

## ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---



ISP examinations will be held every twice a year. It is in March and October. You can download the **Registration Form** and **Examination Time Table** <sup>UPDATED</sup>

Please find the [Exemption form](#) here. <sup>UPDATED</sup>

ISP'S [New Syllabus](#) For LISP Awards Under The Technical Education Scheme. <sup>UPDATED</sup>

The TES would also like to remind all candidates that for all examinations

1. Read the questions carefully. Start answering the questions which appears to be easiest for you.
2. Make sure that you allocate sufficient time to answer the required number of questions.
3. Make sure that your hand writing is neat and readable

-----  
-----

### Comments on the Performances of ISP Book-keeping and Accounting Examination

I have been appointed the examiner for the Book-keeping and Accounting paper since September 2006. I must applaud the foresight of The ISP Secretariat for requesting examiner's feedbacks to assist candidates to prepare for their future attempt(s) of the Book-keeping and Accounting examination.

The format of the Book-keeping and Accounting paper remains almost the same as with the previous examiners. All questions are compulsory. Section A comprises of 10 multiple-choice questions (MCQ's), while Section B has four questions worth 20 marks each.

The MCQ's allow for broad syllabus coverage in each sitting. Candidates preparing for future sittings should take note of this. The MCQ's are relatively easy to score. I increased the marks of Section A from 10 marks previously to a more generous 20 marks to assist candidates to pass their examinations. In the past sittings, those candidates who had developed their knowledge across the syllabus were able to obtain high marks, but those who had restricted their preparation to selected topics were less successful. It is discouraging to note that candidates of the recent 2 sittings did not have a broad knowledge of the syllabus.

In Section B, Questions 1 to 3 tested on a number of topics, inter alia, Bank Reconciliation, Club and Incomplete Records, Correction of Errors, Preparation of Trading, Profit & Loss Accounts and Balance Sheet for a sole proprietorship, and partnership, and will cover all other topics within the syllabus.

A particular format of question on plantation operations had been consistently set in Section B and on most occasions appeared as Question 4. This was intended to assist candidates to gain easy marks as the levels of knowledge required are rather basic. Candidates are expected to identify and allocate the type of expenses relevant to productions of oil palm, kernel, and common expenses. Simple calculations are required for depreciation charge, taxation, and transfer to reserves. It is disheartening to note a large number of candidates were unable to answer this question correctly despite regular setting in the recent examinations. The required knowledge is rather basic, technically competent accounting staff in the estate should possess adequate skills to handle such a question. Perhaps, candidates (whose core function is not in book-keeping/accounting) might want to interact more with their accounting counterparts in their estates.

The following tips on examination techniques may be helpful for candidates preparing for the Book-keeping and Accounting paper:-

## ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

- Read the instructions carefully – understand what the examiner is asking.
- Plan your time before you start – your examination is of 3 hours duration, i.e. in 180 minutes you can score a maximum of 100 marks, which works out to be 1.8 minutes per mark. For a 20 marks question, you should not spend more than 36 minutes on it (including reading time).
- Tackle the easiest questions first.
- Finish off answering each question when your time allocation for the question is up.
- Hand in all your workings.
- Do remember to be neat, also include all proper headings, dates, sub-totals, etc. A lot of marks can be lost here.
- Only answer as many questions as you are asked to tackle by the examiner. Extra answers will not normally be marked and certainly won't get credit.
- Underline the key words in each question to ensure that you answer the question set, and not the question you wrongly take it to be.
- Never write out of text of essay questions.

Notwithstanding the understanding of examination techniques, it will not take you very far unless you have prepared adequately and used the correct preparation techniques:-

- Always use up-to-date texts.
- Learn from those who are qualified in the subject matter and discuss with those who are practicing the skills of book-keeping and accounting.
- If time permits, always take up a course which allows for interaction with your tutors or fellow students.
- Learn the meaning of each new term and be able to differentiate those terms which appear similar.
- Need for practice – you should also try to find the time to answer as many exercises as possible especially actual past years questions.

There is no better way to learn how to answer an examination question than to look at past examination with illustrated answer. For this purpose, I append below 2 questions (with some modifications) which appeared in past ISP Book-keeping and Accounting paper.

