

ACCOUNTING (Updated October 2016)

This document must be read in conjunction with the IEB Manual for the Moderation of School Based Assessment (Updated in September 2015).

A. MEANS OF ASSESSMENT

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| Paper I: Application of Skills | 2 hours | [200] |
| Paper II: Problem Solving and Analysis | 2 hours | [100] |
| School Based Assessment | | [100] |

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| 400 marks |
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B. REQUIREMENTS

1. Examination

| Paper I | Paper II |
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| ACROSS THE TWO PAPERS THERE MUST BE A COGNITIVE WEIGHTING OF 60% LOWER ORDER LEVELS TO 40% HIGHER ORDER LEVELS | |
| Marks 200 Time 2 hours | Marks 100 Time 2 hours |
| This paper mainly assesses skills, where there is not a lot time needed to read through information or think of innovate solutions to problems, i.e. the year-end adjustments, drawing up of accounts and statements and the calculations of costs, etc. Learners need to know and apply ratios in working backwards to calculate numbers, etc. Refer to C1.1. | This paper assesses theory, analysis, interpretation and problem solving. It assesses sections that require more time to read through and analyse information Refer to C1.1. |

Both papers are written on the same day as the same knowledge is required by learners for both papers.

Paper I and Paper II will be write-on papers, i.e. question paper and answer books in one. A separate information book for each paper will be provided. Answers may be completed in pencil. No red or green pens are allowed. In line with practice in tertiary institutions and business, no abbreviations will be accepted.

2. School-Based Assessment (SBA)**[100]**

Each candidate must submit a file which contains the following evidence:

| Component | Weighting per item | TOTAL |
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| Midyear or preliminary examination | 30% | 30% |
| Three tests | 10% each | 30% |
| Two different types of tasks chosen from the following list: <ul style="list-style-type: none"> • Project • Case Study • Oral presentation • Computer Assignment • Written report | 20% each | 40% |
| TOTAL | | 100% |

The tasks and tests must be designed in such a way that they collectively assess all the topics thoroughly, to ensure sufficient evidence of competence is provided.

Tasks

The mark allocation for each task may not be less than 100.

The tasks allow the learner to be assessed in ways that are not possible in a test or examination, and therefore give us a different view of a learner's level of competence. The standards required should not be any less rigorous than that required in the external examination. If assessment tasks are narrow and mechanical then learners' will not be adequately prepared for the final examination.

To this end the tasks should:

- Require learners to engage in contexts that are age appropriate, real-life, and relevant to the topics for Accounting.
- Assess a cluster of topics, either across two or more topics or deeply within one topic.
- Require learners to use knowledge, skills, attitudes and values gained over time.
- Require learners to engage in unfamiliar/ unrehearsed contexts.
- 60% of the marks allocated to the task should relate to lower order thinking skills (knowledge, comprehension and application) and 40% to higher order thinking skills (analysis, synthesis and evaluation).
- Involve assessment of the process not just the product. A major project that takes a large amount of teaching time may be broken up into different tasks.
- Require metacognition by the learners.

C. INTERPRETATION OF REQUIREMENTS

1. Examination requirements

1.1 Rationale for two examination papers:

The following Critical and Development Outcomes form the foundation of this rationale:

- Identify and solve problems and make decisions using critical and creative thinking (CO1);
- Collect, analyse, organise and critically evaluate information (CO4);
- Demonstrate an understanding of the world as a set of related systems by recognising that problem solving contexts do not exist in isolation (CO7); and
- Reflect on and explore a variety of strategies to learn more effectively (DO1).

The definition of Accounting clearly states that the focus of the subject is on (i) measuring performance; (ii) processing financial information; and (iii) communicating financial information. **Paper I** provides a vehicle for the first two foci where the paper assesses theoretical knowledge that underpins the understanding and application thereof, i.e. the *application of knowledge and skills*. **Paper II** brings the third focus to the fore where it attempts the assessment of *problem solving* and *analysis* requiring a higher cognitive response from the learner.

Overall, the use of two papers not only allows the assessment of **all** topics presented in the SAGs for Accounting (*breadth* of assessment), but also provides ample opportunity to explore the use of higher cognitive responses (*depth* of assessment).

Aspects found within the Critical and Developmental outcomes are present in both papers, i.e. learners need to identify and solve problems and make decisions using critical and creative thinking; they need to critically evaluate information; and they have to recognise that problem solving contexts do not exist in isolation. Learners also need to reflect on and explore a variety of strategies to learn more effectively in order to sit for both these examination papers.

Further aspects regarding the use of two uniquely different instruments are:

- The time allocation needed to perform the different types of skills is different and so too is the time/mark allocation for these questions, i.e. reading through case studies, writing reports and coming up with creative and innovative solutions to problems requires more time than drawing up a ledger account. Having two papers allows the opportunity to weight the time/mark allocation differently for each paper. In this way the more able/creative and innovative learner is not being penalised by not having enough time to communicate their ideas;
- emphasising the record-keeping or information preparation functions in accounting with an additional focus on using accounting information for decision-making purposes in each of the examination papers with

different mark and time allocations thereby accommodating 'diverse learners';

- an emphasis on the assessment of the 'learning process' rather than 'rules' in both examination papers;
- giving impetus, specifically in the second examination paper, to what the Accounting Education Change Commission in the US referred to as 'an information development and communication process' by providing what the IEB refers to as 'innovative and creative solutions'; and
- a broader emphasis on general business and economic knowledge specifically in the second paper.

The second part of SAICA's qualification examination is now called the Assessment of Professional Competence (APC) and its objective is to assess a prospective CAs professional competence (technical competence is assessed in the first part of SAICA's qualifying examinations which is written directly at the end of a student's four years at university, before any practical experience has been gained). This assessment focuses on the strategic and managerial aspects of the broader accountancy discipline. This is done through a multidisciplinary case study where the aim of this assessment is to assess the candidate's ability to apply knowledge and skills gained in real life. Real life encompasses the integration of all disciplines, problem solving, identification of relevant versus irrelevant information, synthesis of information and a direct focus on pervasive skills. Pervasive skills comprise of ethical behaviour, professionalism, personal attributes and professional skills.

The use of two examination papers in Accounting by the IEB does not just conform to the principles of fairness, validity and reliability but also moves towards the assessment of professional competence, albeit at a senior secondary level.

1.2 The Assessment Syllabus

The purpose of this Assessment Syllabus is to assist IEB teachers in reaching a common understanding of the scope of the topics and therefore support schools in planning their Assessment Programmes consistently; as well as to make the IEB examination and SBA requirements at Grade 12 explicit for teachers, assessors and moderators.

The document is not meant to be a teaching syllabus. Individual teachers and schools are not restricted to the contents of the Assessment Syllabus; they are free to enlarge on these in their own curriculum delivery. The teaching and learning programme should be rich, stimulating and challenging, while assessment is focused on the requirements of the qualification. **The Grade 10 and 11 assessment syllabi are included for information and guidance but only the Grade 12 assessment syllabus is mandatory.**

The Assessment Syllabus follows the SBA requirements.

