



Syllabus

Cambridge O Level Accounting 7707

For examination in June and November 2020, 2021 and 2022.



Why choose Cambridge?

Cambridge Assessment International Education prepares school students for life, helping them develop an informed curiosity and a lasting passion for learning. We are part of the University of Cambridge.

Our international qualifications are recognised by the world's best universities and employers, giving students a wide range of options in their education and career. As a not-for-profit organisation, we devote our resources to delivering high-quality educational programmes that can unlock learners' potential.

Our programmes and qualifications set the global standard for international education. They are created by subject experts, rooted in academic rigour and reflect the latest educational research. They provide a strong platform for learners to progress from one stage to the next, and are well supported by teaching and learning resources.

Our mission is to provide educational benefit through provision of international programmes and qualifications for school education and to be the world leader in this field. Together with schools, we develop Cambridge learners who are confident, responsible, reflective, innovative and engaged – equipped for success in the modern world.

Every year, nearly a million Cambridge students from 10 000 schools in 160 countries prepare for their future with an international education from Cambridge International.

'We think the Cambridge curriculum is superb preparation for university.'

Christoph Guttentag, Dean of Undergraduate Admissions, Duke University, USA



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Our systems for managing the provision of international qualifications and education programmes for students aged 5 to 19 are certified as meeting the internationally recognised standard for quality management, ISO 9001:2008. Learn more at www.cambridgeinternational.org/ISO9001

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Contents

1 Why choose this syllabus?	2
2 Syllabus overview	4
Aims	4
Content overview	5
Assessment overview	6
Assessment objectives	7
3 Subject content	8
Appendix – Accounting ratios	15
4 Details of the assessment	16
Paper 1 – Multiple Choice	16
Paper 2 – Structured Written Paper	16
Command words	17
International standards – terminology	18
5 What else you need to know	19
Before you start	19
Making entries	20
After the exam	21
How students and teachers can use the grades	21
Grade descriptions	21
Changes to this syllabus for 2020, 2021 and 2022	22

Changes to this syllabus

For information about changes to this syllabus for 2020, 2021 and 2022, go to page 22.



1 Why choose this syllabus?

Key benefits

Cambridge O Level syllabuses are created especially for international students. For over 25 years, we have worked with schools and teachers worldwide to develop syllabuses that are suitable for different countries, different types of schools and for learners with a wide range of abilities. These qualifications are designed for students whose first language may or may not be English and this is acknowledged throughout the examination process.

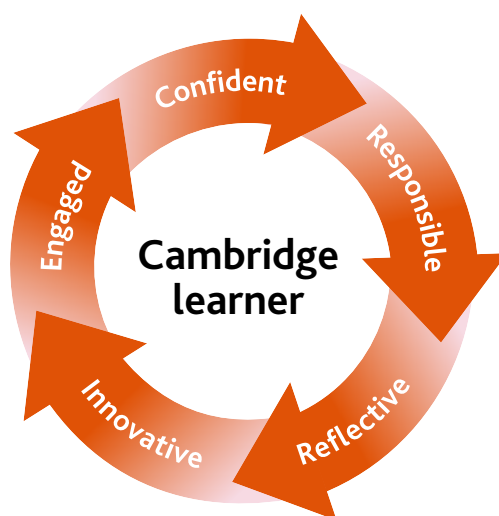
Cambridge O Level Accounting is accepted by universities and employers as proof of an understanding of the theory and concepts of accounting, and the ways in which accounting is used in a variety of modern economic and business contexts.

Learners focus on the skills of recording, reporting, presenting and interpreting financial information; these form an ideal foundation for further study, and for a future career within the profession.

The syllabus is structured so that learners attain both practical skills and theoretical knowledge.

Our programmes balance a thorough knowledge and understanding of a subject and help to develop the skills learners need for their next steps in education or employment.

Our approach encourages learners to be:



'Cambridge O Level has helped me develop thinking and analytical skills which will go a long way in helping me with advanced studies.'