**Please click on the example you need:-**

▶ [EXAMPLE 1](#)

▶ [EXAMPLE 2](#)

### Examiner's Remarks

There isn't any technicality in this straight forward question. Over the past few sittings, I noted there were a number of candidates who demonstrated they have no clue of how to answer such a simple question notwithstanding such question had appeared repeatedly in every sitting in the last few years. It appears that no effort to at least discuss with lecturers, course leaders, course mates, or colleagues. This gives an impression that candidates might not be serious enough in preparing for their LISP or AISP examinations, especially for the book-keeping and accounting paper. It is common practices for candidates of other professional examinations to attempt past year questions in their preparations, revisions, or even mock examinations before the "real" examinations. This appears lacking in the case of ISP candidates. Although I do understand there is generally inadequate availability of lectures or revision courses or workshop specifically directed at preparing limited number of candidates for the ISP Book-keeping and Accounting examination, if candidates were to attend lectures or revisions for other examinations such as the London Chamber of Commerce & Industry (LCCI) level 2, Pitman Advanced Accounting, or foundation courses of other professional bodies, ISP candidates would have no difficulty in passing this paper, because ISP syllabus are generally narrower in scope and lower in terms of required knowledge.

I have the opportunity to interact with a number of candidates not too long ago, their responses were generally negative. From their feedback which appeared unanimous, they hoped one day the paper could become easier. They seemed to share the same view that as planters their knowledge in book-keeping and accounting are less important than their knowledge in planting.

Let us look at a situation whereby an Estate Manager does not understand the activities and role of book-keeping and accounting. He leaves such a task entirely to the estate Chief Clerk who happens to be in need of money due to his personal difficulties. Knowing the Estate Manager has no clue what book-keeping and accounting is all about, he starts to embezzle the estate's cash to settle his personal liabilities. In such a situation, would the Estate Manager be able to give excuse that he is not accountable for the embezzlement in the estate under his control?

I hope the examples and suggested answers provide candidates with insight of what are expected of them in answering questions set in the ISP Book-keeping and Accounting paper. My remarks could throw some lights on how a candidate could prepare for the ISP Book-keeping and Accounting paper. A golden rule, there is no easy way for passing the paper unless it is supported by continuous preparation, revision and attempting the past years questions. Attend workshop if there is such an opportunity. Perhaps, the TEC or ISP Secretariat might want to look into more avenues to assist candidates of ISP Book-keeping and Accounting examinations.

### Comments on the Performances of October 2009 Book-keeping and Accounting Examination

I did not comment on the March 2009 examination because that examination was attempted by just a handful of candidates. All of them did very badly. It was disappointing to note that they repeated all the bad factors highlighted in my earlier 3 articles. I shall not elaborate them further but would suggest serious candidates to visit the ISP website to familiarize themselves to avoid repeating the mistakes of the unsuccessful candidates.

This is my fourth article on the above subject matter.

The objective of providing this feedback is to share my observations with future candidates on the level of knowledge expected and also the levels of substances and quality of answers. I hope all candidates attempting future Book-keeping and Accounting examinations are taking their preparations seriously and will make reference to these materials as part of their examinations preparation processes.

The format of the October 2009 examination was very similar to the earlier papers. The paper has two sections: Section A comprised of 10 multiple-choice questions (MCQs) worth 2 marks each, while Section B focuses on computation and narrations, each questions worth 20 marks.

Twenty-two candidates signed up for the October 2009 Book-Keeping and Accounting paper. Thirteen of them attempted. Two postponed and seven did not turn up on the day of examination. The “No Show” rate at 41% was marginally higher than the corresponding period in 2008.

Five out of thirteen candidates passed. This is the first time a candidate scored a Distinction (Grade A) followed by two candidates who scored a Credit (Grade B). One of the Grade B candidates could have achieved Grade A had he/she performed a little better in Section B – Questions 3 and 4.