2. SBA Requirements

| SBA Component | Weighting | Recommended Hours | Criteria | Requirements for files |
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| Mid-year or Preliminary Examination | 30% | 4 | Must be modelled on the IEB Subject Assessment Guidelines for the external examination. | <p style="text-align: center;">EDUCATORS</p> <ul style="list-style-type: none"> • Copy of examination papers • One design grid for both Papers I and II showing 60/40 cognitive weighting across the two papers and showing topics assessed by each question, and weighting of topics • Marking guidelines • Proof of moderation <p style="text-align: center;">LEARNERS</p> <ul style="list-style-type: none"> • Learner's assessed scripts • Proof of moderation |
| Three Controlled Tests | 30% | Minimum 50 minutes each | <ul style="list-style-type: none"> • At least one of the three controlled tests must be similar to Paper I of the external examination. Paper I type tests must be 80 – 100 marks. • At least one of the three controlled tests must be similar to Paper II of the external examination. Paper II type tests must be at least 50 marks. • An exam that consists of a Paper I and Paper II cannot count as two individual tests • Tests must include Problem Solving type questions. • Must assess a cluster of topics either within one larger topic or across topics. • 60% of the marks should relate to lower order thinking skills and 40% to higher order thinking skills. • The same controlled tests must be submitted for all learners, i.e. learners do not choose their best tests. | <p style="text-align: center;">EDUCATORS</p> <ul style="list-style-type: none"> • Copy of tests • Completed design grid for each test showing topics assessed by each question, weighting of cognitive levels and weighting of topics • Cover pages of tests <ul style="list-style-type: none"> – Date of assessment – Time and mark allocation • Marking guidelines • Proof of moderation <p style="text-align: center;">LEARNERS</p> <ul style="list-style-type: none"> • Learner's assessed scripts • Proof of moderation |

| ANY TWO OF THE FOLLOWING TASKS | | | | |
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| Project An undertaking that encompasses a set of tasks or activities having a definable starting point and well defined objectives. In other words, a set of activities directed to an overall goal. Usually each activity has a planned completion date (due date) and assigned resources. Assessment takes place at the end of each activity as well as at the end (process as well as product assessment). | 20% | 2 – 4 | Criteria for Assessing Design: Does Task show: <ul style="list-style-type: none"> • Validity – task matches topics targeted? • Sufficiency – assess across topics? • Rigour – cover all cognitive levels in 60% Lower Order: 40% Higher Order ratio? • Appropriateness – appropriate for this grade/ these learners (language, contexts, etc.)? • Marking Guidelines – are these fit for purpose (appropriate tools, sufficient rigour)? • Applied contexts – require learners to work in unrehearsed/ unfamiliar contexts? The mark allocation for this task may not be less than 100. | <p style="text-align: center;">EDUCATORS</p> <ul style="list-style-type: none"> • Copy of instructions to learners • The cover page <ul style="list-style-type: none"> - Topic of project - Due Date - Mark Allocation - Topics being assessed • Design grid • Assessment Tool/s <p style="text-align: center;">LEARNERS</p> <ul style="list-style-type: none"> • Learner's assessed work • Completed assessment tool/s |

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| <p>Case Study Task</p> <p>A case study is a research strategy, sometimes likened to an experiment, a history, or a simulation, though not linked to any particular type of evidence or method of data collection.</p> <p>The aim is to provide the learners with a real life scenario similar to what they will encounter later on in life. The teacher can then tailor make questions to elicit responses based on application of work studied in the classroom.</p> | 20% | 1 – 2 | <p>This could be, for example,:</p> <ul style="list-style-type: none"> • Analysing financial statements of a listed company and the breakdown thereof. • A study of and response to questions on films, documentaries that relate to topics in the curriculum. <p>See Criteria for Assessing Design Pg 1/6 which also apply here.</p> <p>The mark allocation for this task may not be less than 100.</p> | <p style="text-align: center;">EDUCATORS</p> <ul style="list-style-type: none"> • Copy of instructions to learners • The cover page <ul style="list-style-type: none"> - Topic of project - Due Date - Mark Allocation - Topics being assessed • Design grid • Assessment Tool/s <p style="text-align: center;">LEARNERS</p> <ul style="list-style-type: none"> • Learner's assessed work • Completed assessment tool/s |
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| <p>Oral presentation</p> <p>This is the process of presenting the content of a topic to an audience. It is about assessing Accounting knowledge, skills, attitudes and values through the medium of oral presentation. This can also include visual aids to enhance the presentation, but these must not be the main focus of the presentation.</p> | 20% | 2 – 3 | <p>In choosing the topic, it is vital that the learners are not required to simply present facts, but rather to extend themselves by applying what they have learnt in the classroom.</p> <p>This is an ideal opportunity for peer assessment.</p> <p>Criteria for Assessing Learners' work:</p> <ul style="list-style-type: none"> • Written proof of Oral/ Debate provided. <p>Debate/ Group Oral Presentation</p> <p>If this component is done as a debate or group presentation, role allocation and contributions of group members must be indicated by including an organisational chart, minutes of meetings, etc. All group members must participate in the oral component.</p> <p>See Criteria for Assessing Design Pg 1/6 which also apply here.</p> <p>The mark allocation for this task may not be less than 100.</p> <p>The marks awarded for this task should comprise 90% for content and 10% for presentation</p> | <p style="text-align: center;">EDUCATORS</p> <ul style="list-style-type: none"> • Copy of instructions to learners • The cover page <ul style="list-style-type: none"> – Topic of project – Due Date – Mark Allocation – Topics being assessed • Design grid • Assessment Tool/s <p style="text-align: center;">LEARNERS</p> <ul style="list-style-type: none"> • Learner's assessed work • Completed assessment tool/s |
| <p>Computer Assignment</p> <p>Here the teacher can use one of the Accounting packages available on the market and give the learner's information to process. Teachers are encouraged to include some aspects that will extend their top learners.</p> | 20% | 7 – 10 | <p>Criteria for assessing learners</p> <p>This depends on the accounting package used and the assessment material provided, e.g. Pastel provides tests and summative tasks.</p> <ul style="list-style-type: none"> • Evidence must be collected of learners understanding and application of the programme being used • Evidence of learner's ability to operate the programme must be collated and determined. <p>See Criteria for Assessing Design Pg 1/6 which also apply here.</p> <p>The mark allocation for this task may not be less than 100.</p> | <p style="text-align: center;">EDUCATORS</p> <ul style="list-style-type: none"> • Copy of instructions to learners • No design grid required if the task and assessment is provided by an external provider. <p style="text-align: center;">LEARNERS</p> <ul style="list-style-type: none"> • Collate printed evidence of assessment tasks • Summative Assessment |

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| <p>Written report The collection of information about a particular subject that will then be used to apply to the topic in order to solve a problem or add value to a given situation. It involves the gathering, processing and presenting of information in order to answer a question.</p> | 20% | 2 – 4 | <p>See Criteria for Assessing Design Pg 1/6 which also apply here. The mark allocation for this task may not be less than 100.</p> | <p style="text-align: center;">EDUCATORS</p> <ul style="list-style-type: none"> • Copy of instructions to learners • The cover page <ul style="list-style-type: none"> - Topic of project - Due Date - Mark Allocation - Topics being assessed • Design grid • Assessment Tool/s <p style="text-align: center;">LEARNERS</p> <ul style="list-style-type: none"> • Learner's assessed work • Completed assessment tool/s |
| Totals (All 6 items) | 100% | | | |

Assessment Syllabus for Accounting

GRADE 10

| Topic | Scope |
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| Informal or indigenous bookkeeping systems | <p>Learners should be able to:</p> <p>Compare the bookkeeping systems of the informal and formal sectors:</p> <ul style="list-style-type: none"> • Concepts • Management of resources (capital, fixed assets, stock, etc.) • Compare how informal and formal businesses determine selling prices, cost of sales, labour costs, income and expenses |
| Ethics | <p>Explain the code of ethics applicable to all parties in the financial environment.</p> <ul style="list-style-type: none"> • Code of ethics • Basic principles of ethics |
| Accounting principles | <p>Define and explain International Financial Reporting Standards (IFRS) concepts:</p> <ul style="list-style-type: none"> • Accrual basis • Fair representation • Going concern • Comparability/consistency • Materiality • No offsetting (of assets and liabilities or income and expenses) <p>Additional Generally Accepted Accounting Practice (GAAP) concepts:</p> <ul style="list-style-type: none"> • Prudence • Business entity rule • Historical cost |
| Internal Control | <p>Define and explain what is meant by internal control.</p> <p>Identify and explain basic internal control processes.</p> <p>Internal control should be integrated with other topics</p> |

