

Grade Descriptions for Cambridge IGCSE Accounting 0452

What are grade descriptions?

Grade descriptions describe the level of performance typically demonstrated by candidates achieving the different grades awarded for a qualification. For Cambridge IGCSEs, they describe performance at three levels – grades ‘F’, ‘C’ and ‘A’.

Grade descriptions sit alongside other key documents that illustrate examination standards, including:

- the syllabus, which presents what students should be taught over a course of study and explains how this is assessed
- the specimen assessment materials, which illustrate the structure of the assessment and the kinds of tasks that candidates complete
- grade thresholds, which show the total mark required to achieve a grade.

Grade descriptions are produced with a wide range of audiences in mind. For teachers, they support lesson planning and curriculum development, while students may gain useful insights into what is required to achieve a high grade and what candidate performance at lower grades typically looks like. For university admissions staff and employers, and those less familiar with Cambridge, they paint a picture of typical performance at different grades.

Cambridge publishes grade descriptions for a qualification once examinations have taken place for the first time, and we review them when a qualification is substantially revised. They are developed by highly experienced examiners who understand performance standards in the subject area and have studied samples of candidate work.

How do I use this resource?

Grade descriptions are presented as a grid with content areas at the start of each row and the different grades at the top of each column.

The content areas group together various aspects of the syllabus – they reflect topics, assessment objectives, key concepts, syllabus aims and components. The way they are organised is specific to each subject.

For each content area, there is a descriptor for each grade. Reading across the row from left to right, the descriptors represent increasing levels of performance, with each grade descriptor building on, and including, the last.

Each column represents overall performance at a particular grade. Reading down the column from top to bottom, the descriptors capture the range of knowledge, understanding and skills that a candidate ‘comfortably inside the grade’ is likely to demonstrate.

Cambridge produces grade descriptions to support teaching and learning and the interpretation of candidate scores and grades. We do not use them to set grade thresholds. As such, they cannot be used to challenge the grade awarded to any individual candidate.

Grade descriptions

Area of knowledge, understanding and skills	Typical performance at grade F	Typical performance at grade C	Typical performance at grade A
The fundamentals of accounting	<p>Students are aware that book-keeping systems exist to record financial data.</p> <p>They know that the records produced will be used by accountants to provide financial information such as profit or losses.</p> <p>They distinguish between some assets and liabilities.</p>	<p>Students show some knowledge of a manual book-keeping system and the categories of information it provides. They can differentiate between the roles of a book-keeper and an accountant in measuring profit or losses.</p> <p>They identify and explain the purpose of a limited amount of accounting terminology that can be expressed by the accounting equation.</p>	<p>Students have a good knowledge of the information generated from a book-keeping system. They are able to process the categories of information necessary to measure profit or loss accurately.</p> <p>They have a broad knowledge of accounting terminology and are able to apply the accounting equation in a practical context.</p>
Sources and recording of data	<p>Students conduct simple calculations to partially complete primary documentation such as invoices and credit notes.</p> <p>They may indicate the destination that primary documentation should take within some of the books of prime entry but are unable to record ledger accounts accurately.</p>	<p>Students distinguish between and apply discounts and complete primary documentation with some accuracy for sales and purchases.</p> <p>They have a basic knowledge of double entry book-keeping and can transfer most information from books of prime entry into ledger accounts and the cash book.</p>	<p>Students complete primary documentation and post the information more accurately into the ledgers, including sales, purchases and operating expenses, with occasional errors.</p> <p>They understand and are able to explain the purpose of the division of the ledgers from a control and security perspective.</p>
Verification of accounting records	<p>Students are able to partially construct a trial balance based on limited knowledge of assets and liabilities.</p>	<p>Students construct a trial balance that may contain some errors and identify a suspense account balance if required.</p>	<p>Students are able to produce most control documents with a higher degree of accuracy.</p>