Kamal Khan Virk, former student at Beaconhouse Garden Town Secondary School, Pakistan, who went on to study Actuarial Science at the London School of Economics

Recognition and progression

The combination of knowledge and skills in Cambridge O Level Accounting gives learners a solid foundation for further study. Candidates who achieve grades A* to C are well prepared to follow a wide range of courses including Cambridge International AS & A Level Accounting.

Cambridge O Levels are accepted and valued by leading universities and employers around the world as evidence of academic achievement. Many universities require a combination of Cambridge International AS & A Levels and Cambridge O Levels or equivalent to meet their entry requirements.

Learn more at www.cambridgeinternational.org/recognition

Supporting teachers

We provide a wide range of practical resources, detailed guidance and innovative training and professional development so that you can give your learners the best possible preparation for Cambridge O Level.



2 Syllabus overview

Aims

The aims describe the purposes of a course based on this syllabus.

The aims are to enable students to develop:

- knowledge and understanding of the principles and purposes of accounting for individuals, businesses, non-trading organisations and society as a whole
- an understanding of accounting concepts, principles, policies, techniques, procedures and terminology
- improved skills of numeracy, literacy, communication, enquiry, presentation and interpretation
- improved accuracy, orderliness and the ability to think logically
- an excellent foundation for advanced study.



Support for Cambridge O Level Accounting

Our School Support Hub www.cambridgeinternational.org/support provides Cambridge schools with a secure site for downloading specimen and past question papers, mark schemes, grade thresholds and other curriculum resources specific to this syllabus. The School Support Hub community offers teachers the opportunity to connect with each other and to ask questions related to the syllabus.

Content overview

1 The fundamentals of accounting

This section introduces the subject by explaining the difference between book-keeping and accounting. The role of accounting in providing information and the purposes of measuring business profit and loss are also explored. Basic accounting terms and the accounting equation are introduced.

2 Sources and recording of data

The core topic of this section is the double entry system of book-keeping and how this is applied in the preparation of ledger accounts. The division of the ledger is considered. Business documents and their use as sources of information are also included. Consideration is given to the procedures for processing information in books of prime entry.

3 Verification of accounting records

This section concentrates on the use of trial balances, bank reconciliation statements and control accounts as means of verifying accounting records. The procedures for the correction of errors are also covered.

4 Accounting procedures

Within this section, consideration is given to the importance of distinguishing between capital and revenue expenditure and receipts. Non-current assets are further explored in terms of accounting for depreciation and disposals. Procedures to record adjustments for accruals and prepayments, irrecoverable debts, provision of doubtful debts and the recovery of debts written off are included. Inventory valuation, and its impact on financial statements, is also covered.

5 Preparation of financial statements

The focus of this section is the preparation of financial statements, including year-end adjustments, for different types of businesses (sole traders, partnerships and limited companies). Consideration is also given to the financial statements of clubs and societies and manufacturing businesses. The procedures employed when only incomplete records are available are also covered.

6 Analysis and interpretation

This section introduces the calculation and the interpretation of the main accounting ratios. The use of ratios in inter-firm comparison is also included. Consideration is also given to the uses of accounting information by interested parties. The limitations of accounting statements are also explored.

7 Accounting principles and policies

The main accounting principles are introduced together with how they are applied in accounting records and statements. Consideration is also given to the influence of international accounting standards and the selection of accounting policies.

Appendix Accounting ratios

The accounting ratios are given in full.

Assessment overview

All candidates take two papers.

All candidates take:

Paper 1	1 hour 15 minutes
Multiple Choice	30%
35 marks	
Multiple-choice questions	
Questions will be based on all syllabus content	
Externally assessed	

and:

Paper 2	1 hour 45 minutes
Structured Written Paper	70%
100 marks	
Questions will be based on all syllabus content	
Externally assessed	

Assessment objectives

The assessment objectives (AOs) are:

AO1 Knowledge and understanding

Candidates should be able to:

- demonstrate knowledge and understanding of facts, terms, principles, policies, procedures and techniques that are in the syllabus
- demonstrate understanding of knowledge through numeracy, literacy, presentation and interpretation and apply this knowledge and understanding in various accounting situations and problems.