The table below summarized their performances:-

Questions
-----------

# ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

Marks

Section A

Section B

10 MCQ's

Question 1

Question 2

Question 3

Question 4

Marks Allocated

20

20

## ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

20

20

20

Average Marked Score

7.69

10.35

9.15

3.58

10.69

Percentage (%)

38%

## ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

52%

46%

18%

53%

As illustrated above, the relatively badly attempted questions are the MCQ of Section A and Questions 3 of Section B. The technique of answering MCQ has been dealt with in my **SECOND** article. Candidates are strongly urged to familiarize themselves with those techniques.

MCQ requires a broader base of knowledge. Candidates who did not study broadly will not do well in MCQ because they will not know which is the most appropriate answer even if they have learned the skill of elimination. The poorly prepared candidates are likely to eliminate the wrong choices.

Section B Question 1 was actually a gift question testing the basic double entries. The question asked for three-column ledger accounts and specifically highlighted in **bold** that T-Account format will not gain any mark.

I noted there are a number of candidates used T-Account to answer this question. For the benefit of those candidates who do not follow a proper course of study, here is a skeletal extract of the three-column ledger:-

### 1(a) BENNY PLANTATION ADVISORY SERVICES COMPANY – GENERAL LEDGER



# ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

Cash

Date

Explanation

Debit

Credit

Balance

Sep 1

Share Capital

15,000

15,000 Dr

1

## ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

Land & Buildings

5,000

10,000 Dr

2

Insurance Expense

1,500

8,500 Dr

15

Service Revenue

5,000

13,500 Dr

## ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

16

Accounts Payable

1,800

11,700 Dr

22

Accounts Receivable

1,880

13,580 Dr

30

Utilities Expense

500

# ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

13,080 Dr

30

Salaries Expense

3,000

10,080 Dr

**Accounts Receivable**

Date

Explanation

Debit

Credit

Balance

## ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

Sep 15

Service Revenue

2,430

2,430 Dr

22

Cash

1,880

550 Dr

30

Service Revenue

4,900

# ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

5,450 Dr

## Accounts Payable

Date

Explanation

Debit

Credit

Balance

Sep 3

Supplies on Hand

500

500 Cr

## ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

3

Equipment

6,000

6,500 Cr

16

Cash

1,800

4,700 Cr

20

Supplies on Hand (Goods Returned)

240

# ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

4,460 Cr

## Mortgage Note Payable

Date

Explanation

Debit

Credit

Balance

Sep 1

Land & Buildings

54,000

54,000 Cr



## ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

### Share Capital

Date

Explanation

Debit

Credit

Balance

Sep 1

Cash

15,000

15,000 Cr

## ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

Sep 1

Equipment

4,000

19,000 Cr

**Please note the above are not the complete answer but merely an illustration of the three-column ledger format.**

Section B Question 2 dealt with Club Accounting. A popular question which was tested quite regularly. If candidates have used the past year questions for their revision, they would have no problem in getting the correct answers.

Section B Question 3 is another gift question. Section (a) tested on the Bank Reconciliation and Section (b) listed the ratios to be calculated. It is disappointing to note that a large number of candidates not even know the equations for the required ratios.

The poor knowledge in this area clearly demonstrated candidates do not prepare themselves well before attempting examination.

Future candidates are urged to ensure they learn the necessary basic principles of bookkeeping and accounting. In the Oct 2008 comments, I have actually hinted that candidates may be asked to interpret financial information instead of being tested on number crunching.

Section B Question 4 is a regular question which has appeared repeatedly in every examination. I have also provided a suggested answer in my earlier report. It will be pointless if I continue to provide model answer if candidates do not care to read and understand how to answer the question.

### Examiner's Observations and Proposal

Although 3 candidates have achieved unprecedented outstanding performances vis-à-vis the previous examinations, the passing rate of 5 out of 13 candidates accounts for only about 38%. This is definitely low and a lot need to be done to achieve better performances.

Candidates still demonstrated apparent weaknesses in answering narrative questions. Please take note of the basic concepts, definitions and computations in the explanatory notes. These are rudimentary subject matters, which future candidates are advised to be mindful of in their preparation for the Book-keeping and Accounting examinations.