Area of knowledge, understanding and skills	Typical performance at grade F	Typical performance at grade C	Typical performance at grade A
	<p>They make some adjustments to cash books, but they find constructing reconciliation statements and control accounts more challenging.</p>	<p>They construct simple reconciliation statements and control accounts that may include some incorrect accounts.</p> <p>They are aware of the use of the journal as a way to correct errors identified within a trial balance, but are less successful in accurately correcting errors.</p>	<p>They explain how the control processes are constructed and the reasons for verifying accounting records within a business environment.</p> <p>They can correct most errors accurately through the journal in order to eliminate suspense account balances effectively.</p>
Accounting procedures	<p>Students make obvious distinctions between capital and revenue receipts.</p> <p>They have a rudimentary understanding of depreciation but are less confident calculating and applying all types of adjustments required.</p> <p>They have a minimal awareness of the impact that adjustments have upon financial statements.</p>	<p>Students identify some differences between capital and revenue receipts.</p> <p>They are able to describe the rationale for applying depreciation and will attempt to calculate accruals, prepayments and other adjustments.</p> <p>They record adjustments for depreciation and irrecoverable debts but have limited understanding of how provisions impact upon financial statements.</p>	<p>Students understand the reasons behind making a range of adjustments to the financial statements.</p> <p>They calculate adjustments and post them with few errors into the appropriate ledger accounts.</p> <p>They appreciate the impact that adjustments will make and have the ability to integrate them substantially into the financial statements.</p>
Preparation of financial statements	<p>Students have limited knowledge of the components required to prepare financial statements for business organisations.</p>	<p>Students have a broader range of knowledge of the components required to prepare financial statements for sole traders and partnerships.</p>	<p>Students have extensive knowledge of the components and year-end adjustments required to prepare financial statements for all types of business organisations.</p>

Area of knowledge, understanding and skills	Typical performance at grade F	Typical performance at grade C	Typical performance at grade A
	They are able to attempt to prepare basic sole trader statements that require minimal year-end adjustments.	They make attempts at most year-end adjustments for these organisations. They find financial statements for limited companies, manufacturing businesses, clubs and societies, and incomplete records challenging.	They have a good understanding of double entry book-keeping techniques. The ability to apply these skills forms a strong platform necessary to produce financial statements for all types of organisations.
Analysis and interpretation	<p>Students identify one key ratio related to profitability or asset activity. They will find it difficult to calculate the ratio and interpret it accurately.</p> <p>They have a limited understanding of some interested parties such as business owners, managers and club members and their role in decision-making within an organisation.</p>	<p>Students identify several key ratios related to profitability, activity and returns on capital employed. They are able to calculate appropriate ratios allowing them to apply basic interpretative techniques to one or more businesses.</p> <p>They have some knowledge of the interested parties within businesses, clubs and external organisations and their role in decision making.</p>	<p>Students identify and calculate an extensive range of ratios. This knowledge includes an appreciation of the limitations of financial accounting statements. They can calculate ratios accurately and make detailed analytical comments on reasons behind the performance of up to two organisations.</p> <p>They can recommend realistic courses of action based upon interfirm comparison and describe the impact this may have for relevant interested parties.</p>
Accounting principles and policies	Students have a superficial understanding of common accounting principles such as 'matching' and 'prudence'. They are less confident applying accounting principles to financial accounting statements.	<p>Students explain some accounting principles and link them with the accounting policies that all businesses have to apply when producing financial accounting statements.</p> <p>They recognise relevant principles and policies that need to be applied with a medium degree of descriptive terminology and accuracy.</p>	<p>Students have a broader range of knowledge of accounting principles and policies applied by business organisations. They apply this knowledge effectively and accurately when preparing financial accounting statements.</p> <p>They have an appreciation of the impact that international standards have upon the application of accounting policies and principles for business organisations.</p>

Area of knowledge, understanding and skills	Typical performance at grade F	Typical performance at grade C	Typical performance at grade A
Evaluation	Students apply one evaluation criterion to source material. Advantages and disadvantages of business scenarios may be discussed at a superficial level without a clear justification or recommendation made.	Students apply two evaluation criteria to source material. Both advantages and disadvantages of business scenarios are considered with emphasis weighted towards one aspect of decision-making or justification of a business scenario.	Students apply four or more criteria to source material. Arguments both for and against a business scenario are considered and developed into a well-balanced evaluation. The outcome of the process is a reasoned recommended course of action.

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