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| Accounting concepts of a Sole Trader | <ul style="list-style-type: none"> • Sole trader • Debit and Credit • Equity, Capital, Assets, Liabilities, Income/Revenue; Expenses • Accounting Cycle: Source document, Journal, Ledger, Trial balance, Financial Statements • Perpetual Inventory System • Discounts • Final accounts: Profit and Loss • Value Added Tax • Financial Accounting and Managerial Accounting. |
| Bookkeeping and reporting of a sole trader | <p>Accounting cycle based on perpetual inventory system:</p> <ul style="list-style-type: none"> • Revision of Grade 9 content • Source documents • Journals (Cash Receipts Journal, Cash Payments Journal, Petty Cash Journal, Debtors' Journal, Creditors' Journal, Debtors' Allowances Journal, Creditors' Allowances Journal, General Journal) • Ledger Accounts (General, Debtors, Creditors) • Trial Balance • Financial statements |
| Accounting equation | <p>Analyse and show the effect of transactions on the accounting equation of a sole trader. All transactions affecting a sole trader up to financial statements.</p> |

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| <p>Salary and wage journals</p> | <p>Explain, calculate and record salary and/or wage scales</p> <p>Record payments in the journals and post to the ledger. (This can be done manually or on an electronic spreadsheet).</p> <ul style="list-style-type: none"> • Normal time • Overtime • Deductions <ul style="list-style-type: none"> – PAYE – Pension fund – Unemployment fund – Medical aid – Union membership • Employer contributions <ul style="list-style-type: none"> – Pension fund – Unemployment fund – Medical aid – Skills development levy <p>Accounting equation</p> <p>Ethical conduct related to Salaries and Wages, e.g. contracts, payment in line with responsibilities, role of unions</p> |
| <p>Value added tax VAT</p> | <p>Explain the basic concepts of VAT:</p> <ul style="list-style-type: none"> • Need for VAT • Purpose of VAT • Principles of VAT • Zero-rated items • VAT-exempt items • VAT-able items • Current rates |

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| <p>Preparation of final accounts and statements of a sole trader taking into account year-end adjustments</p> | <p>Apply IFRS and GAAP principles</p> <p>Accounting equation</p> <p>Year-end adjustments:</p> <ul style="list-style-type: none"> • Trading stock deficit/surplus • Consumable stores on hand • Depreciation (on cost price/straight line, on diminishing balance methods) • Bad debts • Correction of errors/omissions • Accrued income (receivable) • Income received in advance (deferred) • Expenses prepaid • Accrued expenses (payable) <p>Final accounts:</p> <ul style="list-style-type: none"> • Trading account • Profit and Loss account <p>Financial statements and notes:</p> <ul style="list-style-type: none"> • Statement of income (Income statement) • Statement of financial position (Balance sheet) |
| <p>Analysis and interpretation of financial statements of a sole trader</p> | <p>Analyse and interpret financial statements and notes:</p> <ul style="list-style-type: none"> • Gross profit on sales • Gross profit on cost of sales • Net profit on sales • Operating expenses on sales • Operating profit on sales • Current ratio • Acid test ratio • Solvency ratio • Return on equity |

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| <p>Cost accounting</p> | <p>Define and explain basic cost concepts:</p> <ul style="list-style-type: none"> • Direct labour • Indirect labour • Direct materials (raw materials) • Indirect materials • Factory overhead costs • Prime costs • Variable costs • Fixed costs • Work-in-process • Total production costs • Break even quantity <p>Apply principles of internal control Ethical behaviour related to a manufacturing business</p> |
| <p>Budgeting</p> | <p>Define and explain basic budgeting concepts:</p> <ul style="list-style-type: none"> • Cash budget • Zero base budget • Capital budget • Long term budget • Medium term budget |

GRADE 11

| Topic | Scope |
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| Ethics | <p>Learners should be able to:</p> <p>Identify and analyse ethical behaviour applicable to the financial environments with reference to accountability and transparency</p> <p><i>This topic should be integrated with other topics using appropriate scenarios.</i></p> |
| Internal control | <p>Demonstrate the knowledge of internal audit processes:</p> <p>Define and explain what is meant by an internal audit.</p> <p>Demonstrate understanding of the difference between internal control and an internal audit, the role of the internal auditor, division of duties, documentation and physical controls.</p> <p>Identify internal control procedures when receiving cash and buying and selling on credit.</p> <p><i>This topic should be integrated with other topics.</i></p> |
| Reconciliations | <p>Reconcile bank statements with cash journals in order to prepare bank reconciliation statements:</p> <ul style="list-style-type: none"> • Outstanding deposits • Cheques not yet presented for payment • Stop/debit orders • Direct transfers • Bank charges • Interest received or charged • Correction of errors or omissions • Cheques R/D or cancelled • Post-dated cheques received and future dated EFT's <p>Reconcile statements received from creditors with accounts in creditors' ledger of a business in order to prepare creditors' reconciliation statements:</p> <ul style="list-style-type: none"> • Outstanding invoices or credit notes • Outstanding payments • Discounts not recorded • Correction of errors or omissions. • Integration of issues of internal control • Integration of ethical issues relating to the banking environment |

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| <p>Tangible/fixed assets</p> | <p>Demonstrate understanding of the concept of a tangible/fixed asset register</p> <p>Record the acquisition of tangible/fixed assets Calculation and recording of depreciation</p> <ul style="list-style-type: none"> • On cost price (straight line method) • Diminishing balance method <p>Demonstrate understanding of how tangible/fixed assets are recorded when they are fully depreciated.</p> <p>Record the disposal of tangible/fixed assets:</p> <ul style="list-style-type: none"> • At the beginning of a financial year • During a financial year • At the end of a financial year <p>Integrate issues of internal control – control measures over fixed assets Integration of ethical issues relating to fixed assets – responsible use of fixed assets</p> |
| <p>Partnerships</p> | <p>Define and explain accounting concepts unique to partnerships:</p> <ul style="list-style-type: none"> • Partnership • Capital accounts • Current accounts • Division of profits/losses |
| <p>Accounting principles</p> | <p>Define and explain International Financial Reporting Standards (IFRS) concepts:</p> <ul style="list-style-type: none"> • Accrual basis • Fair representation • Going concern • Comparability/consistency • Materiality • No offsetting (of assets and liabilities or income and expenses) <p>Additional Generally Accepted Accounting Practice (GAAP) concepts:</p> <ul style="list-style-type: none"> • Prudence • Business entity rule • Historical cost |

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| Bookkeeping for a partnership | Accounting cycle of Partnerships: <ul style="list-style-type: none"> • Subsidiary journals • Post to the ledger • Trial Balance |
| Preparation of final accounts and statements of a partnership taking into account year-end adjustments | Accounting equation Year-end adjustments: <ul style="list-style-type: none"> • Trading stock deficit/surplus • Consumable stores on hand • Depreciation (on cost price/straight line, on diminishing balance methods) • Bad debts • Correction of errors/omissions • Capitalisation of Interest • Accrued income (receivable) • Income received in advance (deferred) • Expenses prepaid • Accrued expenses (payable) • Salaries to partners • Bonus to partners • Interest on capital • Appropriation of profit/loss Final accounts: <ul style="list-style-type: none"> • Trading account • Profit and Loss account • Appropriation account Financial statements and notes: <ul style="list-style-type: none"> • Statement of income (Income statement) • Statement of financial position (Balance sheet) |