AO2 Analysis

Candidates should be able to:

- select data which is relevant to identified needs of business
- order, analyse and present information in an appropriate accounting form.

AO3 Evaluation

Candidates should be able to:

- interpret and evaluate accounting information and draw reasoned conclusions.

Weighting for assessment objectives

The approximate weightings allocated to each of the assessment objectives (AOs) are summarised below.

Assessment objectives as a percentage of the qualification

Assessment objective	Weighting in O Level %
AO1 Knowledge and understanding	65
AO2 Analysis	25
AO3 Evaluation	10

Assessment objectives as a percentage of each component

Assessment objective	Weighting in components %	
	Paper 1	Paper 2
AO1 Knowledge and understanding	80	60
AO2 Analysis	20	25
AO3 Evaluation	0	15

3 Subject content

In all of the following, candidates are required to apply their understanding to a variety of accounting scenarios. Candidates should be able to make simple decisions based upon the analysis and evaluation of information provided.

Candidates should be able to do the following.

1 The fundamentals of accounting

1.1 The purpose of accounting

- understand and explain the difference between book-keeping and accounting
- state the purposes of measuring business profit and loss
- explain the role of accounting in providing information for monitoring progress and decision-making.

1.2 The accounting equation

- explain the meaning of assets, liabilities and owner's equity
- explain and apply the accounting equation.

2 Sources and recording of data

2.1 The double entry system of book-keeping

- outline the double entry system of book-keeping
- process accounting data using the double entry system
- prepare ledger accounts
- post transactions to the ledger accounts
- balance ledger accounts as required and make transfers to financial statements
- interpret ledger accounts and their balances
- recognise the division of the ledger into the sales ledger, the purchases ledger and the nominal (general) ledger.

Candidates do not need to explain or use folio columns.

Candidates do not need to explain or use three-column running-balance accounts.

2.2 Business documents

- recognise and understand the following business documents: invoice, debit note, credit note, statement of account, cheque, receipt
- complete pro-forma business documents
- understand the use of business documents as sources of information: invoice, credit note, cheque counterfoil, paying-in slip, receipt, bank statement.

2 Sources and recording of data continued

2.3 Books of prime entry

- explain the advantage of using various books of prime entry
- explain the use of and process accounting data in the books of prime entry: cash book, petty cash book, sales journal, purchases journal, sales returns journal, purchases returns journal and the general journal
- post the ledger entries from the books of prime entry
- distinguish between and account for trade discount and cash discounts
- explain the dual function of the cash book as a book of prime entry and as a ledger account for bank and cash
- explain the use of and record payments and receipts made by bank transfers and other electronic means
- explain and apply the imprest system of petty cash.

3 Verification of accounting records

3.1 The trial balance

- understand that a trial balance is a statement of ledger balances on a particular date
- outline the uses and limitations of a trial balance
- prepare a trial balance from a given list of balances and amend a trial balance which contains errors
- identify and explain those errors which do not affect the trial balance: commission, compensating, complete reversal, omission, original entry, principle.

3.2 Correction of errors

- correct errors by means of journal entries
- explain the use of a suspense account as a temporary measure to balance the trial balance
- correct errors by means of suspense accounts
- adjust a profit or loss for an accounting period after the correction of errors
- understand the effect of correction of errors on a statement of financial position.

3.3 Bank reconciliation

- understand the use and purpose of a bank statement
- update the cash book for bank charges, bank interest paid and received, correction of errors, credit transfers, direct debits, dividends, and standing orders
- understand the purpose of and prepare a bank reconciliation statement to include bank errors, uncredited deposits and unrepresented cheques.

