



education

Department of Education
REPUBLIC OF SOUTH AFRICA

**National Curriculum Statement
Grades 10-12
(General)**

ACCOUNTING

Department of Education

Sol Plaatje House
123 Schoeman Street
Private Bag X895
Pretoria 0001
South Africa
Tel: +27 12 312-5911
Fax: +27 12 321-6770

120 Plein Street
Private Bag X9023
Cape Town 8000
South Africa
Tel: +27 21 465-1701
Fax: +27 21 461-8110

<http://education.pwv.gov.za>

© 2003 Department of Education

ISBN 1-919975-68-3

Design and Layout by: Seriti Printing (Pty) Ltd
Printed by the Government Printer Pretoria

HOW TO USE THIS BOOK

This document is a policy document divided into four chapters. It is important for the reader to read and integrate information from the different sections in the document. The content of each chapter is described below.

■ Chapter 1 - Introducing the National Curriculum Statement

This chapter describes the principles and the design features of the National Curriculum Statement Grades 10 – 12 (General). It provides an introduction to the curriculum for the reader.

■ Chapter 2 - Introducing the Subject

This chapter describes the definition, purpose, scope, career links and Learning Outcomes of the subject. It provides an orientation to the Subject Statement.

■ Chapter 3 - Learning Outcomes, Assessment Standards, Content and Contexts

This chapter contains the Assessment Standards for each Learning Outcome, as well as content and contexts for the subject. The Assessment Standards are arranged to assist the reader to see the intended progression from Grade 10 to Grade 12. The Assessment Standards are consequently laid out in double-page spreads. At the end of the chapter is the proposed content and contexts to teach, learn and attain Assessment Standards.

■ Chapter 4 – Assessment

This chapter deals with the generic approach to assessment being suggested by the National Curriculum Statement. At the end of the chapter is a table of subject-specific competence descriptions. Codes, scales and competence descriptions are provided for each grade. The competence descriptions are arranged to demonstrate progression from Grade 10 to Grade 12.

■ Symbols

The following symbols are used to identify Learning Outcomes, Assessment Standards, grades, codes, scales, competence description, and content and contexts.



= Learning Outcome



= Assessment Standard



= Grade



= Code



= Scale



= Competence Description



= Content and Contexts



CONTENTS

HOW TO USE THIS BOOK	iii
ACRONYMS	ix
CHAPTER 1: INTRODUCTION TO THE NATIONAL CURRICULUM STATEMENT	1
PRINCIPLES	1
Social transformation	2
Outcomes-based education	2
High knowledge and high skills	3
Integration and applied competence	3
Progression	3
Articulation and portability	3
Human rights, inclusivity, environmental and social justice	4
Valuing indigenous knowledge systems	4
Credibility, quality and efficiency	4
THE KIND OF LEARNER THAT IS ENVISAGED	4
THE KIND OF TEACHER THAT IS ENVISAGED	5
STRUCTURE AND DESIGN FEATURES	5
Structure of the National Curriculum Statement	5
Contents of Subject Statements	7
LEARNING PROGRAMME GUIDELINES	7

CHAPTER 2: ACCOUNTING	9
DEFINITION	9
PURPOSE	9
SCOPE	10
Financial accounting	10
Managerial accounting	10
Tools in managing resources	10
EDUCATIONAL AND CAREER LINKS	10
LEARNING OUTCOMES	11
Learning Outcome 1: Financial Information	11
Learning Outcome 2: Managerial Accounting	11
Learning Outcome 3: Managing Resources	11
CHAPTER 3: LEARNING OUTCOMES, ASSESSMENT STANDARDS, CONTENT AND CONTEXTS	12
Learning Outcome 1: Financial Information	12
Learning Outcome 2: Managerial Accounting	14
Learning Outcome 3: Managing Resources	16
CONTENT AND CONTEXT FOR THE ATTAINMENT OF ASSESSMENT STANDARDS	19
Learning Outcome 1: Financial Information	20
Learning Outcome 2: Managerial Accounting	22
Learning Outcome 3: Managing Resources	24