Analysis and interpretation of financial statements of a partnership

Analyse and interpret financial statements and notes

Revise the following:

- Gross profit on sales
- Gross profit on cost of sales
- Net profit on sales
- Operating expenses on sales
- Operating profit on sales
- Solvency ratio
- Current ratio
- Acid test ratio

Calculate and analyse the following:

- Stock turnover rate
- Stock holding period
- Average debtors' collection period
- Average creditors' payment period
- Debt equity ratio (gearing)
- Partners' earnings
- Return on partners' equity

Financial accounting of non-profit organisations (clubs)

Define and explain accounting concepts unique to non-profit organisations (clubs):

- Non-profit organisations
- Constitution
- Accumulated funds
- Membership fees
- Entrance fees
- Affiliation fees
- Surplus
- Deficit

Accounting cycle for non-profit organisations (clubs):

- Journals
- Post to the ledger
- Draft a Trial Balance
- Statement of receipt and payment
- Comparison between Statement of Income and Statement of financial position of partnerships and clubs

Cost accounting

Calculate the following costs in a manufacturing environment:

- Variable and fixed costs
- The cost of a product using variable and fixed costs
- Unit costs
- Contribution per unit
- Break-even point
- The cost price of a product

Prepare ledger accounts of a manufacturing business (perpetual inventory system).

Balance Sheet Section:

- Raw material stock
- Work-in-progress stock
- Finished goods stock
- Consumable stores stock (indirect materials)

Nominal Accounts Section:

- Sales
- Cost of sales
- Factory wages
- Factory electricity
- Factory rent
- Depreciation on factory equipment, etc.

Cost Accounts Section:

- Direct (raw) materials cost
- Direct labour cost
- Factory overhead cost
- Administration cost
- Selling and distribution cost
- Integrate ethical issues related to a manufacturing environment
- Integrate internal audit and internal control issues related to a manufacturing environment

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| Budgeting | <p>Prepare and present a cash budget for sole traders:</p> <ul style="list-style-type: none"> • Projected revenue and expenditure • Projected debtors' collection • Projected creditors' payments • Cash budget <p>Prepare and present a Projected Income Statement Integrate ethical issues. Integrate internal audit and internal control issues</p> |
| Inventory systems | <p>Define and explain the following stock systems:</p> <ul style="list-style-type: none"> • Perpetual stock system • Periodic stock system <p>Explain the advantages and disadvantages of the periodic and perpetual stock systems.</p> <p>Record transactions using the periodic stock system in the journals and ledgers, comparing it with the perpetual stock system.</p> <ul style="list-style-type: none"> • Purchases account as opposed to Trading stock account • Opening stock and Closing stock accounts • Trading account |
| VAT | <p>Perform VAT calculations:</p> <ul style="list-style-type: none"> • Use current rate • Add VAT to cost price plus mark-up amount • Calculate VAT on VAT inclusive amount • Invoice or receipt base <p>Demonstrate understanding of the concept of VAT relating to bad debts</p> <p>Integrate ethics relating to VAT – VAT fraud, etc.</p> <p>Integrate internal audit and internal control processes over collection of VAT from customers and payment of VAT to SARS</p> |

GRADE 12

| Topic | Scope |
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| Financial accounting of companies – concepts and unique ledger accounts | <p>Learners should be able to:</p> <p>Define and explain accounting concepts unique to companies:</p> <ul style="list-style-type: none"> • Companies – public and private • Companies Act • Registrar of Companies – Registration certificate • Memorandum of Incorporation • Legal personality • Limited liability • Income tax/provisional income tax • Dividends/shares (interim and final) • Issue price • Share premium (note that par value and share premium no longer exist in terms of the New Companies Act but will only be examined in 2014) • Earnings • Shareholders • Directors/Directors' fees • Auditors/Audit fees • Separation of ownership from control • Accumulated profit/Retained income/Retained earnings • Authorized share capital • Issued share capital/Stated capital • Johannesburg Securities Exchange (JSE) |

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| Accounting principles | Define and explain International Financial Reporting Standards (IFRS) concepts: <ul style="list-style-type: none"> • Accrual basis • Fair representation • Going concern • Comparability/consistency • Materiality • No offsetting (of assets and liabilities or income and expenses) Additional Generally Accepted Accounting Practice (GAAP) concepts: <ul style="list-style-type: none"> • Prudence • Business entity rule • Historical cost |
| Bookkeeping of companies | <ul style="list-style-type: none"> • Prepare subsidiary journals for accounting entries specific to companies. • Prepare and interpret company ledger accounts for the following transactions: • Issuing of shares at issue price (par value and share premium no longer exist in terms of the Companies Act) • Buying back of share (shares to be valued at weighted average price and excess of this value to be deducted from Retained Income) • Loans and interest (interest on mortgage loan is capitalized) • Income tax • Dividends • Directors' fees • Audit fees |
| Financial accounting of companies – preparation of final accounts and financial statements | Prepare final accounts and detailed financial statements of a company taking into account year-end adjustments. <p><i>Year-end adjustments:</i></p> <ul style="list-style-type: none"> • trading stock deficit/surplus • consumable stores on hand • depreciation (on cost price/straight line, on diminishing balance methods) • bad debts • correction of errors/omissions • accrued income (receivable) • income received in advance (deferred) • expenses prepaid |

- accrued expenses (payable)
- adjustments related to income tax
- adjustments related to the payment and declaration of dividends.

Final accounts:

- Trading account
- Profit and Loss account
- Appropriation account

Reversal of certain adjustments, i.e. accruals, income received in advance, and prepayments

Financial statements and notes:

- Statement of Income (Income Statement)
- Statement of Financial Position (Balance Sheet)
- Statement of Cash Flows
- Analyse and indicate the effect of transactions on the accounting equation of a company; all transactions affecting a company up to financial statements
- Integrate and report on the control of fixed assets
- Integrate ethical considerations relating to companies – roles of shareholders and directors, manipulation of share prices, corporate governance, etc.
- Integrate internal audit and control processes relating to companies
- Apply GAAP principles and IFRS

| | |
|---|--|
| <p>Financial accounting of companies – analysis and interpretation of financial statements</p> | <p>Analyse and interpret Statement of Income (Income Statement), Statement of Financial Position (Balance Sheet) and notes.</p> <p>Calculate, interpret and report on the following financial indicators as they relate to company being analysed:</p> <ul style="list-style-type: none"> • Gross profit on sales • Gross profit on cost of sales • Net profit on sales • Operating expenses on sales • Operating profit on sales • Current ratio • Acid test ratio • Average debtors collection period • Average creditors payment period • Rate of stock turnover • Number of months stock on hand (final stock) • Stock holding period (average stock) • Solvency ratio • Debt-equity ratio (gearing) • Return on shareholders' equity • Return on total capital employed • Net asset value per share • Dividends per share • Earnings per share |
| <p>Financial accounting of companies – analysis of published financial statements</p> | <p>Analyse a company's published financial statements and annual reports comprising of:</p> <ul style="list-style-type: none"> • Directors' Report • Independent Auditors' Report • Abridged Statement of Income (Income Statement) • Statement of Financial Position (Balance Sheet) • Statement of Cash Flows • Additional information relating to governance and the company's activities. |