ISP or plantation groups may need to consider organizing workshops directed at upgrading the basic knowledge and examination techniques of their employees. Book-keeping and accounting knowledge are vital tools for operational controls.

Workshops, if any, must be organized in good time in order to allow candidates enough time to assimilate and digest the knowledge gained from attending workshop. Most importantly, course leaders must be well qualified and experienced in imparting knowledge to non-financial attendees.

For those candidates whose marks are below 45 marks, ISP currently bars them from attempting the next examination. It is my opinion that this might break their momentum and disrupt their examination preparation. If I may suggest, I propose ISP to allow such candidates to continue attempting their examinations. If they continuously achieved poor results for three consecutive or cumulative attempts, then they should be barred and their candidatures should be reviewed and a penalty in term of higher examination fee should be imposed to ensure they are still seriously interested in the ISP examinations.

**Please click on the example you need:-**



### [EXAMPLE 1](#)

### [EXAMPLE 2](#)

## **Comments on the Performances of October 2008 Book-keeping and Accounting Examination**

This is my third article on the above subject matter. The earlier articles were posted on the ISP website which I trust are still available for reference of the interested candidates/parties.

The objective of providing this feedback is to guide candidates on the level of knowledge expected and also the levels of substances and quality of answers. Through this avenue, I hope to contribute to improve performance of future candidates. I hope all candidates attempting future Book-keeping and Accounting examinations are taking their preparations seriously and will make reference to these materials as part of their examinations preparation processes.

In my first article, I have elaborated at length on the needs and techniques for preparations. Suffice to say that there is no alternative to preparation that can assure success! There was no change in the format of this paper from the previous sittings, with all questions being compulsory.

Section A comprised 10 multiple-choice questions (MCQs) worth 2 marks each, while Section B contained four questions worth 20 marks each.

It has been noted in reports on the previous 2 sittings that the structure of the paper means that successful candidates during their preparation would have covered if not the entire but the majority of the syllabus. While those candidates who managed to pass might have noted this message, it remains the case that a good majority of candidates have not.

Ten candidates signed up for the October 2008 Book-Keeping and Accounting paper. Six of them attempted. The "No Show" rate at 40% was still high. However, when compared to the immediate past sitting of 67%, there was an improvement!

The performances of the 6 candidates in the said paper showed marked improvement. Five out of six candidates passed. This is the first time a candidate scored a credit pass (Grade B) while

## ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---

the other 4 candidates' performances were also commendable. The Grade B candidate could have achieved Grade A had he/she performed a little better in Section B – Questions 2 and 3.

The table below summarized their performances:-

Questions	Section A	Section B			
	10 MCQ's	Question 1	Question 2	Question 3	Question 4
Marks Allotted	20	20	20	20	20
Average Marks Scored	13.67	12.68	7.88	6.42	13.23
Percentage (%)	68%	63%	39%	32%	66%

As illustrated above, the relatively badly attempted questions are Questions 2 and 3 of Section B vis-à-vis the MCQ in Section A and Question 2 of Section B in the March 2008 sitting.

In this article, I append the suggested solutions for Question 2 and Question 3 of Section B. The relevant questions are not reproduced. Please refer to the question paper of October 2008 for better understanding.

Please click here [▶▶▶▶▶](#)

### Examiner's Observations

Notwithstanding better performances in the October 2008 examination, candidates still demonstrated apparent weaknesses in answering narrative questions. Please take note of the basic concepts, definitions and computations in the explanatory notes. These are rudimentary subject matters, which future candidates are advised to be mindful of in their preparation for the Book-keeping and Accounting examinations. Scopes of the recent examinations were rather narrow, focused mainly on a few topics only. The scope of future examinations will be further expanded (within the defined syllabus) to cover topics which have not yet been tested. Candidates may be asked to interpret financial information instead of being tested on number crunching.

During periods of credit crunch and financial crisis, the needs to manage operations within budgets and continuous monitoring of cash flow are vital part of plantation management. Estate Managers and candidates aspiring to become estate managers may need to equip themselves with such knowledge.

## ISP Examination

Written by Admin

Thursday, 16 April 2009 14:52 - Last Updated Wednesday, 10 January 2018 11:56

---