CHAPTER 4: ASSESSMENT	27
INTRODUCTION	27
WHY ASSESS	27
TYPES OF ASSESSMENT	28
Baseline assessment	28
Diagnostic assessment	28
Formative assessment	28
Summative assessment	28
WHAT SHOULD ASSESSMENT BE AND DO?	29
HOW TO ASSESS	29
METHODS OF ASSESSMENT	30
Self-assessment	30
Peer assessment	30
Group assessment	30
METHODS OF COLLECTING ASSESSMENT EVIDENCE	30
Observation-based assessment	30
Test-based assessment	30
Task-based assessment	31
RECORDING AND REPORTING	31
Methods of recording	31
Reporting performance and achievement	32
SUBJECT COMPETENCE DESCRIPTIONS	33

PROMOTION	34
WHAT REPORT CARDS SHOULD LOOK LIKE	34
ASSESSMENT OF LEARNERS WHO EXPERIENCE BARRIERS TO LEARNING	34
COMPETENCE DESCRIPTIONS FOR ACCOUNTING	36
GLOSSARY	49

ACRONYMS

AIDS	Acquired Immune Deficiency Syndrome
CASS	Continuous Assessment
DO	Developmental Outcome
FET	Further Education and Training
FIFO	First-In First-Out
GAAP	General Accepted Accounting Practice
GET	General Education and Training
HET	Higher Education and Training
HIV	Human Immunodeficiency Virus
IKS	Indigenous Knowledge Systems
NCS	National Curriculum Statement
NQF	National Qualifications Framework
OBE	Outcomes-Based Education
VAT	Value Added Tax
SAQA	South African Qualifications Authority

CHAPTER 1

INTRODUCING THE NATIONAL CURRICULUM STATEMENT

The adoption of the Constitution of the Republic of South Africa (Act 108 of 1996) provided a basis for curriculum transformation and development in South Africa. The Preamble states that the aims of the Constitution are to:

- heal the divisions of the past and establish a society based on democratic values, social justice and fundamental human rights;
- improve the quality of life of all citizens and free the potential of each person;
- lay the foundations for a democratic and open society in which government is based on the will of the people and every citizen is equally protected by law; and
- build a united and democratic South Africa able to take its rightful place as a sovereign state in the family of nations.

The Constitution further states that ‘everyone has the right ... to further education which the State, through reasonable measures, must make progressively available and accessible’.

The National Curriculum Statement Grades 10 – 12 (General) lays a foundation for the achievement of these goals by stipulating Learning Outcomes and Assessment Standards, and by spelling out the key principles and values that underpin the curriculum.

PRINCIPLES

The National Curriculum Statement Grades 10 – 12 (General) is based on the following principles:

- social transformation;
- outcomes-based education;
- high knowledge and high skills;
- integration and applied competence;
- progression;
- articulation and portability;
- human rights, inclusivity, environmental and social justice;
- valuing indigenous knowledge systems; and
- credibility, quality and efficiency.

Social transformation

The Constitution of the Republic of South Africa forms the basis for social transformation in our post-apartheid society. The imperative to transform South African society by making use of various transformative tools stems from a need to address the legacy of apartheid in all areas of human activity and in education in particular. Social transformation in education is aimed at ensuring that the educational imbalances of the past are redressed, and that equal educational opportunities are provided for all sections of our population. If social transformation is to be achieved, all South Africans have to be educationally affirmed through the recognition of their potential and the removal of artificial barriers to the attainment of qualifications.

Outcomes-based education

Outcomes-based education (OBE) forms the foundation for the curriculum in South Africa. It strives to enable all learners to reach their maximum learning potential by setting the Learning Outcomes to be achieved by the end of the education process. OBE encourages a learner-centred and activity-based approach to education. The National Curriculum Statement builds its Learning Outcomes for Grades 10 – 12 on the Critical and Developmental Outcomes that were inspired by the Constitution and developed through a democratic process.