| | |
|--------------------------------|--|
| Ethics | <p>Demonstrate understanding of the role of professional bodies, e.g. South African Institute of Chartered accountants (SAICA) and South African Institute of Professional Accountants (SAIPA)</p> <p>Discuss disciplinary and punitive measures that are applied for non-compliance with the Code of Professional Conduct</p> <ul style="list-style-type: none"> • Businesses should have a code of conduct outlining expected behaviour. • If an employee has committed a criminal act then it must be reported to the police as well as dealt with internally. <p>Demonstrate understanding of the policies governing ethical behaviour in the financial environment, viz. King Code III</p> <p>Demonstrate understanding of the legislation governing companies - basic principles in Companies Act, i.e. directors' performance evaluation, remuneration policies, dispute resolution, business rescue, conflict of interests, responsibilities of directors</p> <p><i>This topic should be consolidated, having been integrated with other topics.</i></p> |
| Tangible / fixed assets | <p>Interpret and report on the movement of fixed assets (age of assets, replacement rate and lifespan of assets)</p> <p>Integrate IFRS/GAAP principles relating to fixed assets</p> <p>Integrate ethical issues relating to fixed assets</p> <p>Integrate internal audit and control processes relating to fixed assets</p> |
| Internal control | <p>Apply internal control and internal audit processes in a business environment:</p> <ul style="list-style-type: none"> • Means of gathering audit evidence • Basis of gathering audit samples • Basic sampling techniques • Internal audit reports • Accountable management of resources <p>Demonstrate understanding of the difference between the roles of internal and external auditors.</p> <p><i>This topic should be consolidated, having been integrated with other topics.</i></p> |

| | |
|------------------------------|--|
| Inventory valuation | <p>Validate, value and calculate inventories of businesses using the perpetual and periodic inventory systems:</p> <ul style="list-style-type: none"> • Specific identification (of cost price per unit) • First in, first out (FIFO) • Weighted average <p>Integrate IFRS / GAAP principles relating to inventories</p> <p>Integrate ethical issues relating to inventories</p> <p>Integrate internal audit and control processes relating to inventories.</p> |
| Reconciliations | <p>Analyse and interpret bank, debtors' and creditors' reconciliations (learners are expected to be able to prepare these in order to analyse them):</p> <ul style="list-style-type: none"> • Reconcile creditors' statements with their personal accounts • Reconcile debtors lists and creditors lists with control accounts • Analyse and interpret debtors' age analysis • Analyse and interpret bank statements and bank reconciliation statements. • Integrate ethical issues relating to cash, debtors and creditors: payment periods, interest, credit ratings, fraud, etc. • Integrate internal audit and internal control issues relating to cash, debtors and creditors |
| Value Added Tax (VAT) | <p>Calculate the amount payable to or receivable from the South African Revenue Services (SARS)</p> <p>Complete the VAT control ledger account from given information</p> <ul style="list-style-type: none"> • Debtors allowances, discount allowed and discount cancelled on r/d cheques and bad debts will be offset against output VAT • Creditors allowances, discount received will be offset against input VAT • VAT on drawings • VAT on disposal of assets <p>Demonstrate understanding of the concept of VAT Returns</p> <p>Integrate ethical issues relating to VAT</p> <p>Integrate internal audit and control processes</p> |

| | |
|--------------------------------------|--|
| <p>Manufacturing accounts</p> | <p>Define and explain accounting concepts unique to a manufacturing business</p> <p>Prepare, present, analyse, interpret and report on cost information for manufacturing enterprises:</p> <ul style="list-style-type: none"> • Prepare a production cost statement with notes for manufacturing costs • Prepare a short-form Statement of Income (Income Statement) with notes for administration cost and selling & distribution cost • Calculate gross profit on finished goods sold • Calculate variable and fixed costs • Calculate the cost of a product using variable and fixed costs • Calculate cost per unit • Calculate contribution per unit • Calculate break-even point • Calculate total cost of production. • Analyse the production cost statement to identify problem areas and areas where costs may be cut. • Make suggestions to reduce the manufacturing costs for the business, e.g. bulk buying, work study resulting in more efficient methods, analyse alternative suppliers, buy a supply business, etc. • Integrate ethical issues relating to manufacturing: product quality, product age, raw materials, support for local products, price-fixing, theft, fraud, etc. • Integrate internal audit and control processes relating to manufacturing |
|--------------------------------------|--|

| | |
|-------------------------|---|
| <p>Budgeting</p> | <p>Analyse, interpret and compare the projected income statements for sole traders and companies. (learners are expected to be able to prepare these in order to analyse them):</p> <p><i>Projected Income Statement</i></p> <ul style="list-style-type: none"> • sales • cost of sales • income • expenses • profits • Calculate, from a projected income statement, basic expected ratios; <ul style="list-style-type: none"> – Gross profit margin and/or percentage on cost of sales – operating expenses on sales – net profit on sales <p>Analyse, interpret and compare the cash budgets for sole traders and companies. (learners are expected to be able to prepare these in order to analyse them):</p> <p><i>Cash Budget</i></p> <ul style="list-style-type: none"> • receipts • payments • debtors' collections • creditors' payments • cash balances • Analyse budget items in a cash budget and forecast income statement so as to: <ul style="list-style-type: none"> – identify problem areas – compare actual vs. budgeted figures – suggest solutions for problems identified • Integrate ethical issues relating to budgeting and projections • Integrate internal audit and control processes relating to budgets and projections by comparing budget to actual figures |
|-------------------------|---|

D. ADMINISTRATIVE AND SUPPORT DOCUMENTATION**1. ADMINISTRATIVE DOCUMENTATION FOR FILES****1.1 SUMMARY OF EDUCATOR FILE REQUIREMENTS****Educator's File Documentation**

| | |
|------------|-----------------------------|
| Annexure A | Educator's File Cover Sheet |
| Annexure B | Rank Order Mark Sheet |
| Annexure C | Design Grids |

Compilation of Educators' File

The Educator's file is to be set out in the following way:

| | |
|---|------------------------|
| Educator's File Cover Sheet | Refer to Annexure A |
| Rank Order Mark Sheet. | Refer to Annexure B |
| Mark sheet reflecting raw scores for all learners | From Educator |
| List of candidates selected by IEB (if applicable) | Sent to schools by IEB |
| All SBA items with marking guidelines and design grids in the following order: <ul style="list-style-type: none"> • Mid-Year/Preliminary Examination • Three Controlled Tests (date order) • Two Assessment Tasks (date order) | Refer to Annexure C |
| All evidence of pre-and post-assessment moderation must be filed in the front of each SBA item. | Refer to Page 39 |
| Evidence of cluster moderation | Refer to Page 41 |
| Evidence of regional moderation (Feedback Form to school) | |

1.2 SUMMARY OF LEARNER FILE REQUIREMENTS**Learner's File Documentation**

| | |
|------------|------------------------|
| Annexure D | Learner Cover Sheet |
| Annexure E | Letter of Authenticity |
| Annexure F | Exclusion Letter |

Compilation of Learner's File

The learner's file is to be set out in the following way:

| | |
|---|---------------------|
| Learner's file cover sheet | Refer to Annexure D |
| Marked assessment tasks with feedback in the following order <ul style="list-style-type: none"> • Mid-Year/Preliminary Examination • Three Controlled Tests (date order) • Two Assessment Tasks (date order) • Statement of Authenticity per learner file | Refer to Annexure E |

ALL INDIVIDUAL MARKS MUST BE TO TWO DECIMAL PLACES AND ROUNDED OFF ONLY IN THE TOTAL COLUMN AND MUST BE COMPUTER GENERATED

1.3 GENERAL INFORMATION ON SBA ITEMS

All assessment tasks need to have the following clearly stated:

- Requirements of the task
- Design Grids
- Analysing the cognitive levels of the task
- Marking guidelines (memoranda, rubrics, score sheets, etc.)
- Due dates of assessment tasks
- Proof that tasks have been moderated

Letter of Omission for missing SBA work

Every effort should be made to allow the learner to catch up a missed SBA task. If a Learner File is submitted without a piece of work, the following should be in its place:

- A letter explaining the situation, **on an official school letterhead.** (Refer to ANNEXURE F)
- The letter must be signed by the Principal, the Educator and the Learner.
- Any other supporting documentation such as a doctor's certificate must be attached to the letter.
- If a piece of work is lost after it has been marked, the Educator must submit some proof of the mark – such as a detailed mark-sheet for that term, the learner's overall ranking in the class and ranking for that specific item.

