



Cambridge Assessment
International Education

Skills Exercises

AO2 Analysis

Cambridge International AS & A Level Accounting 9706

For examination from 2023



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Introduction

Cambridge International AS & A Level Accounting attracts a variety of learners from many different backgrounds. For some learners Accounting is a new subject and an opportunity to explore an area of study that interests them, while developing a set of transferable skills. Other learners have previously studied Accounting and are looking to continue developing their knowledge of the subject. Either way, the study of Accounting allows learners to experience the diverse and dynamic world within which organisations exist and gain the knowledge needed to understand how organisations operate within real contexts, analyse alternative courses of action and develop the ability to make justified recommendations.

Skills and why they are important?

Skills are the key to success. The performance of candidates in Cambridge International AS & A Level Accounting examinations have shown a range of areas where improvement would be helpful. These areas of improvement tend to centre around the assessment objectives (AOs) of the course and we have addressed these AOs in a series of exercises and activities.

- AO1 Knowledge and understanding
- AO2 Analysis
- AO3 Evaluation

Skills Exercises make use of examination questions and data and include activities and worksheets to help skills development and incorporate suggested teaching approaches, such as group work, discussion, structured support and writing in sequence. They do not attempt to cover all possible aspects of the examinations, only those problem areas which have presented consistently over time.

How will these skills be developed?

Skills Exercises aim to help learners develop skills in:

- applying knowledge and understanding of facts, terms, concepts, policies, procedures and techniques relating to financial and management accounting in a variety of accounting situations and present outcomes in the most appropriate manner.
- developing skills of analysis by selecting, calculating and interpreting financial and management accounting information to communicate outcomes in the most appropriate manner.
- building evaluation skills, including making judgements and drawing conclusions based on financial and non-financial data to make recommendations and decisions.

Skills Exercises provide suggestions so you can have confidence that the materials you prepare and use in the classroom are building skills and resilience in your learners. This document should be used alongside the other teaching and learning resources provided on the [School Support Hub](#).

AO2 Analysis

Exercise 1: Answering the question

Analysis is usually considered to be a high-level assessment objective. At its heart, analysis is about answering the question. Learners are required to:

- Analyse financial accounting information and cost and management accounting information.
- Select, calculate and interpret relevant data and information.
- Communicate outcomes in the most appropriate form.

Here are some command words that learners might come across to let them know that they need to analyse:

| Command word | What you need to do |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| Allocate | Charge overheads that can be directly attributed to a specific cost centre to that centre. |
| Analyse | Examine in detail to show meaning, identify elements and the relationship between them. |
| Apportion | Charge overheads that cannot be directly attributable to a cost centre, to other centres. Using that overhead, on an appropriate basis. |
| Discuss | Write about issue(s) or topic(s) in depth in a structured way. |
| Prepare | Present information in a suitable format. |
| Reapportion | Recharge overheads from non-production cost centres on an appropriate basis. |

Activity 1: How to answer the question

When a learner sees an analysis question, it should be clear what is required.

Knowing what is required helps learners structure their answer as it helps them to select, calculate, interpret the data and information, and present the outcomes in the most appropriate form.

Provide learners with a series of analytical questions from either past examination or specimen papers. Learners will not need the case study or data to work out what is required. The questions on **Worksheet 1: How to answer the question** or any other analytical questions can be used.

For each question, learners decide what is required. This provides a starting point to answer the question. Go through the worksheet with learners to check they understand what is required of the task. For this activity learners may work individually or in pairs.

Use **Worksheet 1: How to answer the question answers** and ask learners to peer assess each other's work. Lead a class discussion to ensure understanding. Ensure any misconceptions are addressed.

Exercise 2: Spotting analysis

Analysis is the skill that unlocks higher marks and top grades. Learners who can effectively analyse in their answers will be able to build arguments and come to conclusions.

Analysis is about:

- effects
- consequences
- reactions.

Many learners think that analysis is about description or explanation and often spend too much time explaining and describing elements of an answer without getting to the all-important analysis. Analysis is about effects, consequences, or reactions.

Activity 1: Analysis or not

Provide learners with a series of sentences where one sentence involves analysis and the other does not. The sentences in **Worksheet 2: Analysis or not** can be used or replaced with other sentences.

For each sentence, learners decide which is the analytical one. Go through the worksheet with learners to check they understand what is required of the task. For this activity learners may work individually or in pairs.

Use **Worksheet 2: Analysis or not answers** and ask learners to peer assess each other's work. Lead a class discussion to ensure understanding. Ensure any misconceptions are addressed.

Activity 2: Identifying analysis in simple sentences

Show learners one or two sentences containing analysis, that are explanations of causal connections. These can be everyday examples or accounting related. Choose examples suitable for the topic being studied. For example:

- The shop was shut therefore I could not buy what I needed.
- Workers are happy to work overtime because they can earn more money.

Learners identify the decisions made and the reasons given for those decisions in each statement. Introduce the idea of connecting words including, 'because', 'this means', 'so', 'therefore'. Use **Worksheet 3: Identifying analysis in simple sentences** to encourage learners to practice spotting analysis and adding development. Go through the worksheet with learners to check they understand what is required of the task. For this activity learners may work individually or in pairs.

