

<b>THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN</b>	
<b>EXAMINERS' COMMENTS</b>	
<b>SUBJECT</b> Introduction to Accounting	<b>SESSION</b> Certificate in Accounting and Finance (CAF) Examination - Autumn 2019

### Passing %

Question-wise								Overall
1	2	3	4	5	6	7	8	
51%	11%	55%	82%	59%	39%	11%	32%	34%

### General comments

An overall passing ratio of 34% is lower than the last two results of 48% and 48% respectively. 18% examinees were just short of 9 or fewer marks and could have easily obtained them if they have covered all areas of the syllabus. The highest score in the paper was 97 marks.

Performances in Q2 and Q7 were poor. Q2 (IAS 2) has a higher difficulty level as compared to previously examined question on this topic at Introduction to Accounting due to the recent changes in the syllabus. Examinees who only focused on previously examined questions had no idea of the question examined in this attempt. Q7 (Correction of error) was examined in last two attempts as well. It seems that examinees had not studied this topic or prepared half-heartedly on the assumption that this topic would not be examined in this attempt.

Although many examinees performed well, some shortcomings such as lack of practice, poor presentation, etc. were commonly noted in many scripts. Many examinees secured good marks in two to three questions but failed to obtain reasonable marks in the remaining questions.

### Question-wise common mistakes observed

#### Question 1

- Cheque for donation was not reversed/written back in cash book.
- In part (b), additions were shown as deductions and vice versa

#### Question 2

Though few examinees scored full marks, most of the examinees had no idea of dealing with the question. They either did not attempt the question or secured zero marks.

**Question 3**

- While computing correct profit, sign of rent adjustment and amount of bonus were incorrect.
- Adjustment of partners' salaries was not shown in computing correct profit.

**Question 4**

MCQs number (ix) and (x) were least well answered.

**Question 5**

- Discount columns were shown in cash book.
- Entries to be made in general journal were often missing or incorrect.

**Question 6**

- Machine exchanged was recognized at Rs. 1,130,000 instead of Rs. 1,020,000.
- In accumulated depreciation account, amounts for disposal were not updated for depreciation from 2018 till the date of disposal.
- Incorrect and / or incomplete postings were made in disposal account.
- Various types of errors were made in calculating depreciation for the year. Please refer ICAP's suggested solution for correct calculation.

**Question 7**

- Impact of adjustments made in (i) were ignored while calculating provision required as at 30 June 2019. Further, balance of provision for doubtful debts given in the question was ignored while making adjustment.
- Several types of errors were made in making correcting entries in respect of (ii). Please refer ICAP's suggested solution for correct entries.
- In (iii), accumulated depreciation was used instead of suspense account.
- While computing effect on net profit, additions were shown as deductions and vice versa.

**Question 8**

- Closing inventory and cost of goods sold were not adjusted in respect of information (i).
- Remaining prepaid rent in respect of printer was not adjusted against the amount payable in respect of purchase of printer.
- Depreciation was re-calculated for all property, plant and equipment instead of only adjusting it for changes made in property, plant and equipment.
- Depreciation was not allocated between selling and administration expenses.
- Bank loan was not bifurcated or bifurcated incorrectly into current and non-current liabilities.

***(THE END)***