Plagiarised Projects

Schools must have disciplinary procedures in place to deal with a learner who is suspected of plagiarism. If the learner is found guilty, the learner should be given the opportunity to do another task that assesses similar knowledge and skills. This task should be of comparable rigour. The SBA mark for the task must be submitted in accordance with performance. If the incident occurs too late in the year to rectify the situation, a zero mark can be allocated, but a written motivation must accompany each zero mark allocated.

ANNEXURE A



NATIONAL SENIOR CERTIFICATE
ACCOUNTING
EDUCATOR'S FILE COVER SHEET

| School: | | |
|---|--|--|
| Educator's Name: | | |
| Description | Cross-Reference to File Divider | |
| Section 1: Organisational Aspects Note: DO NOT include other information such as Term plans, work schedules, etc. as these make files unnecessarily bulky and are not required for the External Moderation Process. | | |
| I | IEB Moderation Selection List (if applicable) Signed by Educator and Principal | |
| II | IEB Rank Order Mark Sheet | |
| III | Mark sheet reflecting raw scores for all learners | |
| IV | List of candidates selected by IEB (if applicable) | |
| V | Evidence of cluster moderation | |
| VI | Evidence of regional moderation | |
| Section 2: SBA Items This Section must contain: <ul style="list-style-type: none"> • All SBA items as given to Learners • Design grids for all SBA items • Marking Guidelines (Memoranda, Rubrics, Rating Scales, etc) • Evidence of school moderation included in the front of each SBA item <p style="margin-left: 20px;">Refer to the Subject Assessment Guidelines for details of the requirements for each SBA item.</p> | | |
| COMPULSORY SECTION | | |
| 1. | Preliminary Examination | |
| 2. | Tests <ul style="list-style-type: none"> • Paper 1 Type Test • Paper 2 Type Test • Other Test | |
| CHOICE SECTION | | |
| <ul style="list-style-type: none"> • Indicate the two chosen tasks by means of a tick | | |
| 3. | Project | |
| 4. | Case Study Task | |
| 5. | Oral Presentation | |
| 6. | Computer Assignment | |
| 7. | Written Report | |

ANNEXURE B



NATIONAL SENIOR CERTIFICATE

ACCOUNTING

LEARNER RANK ORDER MARK SHEET

| ACCOUNTING GRADE 12: Learner Rank Order List | | | | | | | | | | | | | | | | |
|---|-------------------------|-------------------------|---------|-----|-----|-----------------|-----|----------|-----|----------|-----|-------------------------|-----|----------|-----|-------|
| | | | | | | Name of School: | | | | | | | | | | |
| | | | | | | Date: | | | | | | | | | | |
| Rank No. | Name of Learner | Preliminary Examination | | | | Control Test | | | | | | Choice Assessment Tasks | | | | TOTAL |
| | | | | | | Test 1 | | Test 2 | | Test 3 | | Task 1 | | Task 2 | | |
| | | Paper 1 | Paper 2 | 300 | 30% | Raw Mark | 10% | Raw Mark | 10% | Raw Mark | 10% | Raw Mark | 20% | Raw Mark | 20% | 100 |
| 1 | | | | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | | | | | |
| 8 | | | | | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | | | | | |
| 10 | | | | | | | | | | | | | | | | |
| 11 | | | | | | | | | | | | | | | | |
| 12 | | | | | | | | | | | | | | | | |
| | Totals | | | | | | | | | | | | | | | |
| | Average % for task/test | | | | | | | | | | | | | | | |

ANNEXURE C

Example of Design Grid for Tests and Examinations

| QUESTIONS | Topic(s) | TOTAL | COGNITIVE SKILLS | | | | | |
|----------------------------|----------|-------|------------------|---------------|----------|------------|------------|----------|
| | | | Remembering | Understanding | Applying | Analysing | Evaluating | Creating |
| | | | 1 | 2 | 3 | 4 | 5 | 6 |
| Question 1 | | | | | | | | |
| 1.1 | | | | | | | | |
| 1.2 | | | | | | | | |
| Question 2 | | | | | | | | |
| 2.1 | | | | | | | | |
| 2.2 | | | | | | | | |
| TOTAL Marks | | | | | | | | |
| TOTAL Percentage | | | | | | | | |
| Targeted Percentage | | | 60% | | | 40% | | |

ANNEXURE D (MUST BE COMPUTER GENERATED)

**NATIONAL SENIOR CERTIFICATE
ACCOUNTING**

LEARNER'S FILE COVER SHEET

ACCOUNTING: LEARNER'S FILE COVER SHEET

NAME OF THE LEARNER:

EXAM NO.:

NAME OF SCHOOL:

NAME OF EDUCATOR:

| Preliminary Examination | Control Test | | | Choice Assessment Tasks | | TOTAL |
|-------------------------|--------------|------------|------------|-------------------------|------------|-------|
| | Test 1 | Test 2 | Test 3 | | | |
| (30 marks) | (10 marks) | (10 marks) | (10 marks) | (20 marks) | (20 marks) | 100 |
| | | | | | | |

We, the undersigned, declare that these marks are a true reflection of the learners' achievements.

Learner

Educator

ANNEXURE E



NATIONAL SENIOR CERTIFICATE

ACCOUNTING

LETTER OF AUTHENTICITY/NON PLAGIARISM

NON-PLAGIARISM DECLARATION

I, _____

(full name or names if group project), hereby declare that this task is my own, original work and that I did not plagiarise in the following task in any way:

Task Title: _____

Where a secondary source (verbal, printed or electronic) has been used, I have carefully acknowledged and referenced it in accordance with **(school name) policy**.

I include a full Reference list of all sources used as proof. I understand what plagiarism is, and accept the policy of _____ **(school name)** in this regard. I have also not allowed anyone else to borrow or copy my work.

Signed: _____

Date: _____

LETTER OF AUTHENTICITY

Name of Learner/s

| | | | |
|-------------------|--|--|--|
| Name of Learner/s | | | |
| | | | |

DECLARATION BY THE CANDIDATE:

I, _____

(print full name or names if group project) declare that all external sources used in my SBA have been properly referenced and that the remaining work in this file is my own original work. I understand that if it is found to be untrue, my School Based Assessment will be liable for disqualification.

Signed: _____

Candidate

Date: _____

DECLARATION BY THE EDUCATOR:

I, _____ (print name and title of educator)

at _____ **(name of school)** declare that all work provided by this candidate has been monitored and checked for plagiarism.

Signed: _____

Educator

Date: _____

ANNEXURE F



NATIONAL SENIOR CERTIFICATE

ACCOUNTING

LETTER OF OMISSION

SCHOOL LETTERHEAD

ACCOUNTING
FILE OMISSIONS

Learner Name: _____ Grade: _____

SBA Task: _____

The learner has failed to include the set SBA task for the following reason:

| | |
|--|---|
| | Illness. <i>Doctor's note attached.</i> |
| | The completed task is lost, but a mark is recorded. |
| | Absenteeism. <i>I hereby acknowledge the fact that I have failed to report on an alternate date to complete my Accounting School Based Assessment Task. This means I will receive 0% for the task. I am completely to blame for my own failure to complete the task on time or not at all.</i> |
| | Failed to hand in the task. <i>I hereby acknowledge the fact that I have failed to hand in a Accounting School Based Assessment Task. This means I will receive 0% for the task. I am completely to blame for my own failure to hand in the task on time or not at all.</i> |
| | Other: |

The learner will have the following assessment reflected on the mark sheet for the task _____
Educator's Signature_____
Learner's Signature_____
DATE

2. Moderation:

Moderation at School Level

It is expected that moderation of the assessment process has taken place at school level to ensure that assessment is valid, fair and reliable. This includes moderation of SBA assessments before they are done by learners, moderation of the marking of the learner evidence by the educator/assessor and checking of the calculations of learners' results. Evidence of this having taken place must be included in both the educator's and learner's file.