3 Verification of accounting records continued

3.4 Control accounts

- understand the purposes of purchases ledger and sales ledger control accounts
- identify the books of prime entry as sources of information for the control account entries
- prepare purchases ledger and sales ledger control accounts to include credit purchases and sales, receipts and payments, cash discounts, returns, irrecoverable debts, dishonoured cheques, interest on overdue accounts, contra entries, refunds, opening and closing balances (debit and credit within each account).

Candidates do not need to prepare control accounts which are part of the double entry system.

Candidates do not need to reconcile control account balances with the sales and purchases ledger balances.

4 Accounting procedures

4.1 Capital and revenue expenditure and receipts

- distinguish between and account for capital expenditure and revenue expenditure
- distinguish between and account for capital receipts and revenue receipts
- calculate and comment on the effect on profit of incorrect treatment
- calculate and comment on the effect on asset valuations of incorrect treatment.

4.2 Accounting for depreciation and disposal of non-current assets

- define depreciation
- explain the reasons for accounting for depreciation
- name and describe the straight-line, reducing balance and revaluation methods of depreciation
- prepare ledger accounts and journal entries for the provision of depreciation
- prepare ledger accounts and journal entries to record the sale of non-current assets, including the use of disposal accounts.

4.3 Other payables and other receivables

- recognise the importance of matching costs and revenues
- prepare ledger accounts and journal entries to record accrued and prepaid expenses
- prepare ledger accounts and journal entries to record accrued and prepaid incomes.

4.4 Irrecoverable debts and provision for doubtful debts

- understand the meaning of irrecoverable debts and recovery of debts written off
- prepare ledger accounts and journal entries to record irrecoverable debts
- prepare ledger accounts and journal entries to record recovery of debts written off
- explain the reasons for maintaining a provision for doubtful debts
- prepare ledger accounts and journal entries to record the creation of, and adjustments to, a provision for doubtful debts.

4 Accounting procedures continued

4.5 Valuation of inventory

- understand the basis of the valuation of inventory at the lower of cost and net realisable value
- prepare simple inventory valuation statements
- recognise the importance of valuation of inventory and the effect of an incorrect valuation of inventory on gross profit, profit for the year, equity and asset valuation.

5 Preparation of financial statements

5.1 Sole traders

- explain the advantages and disadvantages of operating as a sole trader
- explain the importance of preparing income statements and statements of financial position
- explain the difference between a trading business and a service business
- prepare income statements for trading businesses and for service businesses
- understand that statements of financial position record assets and liabilities on a specified date
- recognise and define the content of a statement of financial position: non-current assets, intangible assets, current assets, current liabilities, non-current liabilities and capital
- understand the inter-relationship of items in a statement of financial position
- prepare statements of financial position for trading businesses and service businesses
- make adjustments for provision for depreciation using the straight line, reducing balance and revaluation methods
- make adjustments for accrued and prepaid expenses and accrued and prepaid income
- make adjustments for irrecoverable debts and provisions for doubtful debts
- make adjustments for goods taken by the owner for own use.

5.2 Partnerships

- explain the advantages and disadvantages of forming a partnership
- outline the importance and contents of a partnership agreement
- explain the purpose of an appropriation account
- prepare income statements, appropriation accounts and statements of financial position
- record interest on partners' loans, interest on capital, interest on drawings, partners' salaries and the division of the balance of profit or loss
- make adjustments to financial statements as detailed in 5.1 (sole traders)
- explain the uses of and differences between capital and current accounts
- draw up partners' capital and current accounts in ledger account form and as part of a statement of financial position.

Candidates will not be required to answer questions on the admission/departure of a partner, the dissolution of a partnership or changes to a profit sharing ratio.

5 Preparation of financial statements continued

5.3 Limited companies

- explain the advantages and disadvantages of operating as a limited company
- understand the meaning of the term limited liability
- understand the meaning of the term equity
- understand the capital structure of a limited company comprising preference share capital, ordinary share capital, general reserve and retained earnings
- understand and distinguish between issued, called-up and paid-up share capital
- understand and distinguish between share capital (preference shares and ordinary shares) and loan capital (debentures)
- prepare income statements, statements of changes in equity and statements of financial position
- make adjustments to financial statements as detailed in 5.1 (sole traders).

