



## Syllabus

# Cambridge O Level Accounting 7707

Use this syllabus for exams in 2023, 2024 and 2025.  
Exams are available in the June and November series.



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## Why choose Cambridge International?

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Cambridge International 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.

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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.

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

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



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## **Important: Changes to this syllabus**



**For information about changes to this syllabus for 2023, 2024 and 2025, go to page 23.**

The latest syllabus is version 1, published September 2020. There are no significant changes which affect teaching.

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

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# 1 Why choose this syllabus?

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## Key benefits

Cambridge O Level is typically for 14 to 16 year olds and is an internationally recognised qualification. It has been designed especially for an international market and is sensitive to the needs of different countries. Cambridge O Level is designed for learners whose first language may not be English, and this is acknowledged throughout the examination process.

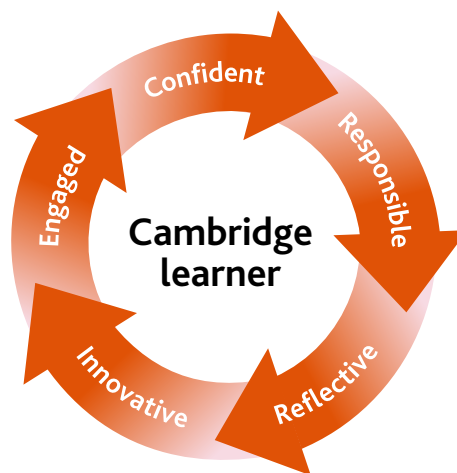
Cambridge O Level Accounting is accepted by universities and employers as proof of an understanding of the theory and concepts of accounting, and the ways in which accounting is used in a variety of modern economic and business contexts.

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

## International recognition and acceptance

Our expertise in curriculum, teaching and learning, and assessment is the basis for the recognition of our programmes and qualifications around the world. 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.

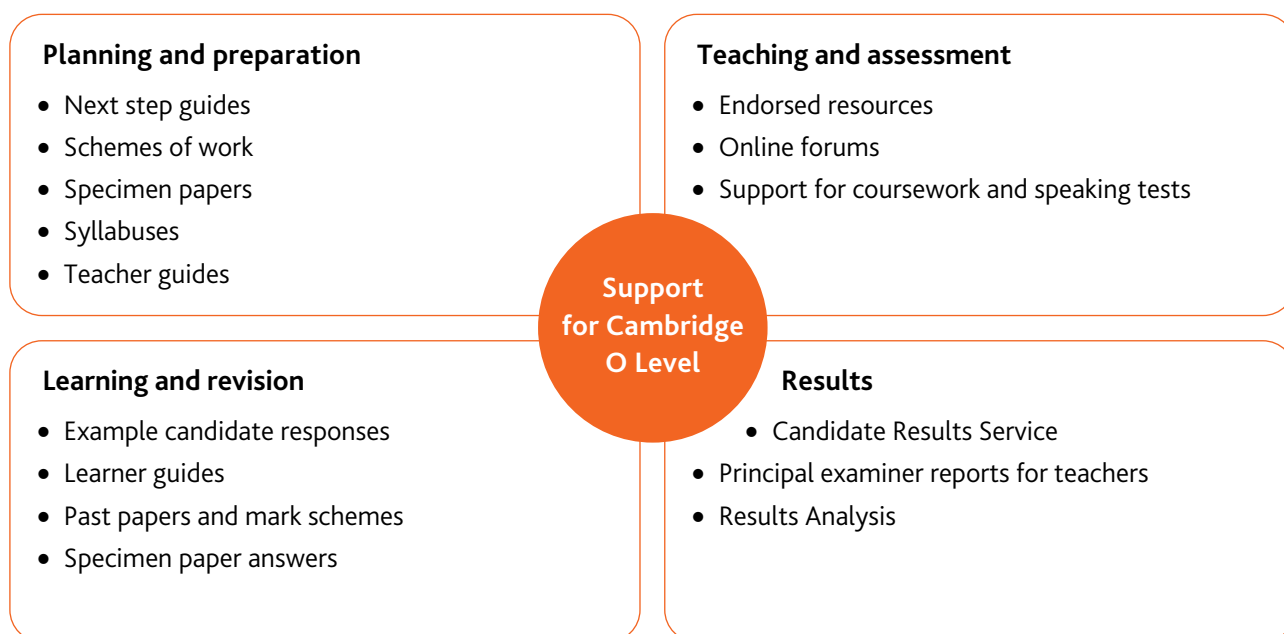
Learn more at [www.cambridgeinternational.org/recognition](https://www.cambridgeinternational.org/recognition)