Use **Worksheet 3: Identifying analysis in simple sentences answers** and ask learners to peer assess each other's work.

In groups, learners consider other possible connecting words. Remind them that not all connecting words such as 'and' are relevant for developing analysis. Learners make notes on their discussion before sharing ideas with the class.

These could be used later as part of a display about connecting words. Ensure any misconceptions are addressed.

Extension activity: ask learners further questions such as:

- Why does this develop the statement?
- How will this help explain the point being made?

Activity 3: Identifying analysis in paragraphs

Give learners a copy of **Worksheet 4: Identifying analysis in paragraphs**. Go through the worksheet with learners to check they understand what is required of the task. For this activity learners may work individually or in pairs. Learners underline the analytical components of each paragraph.

Use **Worksheet 4: Identifying analysis in paragraphs answers** and ask learners to peer assess each other's work. Lead a class discussion to ensure understanding. Ensure any misconceptions are addressed.

Extension activity: discuss whether the analysis could be extended further to make a better analytical point.

Exercise 3: Focus of analysis

Analysis must be focussed on a business or a stakeholder group. It is essential that learners focus their analysis in the right way. An examination question will always have a clear focus for the analysis.

Activity 1: Who is the focus?

Provide learners with a series of possible or past examination questions. The questions on **Worksheet 5: Who is the focus?** can be used or changed with other analytical or evaluative questions.

For each sentence, learners underline the focus of the analysis. Go through the worksheet with learners to check they understand what is required of the task. For this activity learners may work individually or in pairs.

Use **Worksheet 5: Who is the focus? answers** and ask learners to peer assess each other's work. Lead a class discussion about how the focus of each question could be misinterpreted. Ensure any misconceptions are addressed.

Activity 2: Who might be affected?

Sometimes a question asks you to analyse the effects or impacts of a business's actions on different stakeholders. Learners need to be able to identify all the potential stakeholders who might be affected by a business action as well as how they might be affected.

Provide learners with a series of business actions. The actions on **Worksheet 6: Who might be affected?** Could be used. These can be used or changed with other business actions.

For each business action, learners identify as many stakeholders as they can that might be affected. Go through the worksheet with learners to check they understand what is required of the task. For this activity learners may work individually or in pairs.

Use **Worksheet 6: Who might be affected? answers** and ask learners to peer assess each other's work. Lead a class discussion about how the stakeholders could be affected. Ensure any misconceptions are addressed.

Exercise 4: Developed analysis

Analysis can be limited or developed. Limited analysis does not go far enough. For example, it may identify an impact, effect, or reaction, but it does not continue and demonstrate how it will really affect the business or stakeholder.

Developed analysis is about creating a chain of analysis. This means that there is a clear link between the initial impact, effect, or reaction and how this might develop to really affect the business or stakeholder.

Activity 1: Chains of analysis

Developed analysis can be seen as a chain of effects. This activity helps learners think about the links in the chain that go from the initial effect through to the end effect.

Provide learners with a starting effect and an indication of how this might end. The chains of effect on **Worksheet 7: Chains of analysis** can be used or changed with other effects. For each sentence, learners complete the missing links in the chain that match up to the initial effect to the end effect. Go through the worksheet with learners to check they understand what is required of the task. For this activity learners may work individually or in pairs.

Use **Worksheet 7: Chains of analysis answers** and ask learners to peer assess each other's work. There may be many ways to get from the first effect to the last, so discuss the different routes learners have taken and whether any of the links are more realistic than others. Ensure any misconceptions are addressed.

Activity 2: Developing advantages and disadvantages

Analysis questions often ask for advantages and/or disadvantages. Being able to analyse the advantages and disadvantages is an essential part of analysis and needs to be in context as well as developed.

Provide learners with a business scenario that may have advantages and disadvantages for a business or a stakeholder. The scenarios in **Worksheet 8: Developing advantages and disadvantages** may be used or replaced with other scenarios. For each scenario, learners think of two advantages and two disadvantages and explain the impact on the business or stakeholder. Go through the worksheet with learners to check they understand what is required of the task. For this activity learners may work individually or in pairs.

Use **Worksheet 8: Developing advantages and disadvantages answers** and ask learners to peer assess each other's work. Learners are likely to find a range of answers, so different responses should be discussed. Ask learners, are any of the advantages or disadvantages more realistic than others? Ensure any misconceptions are addressed.

Activity 3: Marking analysis

Provide learners with **Worksheet 9: Marking analysis** and ask them to read the data. Show learners the responses to the question.

Learners underline the analysis in the responses based on the AO2 description such as:

- Analyse financial accounting information and cost and management accounting information.
- Select, calculate and interpret relevant data and information.
- Communicate outcomes in the most appropriate form.

Learners decide if the response has met the elements of AO2 Analysis. Go through the worksheet with learners to check they understand what is required of the task. For this activity learners may work individually or in pairs.

Use **Worksheet 9: Marking analysis answers** and ask learners to peer assess each other's work. Lead a class discussion around how the response could be improved. Ensure any misconceptions are addressed.

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