Candidates will not be expected to understand cumulative and non-cumulative preference shares, rights issues, share premium or capital redemption reserve. However, candidates should understand the difference between redeemable and non-redeemable preference shares.

5.4 Clubs and societies

- distinguish between receipts and payments accounts and income and expenditure accounts
- prepare receipts and payments accounts
- prepare accounts for revenue-generating activities, e.g. refreshments, subscriptions
- prepare income and expenditure accounts and statements of financial position
- make adjustments to financial statements as detailed in 5.1 (sole traders)
- define and calculate the accumulated fund.

5.5 Manufacturing accounts

- distinguish between direct and indirect costs
- understand direct material, direct labour, prime cost and factory overheads
- understand and make adjustments for work in progress
- calculate factory cost of production
- prepare manufacturing accounts, income statements and statements of financial position
- make adjustments to financial statements as detailed in 5.1 (sole traders).

5.6 Incomplete records

- explain the disadvantages of not maintaining a full set of accounting records
- prepare opening and closing statements of affairs
- calculate profit or loss for the year from changes in capital over time
- calculate sales, purchases, gross profit, trade receivables and trade payables and other figures from incomplete information
- prepare income statements and statements of financial position from incomplete records
- make adjustments to financial statements as detailed in 5.1 (sole traders)
- apply the techniques of mark-up, margin and inventory turnover to arrive at missing figures.

*Candidates will **only** be asked questions on incomplete records in relation to sole trader businesses.*

6 Analysis and interpretation

6.1 Calculation and understanding of accounting ratios

Candidates should be able to understand, calculate and explain the importance of the following accounting ratios:

- Gross margin
- Profit margin
- Return on capital employed (ROCE)
- Current ratio
- Liquid (acid test) ratio
- Rate of inventory turnover (times)
- Trade receivables turnover (days)
- Trade payables turnover (days)

6.2 Interpretation of accounting ratios

- prepare and comment on simple statements showing comparison of results for different years
- make recommendations and suggestions for improving profitability and working capital
- understand the significance of the difference between the gross margin and the profit margin as an indicator of a business's efficiency
- explain the relationship of gross profit and profit for the year to the valuation of inventory, rate of inventory turnover, revenue, expenses, and equity.

6.3 Inter-firm comparison

- understand the problems of inter-firm comparison
- apply accounting ratios to inter-firm comparison.

6.4 Interested parties

Candidates should be able to explain the uses of accounting information by the following interested parties for decision-making:

- owners
- managers
- trade payables
- banks
- investors
- club members
- other interested parties such as governments, tax authorities, etc.

6.5 Limitations of accounting statements

Candidates should be able to recognise the limitations of accounting statements due to such factors as:

- historic cost
- difficulties of definition
- non-financial aspects.

7 Accounting principles and policies

7.1 Accounting principles

Candidates should be able to explain and recognise the application of the following accounting principles:

- matching
- business entity
- consistency
- duality
- going concern
- historic cost
- materiality
- money measurement
- prudence
- realisation

7.2 Accounting policies

Candidates should be able to recognise the influence of international accounting standards and understand the following objectives in selecting accounting policies:

- comparability
- relevance
- reliability
- understandability

Appendix

Accounting ratios

Commonly used accounting ratios

Candidates should know the following accounting ratios:

Profitability ratios

- (i) Gross margin

$$\frac{\text{Gross Profit}}{\text{Revenue}} \times 100$$

$$\text{Mark up} = \frac{\text{Gross Profit}}{\text{Cost of sales}} \times 100$$

- (ii) Profit margin

$$\frac{\text{Profit for the year}}{\text{Revenue}} \times 100$$

- (iii) Return on Capital Employed (ROCE)

$$\frac{\text{Net profit before interest}}{\text{Capital employed}} \times 100$$

[Capital Employed = Issued Shares + Reserves + Non-Current Liabilities]