## Supporting teachers

We provide a wide range of resources, detailed guidance and innovative training and professional development so that you can give your students the best possible preparation for Cambridge O Level. To find out which resources are available for each syllabus go to our School Support Hub.

The School Support Hub is our secure online site for Cambridge teachers where you can find the resources you need to deliver our programmes. You can also keep up to date with your subject and the global Cambridge community through our online discussion forums.

Find out more at [www.cambridgeinternational.org/support](http://www.cambridgeinternational.org/support)



Sign up for email notifications about changes to syllabuses, including new and revised products and services at [www.cambridgeinternational.org/syllabusupdates](http://www.cambridgeinternational.org/syllabusupdates)

## Professional development

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- Introductory Training – face-to-face or online
- Extension Training – face-to-face or online
- Enrichment Professional Development – face-to-face or online

Find out more at [www.cambridgeinternational.org/events](http://www.cambridgeinternational.org/events)

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Find out more at [www.cambridgeinternational.org/profdev](http://www.cambridgeinternational.org/profdev)

## Supporting exams officers

We provide comprehensive support and guidance for all Cambridge exams officers. Find out more at: [www.cambridgeinternational.org/eoguide](http://www.cambridgeinternational.org/eoguide)



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## 2 Syllabus overview

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### 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.

Cambridge Assessment International Education is an education organisation and politically neutral. The contents of this syllabus, examination papers and associated materials do not endorse any political view. We endeavour to treat all aspects of the exam process neutrally.



## 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.



This O Level syllabus shares content with other Accounting syllabuses. For further support see the School Support Hub for IGCSE Accounting. Textbooks endorsed to support IGCSE Accounting are suitable for use with this syllabus.



## Assessment overview

All candidates take two components. Candidates will be eligible for grades A\* to E.

All candidates take:		and:	
<b>Paper 1</b>	1 hour 15 minutes	<b>Paper 2</b>	1 hour 45 minutes
Multiple Choice	30%	Structured Written Paper	70%
35 marks		100 marks	
Multiple-choice questions		Questions will be based on all syllabus content	
Questions will be based on all syllabus content		Externally assessed	
Externally assessed			

Information on availability is in the **Before you start** section.

## 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
Total	100

### 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
Total	100	100

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## 3 Subject content

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This syllabus gives you the flexibility to design a course that will interest, challenge and engage your learners. Where appropriate you are responsible for selecting topics, subject contexts, resources and examples to support your learners' study. These should be appropriate for the learners' age, cultural background and learning context as well as complying with your school policies and local legal requirements.

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 Sources and recording of data continued

### 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.

### 2.3 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)

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## 4 Details of the assessment

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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 assessing 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

