there is the speed of liquidity and the level of liquidity. It is crucial to differentiate them in any answer and write about how they interact with each other as well.
- ▶ **For both profitability and liquidity**, a ‘discuss’ question requires a discussion of both positives and negatives of the business.

- Practical Questions

- ▶ Most exams will have an 8-14 marker question of either a Balance Day Adjustments or Disposing of an Asset. If broken down, it is really several small parts.
- ▶ The best way to approach this question is to multiply the mark allocation by 1.2 to find out how long you can spend on the question and write the ending time on the top of your page as a guide.
- ▶ Among the simple questions, there will always be a question or two that might require an extra few steps or a different way of thinking to get the answer. It is here where you will benefit from doing the easier questions with a bit of pace as it will allow you to spend a bit of extra time to get those marks.

- Ethical Accounting

- ▶ Apart of the new 2019 study design, ethical accounting was introduced. Ethical accounting is looking at the social and environmental impact of your decision making for which it might influence the owner of the business such as paying fair wages or using reusable energy for the business.



- ▶ When answering an ethical question, it is important to discuss social and environmental impact along with the financial implications, both positive and negative. Throughout the year, try to read articles that relate to business social and environmental actions as this will get you thinking ethically.
 - Proofreading
- ▶ It is important to review your work to make sure that your written answers make sense and that your practical work is complete. However, redoing calculations or double guessing yourself might do more harm than good.



Some Final Tips

❖ Use Your Teacher

One tip that I can't stress enough would be to use your teacher. Your teacher is the most knowledgeable person you know about the subject, guaranteed. Whenever I had a question or thought of an idea relating to accounting, I would email my teacher or ask him after class. Speaking with your teacher about topics or ideas allows you to consolidate your knowledge and will actually strengthen your understanding.

❖ Study Design & Examiners' Reports

The study design literally contains dot point relating to every possible question that can be asked on your end of year exam. After finishing each area of study, look through the 'key knowledge' and 'key skills' section to see if there are any gaps in your knowledge. Moreover, the examiner's report is an amazing resource for the exam. This is located on the VCAA website. Use the examiner's report to see where the majority of the state makes their mistakes and how they made it, so you won't follow the same fate.

❖ Have Fun!

Finally, but most importantly, have fun with accounting. It will become very hard to study for the subject if you do not enjoy it. Throughout the year, even when the work becomes hard and sometimes overwhelming, keep a positive attitude and have the mindset that you can do it. 😊





Best of luck in the exam! You will be great. 😊