Liquidity ratios

- (i) Current ratio = $\frac{\text{Current Assets}}{\text{Current Liabilities}}$ (also known as Working Capital Ratio)

- (ii) Liquid (Acid test) Ratio = $\frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liabilities}}$ (also known as Quick Ratio)

- (iii) Rate of Inventory Turnover = $\frac{\text{Cost of Goods Sold}}{\text{Average Inventory}}$ (answer given in times)

- (iv) Trade Receivables Turnover = $\frac{\text{Trade Receivables}}{\text{Credit Sales}} \times 365$ (answer given in days)

- (v) Trade Payables Turnover = $\frac{\text{Trade Payables}}{\text{Credit Purchases}} \times 365$ (answer given in days)

4 Details of the assessment

For information on the assessment objectives (AOs), see Section 2.

Paper 1 – Multiple Choice

Multiple choice paper, 1 hour 15 minutes, 35 marks

Candidates answer **all** 35 multiple-choice questions and indicate their answers on the answer sheet provided.

This paper assesses content drawn from the entire syllabus. The questions may include calculations.

Calculators may be used in the examination.

The paper assesses the following assessment objectives:

AO1: Knowledge and understanding

AO2: Analysis

Paper 2 – Structured Written Paper

Written paper, 1 hour 45 minutes, 100 marks

This is a structured written paper made up of five questions worth 20 marks each and assesses content drawn from the entire syllabus.

Please see *Section 3: Subject content* for guidance about the topics and the documents candidates are expected to have studied in preparation for the examination.

Candidates are presented with stimulus material followed by a variety of tasks on the question paper. For example, candidates may be asked to carry out calculations, complete a cash book, complete an incomplete statement of accounts, or prepare accounts based on information given in the question, or prepare suspense accounts and journal entries, among other accounting tasks.

By completing authentic tasks candidates are given the opportunity to show their knowledge and understanding of the principles, purposes and procedures of accounting. Candidates are expected to analyse financial data and evaluate outcomes.

Candidates answer all questions and write their answers on the question paper. Candidates should be aware of the marks for each part question. These are printed on the question paper. Candidates should use them as a guide to the amount of detail and length of response expected and to help them manage their time effectively.

Calculators may be used in the examination.

The paper assesses the following assessment objectives:

AO1: Knowledge and understanding

AO2: Analysis

AO3: Evaluation

Command words

The table below includes command words used in the assessment for this syllabus. The use of the command word will relate to the subject context.

Command word	What it means
Advise	write down a suggested course of action in a given situation
Analyse	examine in detail to show meaning, identify elements and the relationship between them
Assess	make an informed judgement
Calculate	work out from given facts, figures or information
Comment	give an informed opinion
Compare	identify/comment on similarities and/or differences
Consider	review and respond to given information
Contrast	identify/comment on differences
Define	give precise meaning
Demonstrate	show how or give an example
Describe	state the points of a topic / give characteristics and main features
Develop	take forward to a more advanced stage or build upon given information
Discuss	write about issue(s) or topic(s) in depth in a structured way
Evaluate	judge or calculate the quality, importance, amount, or value of something
Examine	investigate closely, in detail
Explain	set out purposes or reasons / make the relationships between things evident / provide why and/or how and support with relevant evidence
Give	produce an answer from a given source or recall/memory
Identify	name/select/recognise
Justify	support a case with evidence/argument
Outline	set out main points
Predict	suggest what may happen based on available information
Prepare	present information in a suitable format
State	express in clear terms
Suggest	apply knowledge and understanding to situations where there are a range of valid responses in order to make proposals
Summarise	select and present the main points, without detail

International standards – terminology

The list below is to help centres become familiar with international terminology which Cambridge International uses in accounting syllabuses. Terminology that has been updated for this new syllabus is listed below.

