

AAT

AQ2016

**ADVANCED DIPLOMA IN
ACCOUNTING**

Synoptic Assessment

EXAM KIT

This Exam Kit supports study for the following AAT qualifications:

AAT Advanced Diploma in Accounting – Level 3

AAT Advanced Certificate in Bookkeeping – Level 3

AAT Advanced Diploma in Accounting at SCQF – Level 6

KAPLAN
PUBLISHING

CONTENTS

	<i>Page</i>
Synoptic assessment	P.4
Assessment objectives	P.6
Index to questions and answers	P.8
Exam technique	P.12
Kaplan's recommended revision approach	P.13

Practice questions	1
Answers to practice questions	65
Mock assessment questions	117
Mock assessment answers	129
AAT Sample Assessment questions	139
AAT Sample Assessment answers	153

Features in this exam kit

In addition to providing a wide ranging bank of real exam style questions, we have also included in this kit:

- unit-specific information and advice on exam technique
- our recommended approach to make your revision for this particular unit as effective as possible.

You will find a wealth of other resources to help you with your studies on the AAT website:

www.aat.org.uk/

Quality and accuracy are of the utmost importance to us so if you spot an error in any of our products, please send an email to mykaplanreporting@kaplan.com with full details, or follow the link to the feedback form in MyKaplan.

Our Quality Co-ordinator will work with our technical team to verify the error and take action to ensure it is corrected in future editions.

SYNOPTIC ASSESSMENT

AAT AQ16 introduces a Synoptic Assessment, which students must complete if they are to achieve the appropriate qualification upon completion of a qualification. In the case of the Advanced Diploma in Accounting, students must pass all of the mandatory assessments and the Synoptic Assessment to achieve the qualification.

As a Synoptic Assessment is attempted following completion of individual units, it draws upon knowledge and understanding from those units. It may be appropriate for students to retain their study materials for individual units until they have successfully completed the Synoptic Assessment for that qualification.

All units within the Advanced Diploma in Accounting are mandatory. Four units are assessed individually in end of unit assessments, but this qualification also includes a synoptic assessment, sat towards the end of the qualification, which draws on and assesses knowledge and understanding from across the qualification:

- Advanced Bookkeeping – end of unit assessment
- Final Accounts Preparation – end of unit assessment
- Management Accounting: Costing – end of unit assessment
- Ethics for accountants – assessed within the synoptic assessment only

Summary of learning outcomes from underlying units which are assessed in the synoptic assessment

Underlying unit	Learning outcomes required
Advanced Bookkeeping	LO1, LO2, LO3, LO4, LO5
Final Accounts Preparation	LO1, LO2, LO3, LO4, LO5, LO6
Management Accounting: Costing	LO1, LO2, LO3, LO4, LO5
Ethics for Accountants	LO1, LO2, LO3, LO4, LO5

FORMAT OF THE ASSESSMENT

The sample synoptic assessment comprises seven tasks and covers all six assessment objectives. Students will be assessed by computer-based assessment. Marking of the assessment is partially by computer and partially human marked.

In any one assessment, students may not be assessed on all content, or on the full depth or breadth of a piece of content. The content assessed may change over time to ensure validity of assessment, but all assessment criteria will be tested over time.

The following weighting is based upon the AAT Qualification Specification documentation which may be subject to variation.

	Assessment objective	Weighting
AO1	Demonstrate an understanding of the relevance of the ethical code for accountants, the need to act ethically in a given situation, and the appropriate action to take in reporting questionable behaviour	19%
AO2	Prepare accounting and respond to errors, omissions and other concerns, in accordance with accounting and ethical principles and relevant regulations	15%
AO3	Demonstrate an understanding of the inter-relationship between the financial accounting and management accounting systems of an organisation and how they can be used to support managers in decision making	16%
AO4	Apply ethical and accounting principles when preparing final accounts for different types of organisation, develop ethical courses of action and communicate relevant information effectively	19%
AO5	Analyse, interpret and report management accounting data.	15%
AO6	Prepare financial accounting information, comprising extended trial balances and final accounts for sole traders and partnerships.	16%
	Total	100%

Time allowed: 2 hours 30 minutes

PASS MARK: The pass mark for all AAT assessments is 70%.



Always keep your eye on the clock and make sure you attempt all questions!

The detailed syllabus and study guide written by the AAT can be found at:

www.aat.org.uk/

Section 1

PRACTICE QUESTIONS

TASK 1 COMPUTER ASSESSED

Assessment objective 1	Demonstrate an understanding of the relevance of the ethical code for accountants, the need to act ethically in a given situation, and the appropriate action to take in reporting questionable behaviour.
------------------------	--

1 CODE OF ETHICS

Indicate whether the following statements are true or false.

	True	False
An accountant is under no duty to disclose the limitations of their expertise to the client		
An accountant is only responsible for his or her own professional qualifications and training		
An accountant may need to compromise the most precise attention to detail in preparing work in order to meet a reasonable deadline		

2 INTEGRITY

Is an accountant breaching their duty of integrity if they: (tick all that apply)

Give responsibility to a client to discover important information that is freely available?	
Only tells the client the information they have specifically asked for or that is habitually provided?	
Forgets to mention something important?	
Withholds information that may be compromising for the employer?	

3 CONFIDENTIAL

When might it be appropriate for an accountant to disclose information, provided in confidence?

- A At the request of the client
- B At the request of the regulator
- C At the request of a solicitor
- D At the request of the employer

4 THREATS

Classify the following threats according to the situations:

Self-interest threats	Preparing accounts for a campaign group of which the accountant is a leading member
Self-review threats	Preparing accounts under an unrealistically imposed deadline by a major client
Advocacy threats	Preparing accounts for your close relative's business
Familiarity threats	Preparing accounts for your spouse's business
Intimidation threats	Preparing accounts and providing a basic audit function on those accounts

5 E

E, a trainee management accountant, prepares an annual analysis of the performance of all staff, including their own. The analysis is used by the financial director to calculate staff bonuses each year.

According to the Code of Professional Ethics which of the threats listed below would apply to E?

- A Advocacy threat
- B Intimidation threat
- C Familiarity threat
- D Self-interest threat