School moderation should be done in purple pen.

Moderation at Cluster Level

Moderation of the teacher and learner files at cluster level is **not required**. However teachers are expected to engage in some sort of moderation activity at cluster level. This could include, for example, moderation of the design of one or more tasks before they are given to learners (the pre-assessment moderation tool on page 39 could be used for this purpose), moderation of the marking of one or more tasks or the standardization of marking guidelines for one or more tasks. This process is in place to build consistency of standards across schools. Look for and comment on the positive aspects of the assessment process but also encourage improvements and make suggestions for future use. It is important to concentrate on the tasks, not the individuals, and criticism should be constructive. Evidence of engagement in cluster moderation activities must be included in the Teacher's File (and the Learner's File if applicable).

EXAMPLE OF PRE-ASSESSMENT TOOL FOR MODERATION OF EXAM PAPERS/TESTS/TASKS

(All SBA Items MUST be moderated. Records of moderation must be kept.)

| | | | |
|---|------------|-----------|----------------|
| Subject: | | | |
| Grade: | | | |
| Examiner: | | | |
| Moderator: | | | |
| Date of Test/Exam/Task: | | | |
| Please tick the appropriate block | Yes | No | Comment |
| Technical layout – Typographically | | | |
| • User-friendly font | | | |
| • Appropriate spaces between questions | | | |
| • Page numbers | | | |
| • An 'easy' document to work with | | | |
| Technical layout – Mark allocation | | | |
| • Marks added up correctly | | | |
| • Mark reflecting the different weighting of different sections/questions | | | |
| Technical layout – Numbering | | | |
| • Clear and correct | | | |
| Technical layout – Sketches/inserts/ diagrams | | | |
| • Clear and understandable | | | |
| • Clearly cited and referenced | | | |
| Language | | | |
| • Clear, uncomplicated and understandable | | | |
| • Relevant subject terminology | | | |
| • Straightforward instructions | | | |
| Academics | | | |
| • All relevant areas covered | | | |
| • Sections weighted according to SAGs | | | |
| • Different levels of progress in questions according to Blooms etc. | | | |
| • Design Grid | | | |
| Memorandum | | | |
| • Correct with possible alternate answers | | | |
| • Corresponding marks | | | |
| • User-friendly | | | |

Signature of Moderator

Date

**EXAMPLE OF POST-ASSESSMENT TOOL FOR MODERATION
OF EXAM PAPERS/TESTS/TASKS**

(All forms of assessment MUST be moderated. Records of moderation must be kept.)

| | | | | | | |
|---|---------------------|--------------------|--------------------|---------------------------|---------------------|---------------------------|
| Subject: | | | | | | |
| Grade: | | | | | | |
| Examiner: | | | | | | |
| Moderator: | | | | | | |
| Date of Test/Exam/Task: | | | | | | |
| Form of assessment: | | | | | | |
| Topic: | | | | | | |
| SBA Item moderated? | | | | Yes/No (Circle): | | |
| | | | | Comments: | | |
| Marking guidelines/rubric moderated? | | | | Yes/No (Circle): | | |
| | | | | Comments: | | |
| Total mark of assessment | Highest Mark | Lowest Mark | Total Marks | Number of learners | Average Mark | Average percentage |
| | | | | | | |

Distribution of marks:

| 7 | 6 | 5 | 4 | 3 | 2 | 1 |
|--|---|---|--|--|--|---------------------------------|
| Outstanding achievement 80% – 100% | Meritorious achievement 70% – 79% | Substantial achievement 60% – 69% | Adequate achievement 50% - 59% | Moderate Achievement 40% - 49% | Elementary Achievement 30% - 39% | Not achieved 0% - 29% |
| | | | | | | |

Scripts selected for moderation:

| Name of Learner | Original mark | Moderated mark |
|------------------------|----------------------|-----------------------|
| 1. | | |
| 2. | | |
| 3. | | |

General comment:

Signature of Moderator

Date



**NATIONAL SENIOR CERTIFICATE
ACCOUNTING
REGIONAL AND NATIONAL MODERATION: Learner's File**

School: _____

| | | | | | | |
|-------------------|--------------|--------------------------------|---|----------------------------|--------------|------------------------------------|
| Compliance | Presentation | Relevant information on cover? | Marked file dividers with index tabs? | Correct order of sections? | Loose pages? | Only relevant information included |
| | Information | Computer generated cover sheet | Proof of Authenticity/Plagiarism sheet signed | | | |

| | | | | | |
|----------------|-------------------------------|--------------------------|-----------------------------------|------------------------------|-----------------|
| Quality | Evidence of..... | Correct Weighting | Evidence of Completed Task | Marking to Guidelines | Comments |
| | Project | 20% | | | |
| | Case Study | 20% | | | |
| | Oral Presentation | 20% | | | |
| | Computer Task | 20% | | | |
| | Written Report | 20% | | | |
| | Three Controlled Tests | 30% | | | |
| | Preliminary Exam | 30% | | | |

GENERAL COMMENTS

| |
|--|
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |

Moderated by:

Name: _____

Moderator's signature: _____

Date: _____



**NATIONAL SENIOR CERTIFICATE
FINAL SBA MODERATION TOOL**
To be completed and retained by the IEB

Subject: ACCOUNTING **Date:** _____

Examination Centre Number: _____

The candidates required to submit Learner Files for moderation (names supplied by IEB)

| Examination number | School Mark (%) | Moderated Mark (%) | Examination number | School Mark (%) | Moderated Mark (%) |
|--------------------|-----------------|--------------------|--------------------|-----------------|--------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
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| | | | | | |
| | | | | | |
| | | | | | |

Comments:

Recommendations:

| | | |
|---|------------|-----------|
| SBA MARKS SHOULD BE ACCEPTED WITHOUT ALTERATION | Yes | No |
|---|------------|-----------|

Change recommended by moderator:

Change to be implemented:

Moderator's signature _____ Date: _____

3. Support Documentation

3.1 IDEAS ON HOW TO STRUCTURE AN EXAMINATION PAPER

Each examination question should consist of a variety of smaller questions around the same topic. It is important that considerable thought is given to how each question is structured and that a lot of smaller questions are not just randomly put together in any order. Every attempt should be made to:

- Link all sub questions to the same topic/business and not split the question up into several unrelated sub-questions.
- Adhere to the mark allocation so that the 60:40 split between lower and higher order thinking levels across both in Paper I and Paper II examinations is met.
- Start off with easier, more generic questions to build learners' confidence and to introduce the topic and then move on to the more complex, higher order questions.
- Include some questions that are structured/ scaffolded in order to guide learners thinking.
- Include some questions that are open-ended, with limited scaffolding, so that learners can demonstrate their level of understanding of the concepts and their thinking when answering these questions.
- Where appropriate, integrate different Learning Outcomes into the topic so that learners can see how the different learning outcomes relate to one another.

3.2 INFORMATION RELATING TO AUDIT REPORTS

In general, the Audit Report in the published Financial Statement of a company consists of **FOUR** parts:

1. The identification of the pages of the Financial Statement that were covered by the audit. (Note: the auditors do not audit the whole annual report)
2. The scope of the auditor's responsibilities as well as the areas for which the directors are responsible.
3. What the audit involved, i.e. they were looking for evidence/ risk not for fraud specifically.
4. The Auditors opinion on fair presentation, or not, of the Financial Statements. They can:
 - Give a **qualified report**. It means that they are not happy with certain information/issues.
 - Give an **unqualified report** which means that they are happy that the Financial Statements are a fair presentation.
 - Withhold an opinion.