Well-known international standards, which are relevant to the level of study, will be included in question papers, mark schemes and associated documents.

It is recommended that centres use this updated terminology in their teaching and learning materials. However, candidates will not lose marks for using different terms.

Current International usage	Previous Cambridge International usage
Business entity	Accounting entity or business entity and ownership
Accrued and prepaid income	Accrued and prepaid income / outstanding and prepaid income
Irrecoverable debts	Bad debts
Books of prime entry	Books of prime entry / books of prime (original) entry
Business documents	Business documents / documentary records
Capital accounts	Capital accounts / equity (capital) accounts
Cash and cash equivalents	Cash (and cash equivalents)
Disposal of non-current assets	Disposal of non-current assets / sale of non-current assets
Duality	Dual aspect
Financial statements	Final accounts
Historic cost	Historical cost
Limited companies	Limited liability companies
Matching	Matching / Accruals or accruals (matching)
Non-current liabilities	Long term liabilities
Complete reversal	Names the error as reversals / names the error as complete reversal
Owner's equity	Owner's equity (capital) / owner's equity
Principles	Principles/principles/concepts
Profit for the year	Profit (before tax) for the year / net profit
Purchases ledger	Purchase ledger / purchases ledger
Reducing balance depreciation	Reducing (diminishing) balance / and diminishing (reducing) / diminishing (reducing) balance depreciation
Retained earnings	Retained earnings / retained profits
Straight-line depreciation	Straight-line depreciation / straight line (equal instalment) depreciation

5 What else you need to know

This section is an overview of other information you need to know about this syllabus. It will help to share the administrative information with your exams officer so they know when you will need their support. Find more information about our administrative processes at www.cambridgeinternational.org/examsOfficers

Before you start

Previous study

We do not expect learners starting this course to have previously studied accounting.

Guided learning hours

We design Cambridge O Level syllabuses based on learners having about 130 guided learning hours for each subject during the course but this is for guidance only. The number of hours a learner needs to achieve the qualification may vary according to local practice and their previous experience of the subject.

Availability and timetables

You can enter candidates in the June and November exam series. You can view the timetable for your administrative zone at www.cambridgeinternational.org/timetables

Cambridge O Levels are available to centres in Administrative Zones 3, 4 and 5. Centres in Administrative Zones 1, 2 or 6 wishing to enter candidates for Cambridge O Level examinations should contact Cambridge International Customer Services.

Private candidates can enter for this syllabus.

Combining with other syllabuses

Candidates can take this syllabus alongside other Cambridge International syllabuses in a single exam series. The only exceptions are:

- Cambridge IGCSE[®] Accounting (0452)
- syllabuses with the same title at the same level.

Cambridge O Level, Cambridge IGCSE and Cambridge IGCSE (9–1) syllabuses are at the same level.

Making entries

Exams officers are responsible for submitting entries to Cambridge International. We encourage them to work closely with you to make sure they enter the right number of candidates for the right combination of syllabus components. Entry option codes and instructions for submitting entries are in the *Cambridge Guide to Making Entries*. Your exams officer has a copy of this guide.

Exam administration

To keep our exams secure, we produce question papers for different areas of the world, known as 'administrative zones'. We allocate all Cambridge schools to one administrative zone determined by their location. Each zone has a specific timetable. Some of our syllabuses offer candidates different assessment options. An entry option code is used to identify the components the candidate will take relevant to the administrative zone and the available assessment options.

Support for exams officers

We know how important exams officers are to the successful running of exams. We provide them with the support they need to make your entries on time. Your exams officer will find this support, and guidance for all other phases of the Cambridge Exams Cycle, at www.cambridgeinternational.org/examsOfficers

Retakes

Candidates can retake the whole qualification as many times as they want to. This is a linear qualification so candidates cannot re-sit individual components.

