VCE Accounting Study Design 2019–2024

Updates effective 1January 2020

Listed below are amendments to the VCE Accounting Study Design:

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| Page 10 | Updated text for ‘Asset turnover’ in table for *Financial Indicators*

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| --- | --- | --- | --- |
| **Financial indicator**  | **Calculation** | **Expressed as** | **Change/Trend** |
| Asset turnover | Net salesAverage total assets | ~~percentage~~times per period | faster or slower |

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| Page 11 | Updated text for ‘Sales returns’ under heading *Cost assignment methods for inventory;* *First-In, First-Out (FIFO) method* **Sales returns**The cost of each inventory item will be ~~identified on the business document or~~ calculated by using the latest cost prices shown in the OUT column of the inventory card (reversing the last out). |
| Page 18 | Updated Unit 2 Area of Study 2 Outcome 2 key knowledge bullet point five:* transactions involving accounts receivable and accounts payable records:
* sales
* purchases
* returns, both sales and purchases
* bad debts
* ~~cash and~~ settlement discounts (GST to be excluded)
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| Page 22  | Updated Unit 3 Area of Study 1 Outcome 1 key knowledge bullet point nine:* the purpose and preparation ~~use~~ of the pre-adjustment Trial Balance
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| Page 27 | Updated Unit 4 Area of Study 1 Outcome 1 key knowledge bullet point nine:* the recording and reporting of balance day adjustments:
* prepaid expenses (asset approach) with GST being recorded at the time of payment
* accrued expenses with GST being recorded at the time of payment
* the payment of accrued expenses in the subsequent reporting period
* unearned revenue (liability approach) with ~~a~~ no GST ~~being~~ recorded at the time ~~revenue is earned~~ of the deposit
* accrued revenue with GST being recorded at the time of receipt
* receipt of accrued revenue in the subsequent reporting period
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