3.3 MANUFACTURING QUESTIONS ON BREAK-EVEN

The formula for the calculation of break-even is:

$$\frac{\text{Fixed costs}}{\text{Selling price per unit} - \text{Variable cost per unit}}$$

When testing this formula make sure that the information given clearly identifies which costs are fixed and which are variable. These costs should include manufacturing, selling and distribution and administrative costs.

Be very wary of testing the calculation of break-even using information shown in the Production Cost Statement unless the business has no opening or closing stock of raw materials, work in process or finished goods.

3.4 RULES OF EVIDENCE – APPLYING THE ASSESSMENT PRINCIPLES

| | |
|---|---|
| <p>Validity <i>The assessment measured what it said it did</i></p> | <p>Is the purpose of the assessment clear?</p> <p>Does the way in which the evidence is to be collected suit the purpose of the assessment?</p> <p>Are the assessment criteria clearly stated in the assessment tool/s?</p> <p>Does the assessment reflect internalisation of knowledge and skills allowing the learner to show application/adaptation in unfamiliar circumstances?</p> <p>Does the assessment cater for different levels of learner performance?</p> <p>Is the way in which the evidence is to be collected the best way to gather evidence of the stated outcome/s?</p> |
| <p>Authenticity</p> | <p>Is the evidence produced (process or product) the learner's own work?</p> |
| <p>Consistency/ Reliability <i>The same assessor would make the same judgement again in similar circumstances. The judgement made is similar to the judgement that would be made by other assessors.</i></p> | <p>Are the instructions to obtain the evidence clear?</p> <p>Are the criteria being used to measure performance clearly stated to avoid different interpretations by the same assessor or different assessors over time?</p> <p>Is the assessment tool(s) appropriate for the assessment?</p> <p>Is the assessment tool well constructed?</p> <p>Are the judgements of learner performance consistent with the marking guidelines?</p> <p>Are the judgements consistent across learners?</p> |
| <p>Currency <i>Evidence reflects that the skills required are still current</i></p> | <p>Is the evidence required current against the standard e.g. modern techniques, up to date apparatus?</p> <p>Does the evidence show that the learner can still perform to the level shown?</p> |

| | |
|---|---|
| <p>Sufficiency <i>Enough evidence of an acceptable level or quality is presented</i></p> | <p>Does the assessment cater for different levels of learner performance, i.e. is there sufficient rigour?</p> <p>Is there a variety of ways used to collect evidence to allow for valid judgements to be made?</p> <p>Does the assessment assess evidence of process as well as product?</p> |
| <p>Fairness <i>The assessment does not present barriers for any one learner</i></p> | <p>Do all learners have access to the resources needed to complete the activity?</p> <p>Was the time allocated sufficient?</p> <p>Is the activity non-discriminatory in terms of race, gender religion, etc.?</p> <p>Is the activity relevant to the context of the learners?</p> <p>Is the language used appropriate to the level of the learners?</p> <p>Are the instructions clear?</p> <p>Is the stimulus material appropriate to the level of the learners?</p> <p>Is the expected embedded knowledge appropriate for the level of the learners?</p> <p>Are learners with special needs catered for in the assessment?</p> |

3.5 BLOOM'S TAXONOMY OF EDUCATIONAL OBJECTIVES (ADAPTED BY THE IEB)

| Level of Competence | Description | Explanation | Skills demonstrated | Action verbs |
|---------------------|----------------------|---|---|--|
| 7 | Evaluation | Making judgments based on certain criteria | Compare and discriminate between ideas; assess value of theories, presentations; make choices based on reasoned arguments; verify value of evidence; recognise subjectivity | Assess, decide, rank, grade, test, measure, recommend, convince, select, judge, explain, discriminate, support, conclude, compare, summarise, critique, interpret, justify. |
| 6 | Synthesis | The ability to put elements together to form a new whole | Use old ideas to create new ones, generalise from given facts, relate knowledge from several areas, predict, draw conclusions | Combine, integrate, modify, rearrange, substitute, plan, create, design, invent, what if? Compose, formulate, prepare, generalise, rewrite, categorise, combine, compile, reconstruct |
| 5 | Analysis | The ability to break down a whole into its component parts. Elements embedded in a whole are identified and the relations among the elements are recognised | Seeing patterns, organisation of parts, recognition of hidden meanings, and identification of components. | Analyse, separate, order, explain, connect, classify, arrange, divide, compare, select, infer, break down, contrast, distinguish, diagram, illustrate |
| 4 | Application | The ability to use (or apply) information in new situations | Use information, use methods, concepts, theories in new situations, solve problems using required skills or knowledge | Apply, demonstrate, calculate, complete, illustrate, show, solve, examine, modify, relate, change, classify, experiment, discover, construct, manipulate, prepare, produce |
| 3 | Comprehension | First level of understanding, recall and understand information, describe meaning | Understanding information, grasp meaning, translate knowledge into new context, interpret facts, compare, contrast, order, group, infer causes, predict consequences | Summarise, describe, interpret, contrast, predict, associate, distinguish, estimate, differentiate, discuss, extend, comprehend, convert, defend, explain, generalise, give example, rewrite |
| 2 | Knowledge | Act of remembering facts. Only recall | Observation and recall of information | List, define, tell, describe, identify, show, know, label, collect, select, reproduce, match, recognise, examine, tabulate, quote, name |
| 1 | Fragmented knowledge | Recalls knowledge with errors | Unable to recall accurately or coherently; partial recall | - |

3.6 ACCOUNTING INFORMATION SHEET

| | | |
|--|--|---|
| $\frac{\text{Gross Profit}}{\text{Sales}} \times \frac{100}{1}$ | $\frac{\text{Gross Profit}}{\text{Cost of sales}} \times \frac{100}{1}$ | $\frac{\text{Net Profit}}{\text{Sales}} \times \frac{100}{1}$ |
| $\frac{\text{Operating expenses}}{\text{Sales}} \times \frac{100}{1}$ | $\frac{\text{Operating profit}}{\text{Sales}} \times \frac{100}{1}$ | $\frac{\text{Operating profit}}{\text{Cost of sales}} \times \frac{100}{1}$ |
| $\frac{\text{Net profit after tax}}{\text{Average shareholders' equity}} \times \frac{100}{1}$ | $\frac{\text{Net profit before tax + interest expense}}{\text{Average capital employed}} \times \frac{100}{1}$ | |
| Current assets : Current liabilities | (Current assets – inventories) : Current liabilities | |
| $\frac{\text{Average debtors}}{\text{Credit sales}} \times \frac{365 \text{ or } 12}{1}$ | $\frac{\text{Average creditors}}{\text{Credit purchases}} \times \frac{365 \text{ or } 12}{1}$ | $\frac{\text{Cost of sales}}{\text{Average inventories}}$ |
| $\frac{\text{Average inventories}}{\text{Cost of sales}} \times \frac{365 \text{ or } 12}{1}$ | $\frac{\text{Closing inventories}}{\text{Cost of sales}} \times \frac{365 \text{ or } 12}{1}$ | Current assets – Current liabilities |
| Non-current liabilities : Shareholders' equity | Total assets : Total liabilities | |
| $\frac{\text{Profit after tax}}{\text{No. shares in issue}}$ | $\frac{\text{Ordinary share dividends}}{\text{No. shares in issue}}$ | |
| $\frac{\text{Fixed cost}}{\text{(selling price per unit – variable cost per unit)}}$ | $\frac{\text{Total ordinary shareholders' equity}}{\text{No. shares in issue}}$ | |