Equality and inclusion

We have taken great care to avoid bias of any kind in the preparation of this syllabus and related assessment materials. In compliance with the UK Equality Act (2010) we have designed this qualification to avoid any direct and indirect discrimination.

The standard assessment arrangements may present unnecessary barriers for candidates with disabilities or learning difficulties. We can put arrangements in place for these candidates to enable them to access the assessments and receive recognition of their attainment. We do not agree access arrangements if they give candidates an unfair advantage over others or if they compromise the standards being assessed.

Candidates who cannot access the assessment of any component may be able to receive an award based on the parts of the assessment they have completed.

Information on access arrangements is in the *Cambridge Handbook* at www.cambridgeinternational.org/examsOfficers

Language

This syllabus and the related assessment materials are available in English only.

After the exam

Grading and reporting

Grades A*, A, B, C, D or E indicate the standard a candidate achieved at Cambridge O Level.

A* is the highest and E is the lowest. 'Ungraded' means that the candidate's performance did not meet the standard required for grade E. 'Ungraded' is reported on the statement of results but not on the certificate. In specific circumstances your candidates may see one of the following letters on their statement of results:

- Q (result pending)
- X (no result)
- Y (to be issued)

These letters do not appear on the certificate.

How students and teachers can use the grades

Assessment at Cambridge O Level has two purposes.

- To measure learning and achievement.
The assessment:
 - confirms achievement and performance in relation to the knowledge, understanding and skills specified in the syllabus, to the levels described in the grade descriptions.
- To show likely future success.
The outcomes:
 - help predict which students are well prepared for a particular course or career and/or which students are more likely to be successful
 - help students choose the most suitable course or career.

Grade descriptions

Grade descriptions are provided to give an indication of the standards of achievement candidates awarded particular grades are likely to show. Weakness in one aspect of the examination may be balanced by a better performance in some other aspect.

Grade descriptions for Cambridge O Level Accounting will be published after the first assessment of the O Level in 2020. Find more information at www.cambridgeinternational.org/olevel

Changes to this syllabus for 2020, 2021 and 2022

The syllabus has been reviewed and revised for first examination in 2020.

Changes to syllabus title and code	<ul style="list-style-type: none"> The Cambridge O Level Principles of Accounts 7110 syllabus has been revised and now has a new title and code: Cambridge O Level Accounting 7707. The last examination series for Cambridge O Level Principles of Accounts 7110 will be November 2019.
Changes to syllabus content	<ul style="list-style-type: none"> The syllabus content has been redistributed and refreshed. The content has been re-ordered and some removals and additions have been made. Please see Section 3 of the syllabus for details of these changes. Accounting ratios have been updated, please refer to the Appendix for details. Accounting terminology has been updated to remain aligned with International Accounting Standards. A detailed table of the changes is included in this syllabus.
Changes to assessment (including changes to specimen papers)	<ul style="list-style-type: none"> The syllabus sections have been updated. The language of the Assessment Objectives has been revised. The weightings of Assessment Objectives in each component and across the whole syllabus have changed. The following changes have been made to the scheme of assessment: <ul style="list-style-type: none"> The number of marks available for Paper 1 has changed to 35 marks The duration of Paper 1 is now 1 hour and 15 minutes Paper 2 remains a structured written paper. The structure of the paper has changed and now comprises five separate questions (with sub-questions) of 20 marks each. The number of marks available for Paper 2 has changed to 100 marks. The duration of Paper 2 has changed to 1 hour and 45 minutes The weighting of the papers has changed. Paper 1 is now weighted at 30% of the whole assessment and Paper 2 is 70%. The marking criteria has been updated to reflect changes made to the assessment. New revised question papers have replaced the current Papers 1 and 2.

In addition to reading the syllabus, teachers should refer to the updated specimen assessment materials.

The syllabus and specimen papers use our new name, Cambridge Assessment International Education.

You are strongly advised to read the whole syllabus before planning your teaching programme.

Any textbooks endorsed to support the syllabus for examination from 2020 are suitable for use with this syllabus.



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