Command words and their meanings help candidates know what is expected from them in the exam. 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
<b>Advise</b>	write down a suggested course of action in a given situation
<b>Analyse</b>	examine in detail to show meaning, identify elements and the relationship between them
<b>Assess</b>	make an informed judgement
<b>Calculate</b>	work out from given facts, figures or information
<b>Comment</b>	give an informed opinion
<b>Compare</b>	identify/comment on similarities and/or differences
<b>Consider</b>	review and respond to given information
<b>Contrast</b>	identify/comment on differences
<b>Define</b>	give precise meaning
<b>Demonstrate</b>	show how or give an example
<b>Describe</b>	state the points of a topic / give characteristics and main features
<b>Develop</b>	take forward to a more advanced stage or build upon given information
<b>Discuss</b>	write about issue(s) or topic(s) in depth in a structured way
<b>Evaluate</b>	judge or calculate the quality, importance, amount, or value of something
<b>Examine</b>	investigate closely, in detail
<b>Explain</b>	set out purposes or reasons / make the relationships between things evident / provide why and/or how and support with relevant evidence
<b>Give</b>	produce an answer from a given source or recall/memory
<b>Identify</b>	name/select/recognise
<b>Justify</b>	support a case with evidence/argument
<b>Outline</b>	set out main points
<b>Predict</b>	suggest what may happen based on available information
<b>Prepare</b>	present information in a suitable format
<b>State</b>	express in clear terms
<b>Suggest</b>	apply knowledge and understanding to situations where there are a range of valid responses in order to make proposals
<b>Summarise</b>	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
<b>Business entity</b>	Accounting entity or business entity and ownership
<b>Accrued and prepaid income</b>	Accrued and prepaid income / outstanding and prepaid income
<b>Irrecoverable debts</b>	Bad debts
<b>Books of prime entry</b>	Books of prime entry / books of prime (original) entry
<b>Business documents</b>	Business documents / documentary records
<b>Capital accounts</b>	Capital accounts / equity (capital) accounts
<b>Cash and cash equivalents</b>	Cash (and cash equivalents)
<b>Disposal of non-current assets</b>	Disposal of non-current assets / sale of non-current assets
<b>Duality</b>	Dual aspect
<b>Financial statements</b>	Final accounts
<b>Historic cost</b>	Historical cost
<b>Limited companies</b>	Limited liability companies
<b>Matching</b>	Matching / Accruals or accruals (matching)
<b>Non-current liabilities</b>	Long term liabilities
<b>Complete reversal</b>	Names the error as reversals / names the error as complete reversal
<b>Owner's equity</b>	Owner's equity (capital) / owner's equity
<b>Principles</b>	Principles/principles/concepts
<b>Profit for the year</b>	Profit (before tax) for the year / net profit
<b>Purchases ledger</b>	Purchase ledger / purchases ledger
<b>Reducing balance depreciation</b>	Reducing (diminishing) balance / and diminishing (reducing) / diminishing (reducing) balance depreciation
<b>Retained earnings</b>	Retained earnings / retained profits
<b>Straight-line depreciation</b>	Straight-line depreciation / straight line (equal instalment) depreciation

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## 5 What else you need to know

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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/eoguide](http://www.cambridgeinternational.org/eoguide)

### 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

Cambridge O Levels are available to centres in administrative zones 3, 4 and 5.

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](http://www.cambridgeinternational.org/timetables)

Check you are using the syllabus for the year the candidate is taking the exam.

Private candidates can enter for this syllabus. For more information, please refer to the *Cambridge Guide to Making Entries*.

#### 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)
- Cambridge IGCSE (9–1) Accounting (0985)
- 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/eoguide](http://www.cambridgeinternational.org/eoguide)

### Retakes

Candidates can retake the whole qualification as many times as they want to. Information on retake entries is at [www.cambridgeinternational.org/entries](http://www.cambridgeinternational.org/entries)

### 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 our effort to comply with the UK Equality Act (2010) we have taken all reasonable steps to avoid any direct and indirect discrimination.

The standard assessment arrangements may present barriers for candidates with impairments. Where a candidate is eligible, we may be able to make arrangements to enable that candidate to access 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/eoguide](http://www.cambridgeinternational.org/eoguide)

### 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 (PENDING)
- X (NO RESULT).

These letters do not appear on the certificate.

On the statement of results and certificates, Cambridge O Level is shown as GENERAL CERTIFICATE OF EDUCATION (GCE O LEVEL).

## 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 syllabus in 2020. Find more information at [www.cambridgeinternational.org/7707](http://www.cambridgeinternational.org/7707)



## Changes to this syllabus for 2023, 2024 and 2025

The syllabus has been updated. This is version 1, published September 2020.

There are no significant changes which affect teaching.

**You must read the whole syllabus before planning your teaching programme.**

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



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