The Critical Outcomes require learners to be able to:

- identify and solve problems and make decisions using critical and creative thinking;
- work effectively with others as members of a team, group, organisation and community;
- organise and manage themselves and their activities responsibly and effectively;
- collect, analyse, organise and critically evaluate information;
- communicate effectively using visual, symbolic and/or language skills in various modes;
- use science and technology effectively and critically showing responsibility towards the environment and the health of others; and
- demonstrate an understanding of the world as a set of related systems by recognising that problem solving contexts do not exist in isolation.

The Developmental Outcomes require learners to be able to:

- reflect on and explore a variety of strategies to learn more effectively;
- participate as responsible citizens in the life of local, national and global communities;
- be culturally and aesthetically sensitive across a range of social contexts;
- explore education and career opportunities; and
- develop entrepreneurial opportunities.

High knowledge and high skills

The National Curriculum Statement Grades 10 – 12 (General) aims to develop a high level of knowledge and skills in learners. It sets up high expectations of what all South African learners can achieve. Social justice requires the empowerment of those sections of the population previously disempowered by the lack of knowledge and skills. The National Curriculum Statement specifies the minimum standards of knowledge and skills to be achieved at each grade and sets high, achievable standards in all subjects.

Integration and applied competence

Integration is achieved within and across subjects and fields of learning. The integration of knowledge and skills across subjects and terrains of practice is crucial for achieving applied competence as defined in the National Qualifications Framework. Applied competence aims at integrating three discrete competences – namely, practical, foundational and reflective competences. In adopting integration and applied competence, the National Curriculum Statement Grades 10 – 12 (General) seeks to promote an integrated learning of theory, practice and reflection.

Progression

Progression refers to the process of developing more advanced and complex knowledge and skills. The Subject Statements show progression from one grade to another. Each Learning Outcome is followed by an explicit statement of what level of performance is expected for the outcome. Assessment Standards are arranged in a format that shows an increased level of expected performance per grade. The content and context of each grade will also show progression from simple to complex.

Articulation and portability

Articulation refers to the relationship between qualifications in different National Qualifications Framework levels or bands in ways that promote access from one qualification to another. This is especially important for qualifications falling within the same learning pathway. Given that the Further Education and Training band is nested between the General Education and Training and the Higher Education bands, it is vital that the Further Education and Training Certificate (General) articulates with the General Education and Training Certificate and with qualifications in similar learning pathways of Higher Education. In order to achieve this articulation, the development of each Subject Statement included a close scrutiny of the exit level expectations in the General Education and Training Learning Areas, and of the learning assumed to be in place at the entrance levels of cognate disciplines in Higher Education.

Portability refers to the extent to which parts of a qualification (subjects or unit standards) are transferable to another qualification in a different learning pathway of the same National Qualifications Framework band. For purposes of enhancing the portability of subjects obtained in Grades 10 – 12, various mechanisms have been explored, for example, regarding a subject as a 20-credit unit standard. Subjects contained in the National Curriculum Statement Grades 10 – 12 (General) compare with appropriate unit standards registered on the National Qualifications Framework.

Human rights, inclusivity, environmental and social justice

The National Curriculum Statement Grades 10 – 12 (General) seeks to promote human rights, inclusivity, environmental and social justice. All newly-developed Subject Statements are infused with the principles and practices of social and environmental justice and human rights as defined in the Constitution of the Republic of South Africa. In particular, the National Curriculum Statement Grades 10 – 12 (General) is sensitive to issues of diversity such as poverty, inequality, race, gender, language, age, disability and other factors.

The National Curriculum Statement Grades 10 – 12 (General) adopts an inclusive approach by specifying minimum requirements for all learners. It acknowledges that all learners should be able to develop to their full potential provided they receive the necessary support. The intellectual, social, emotional, spiritual and physical needs of learners will be addressed through the design and development of appropriate Learning Programmes and through the use of appropriate assessment instruments.

Valuing indigenous knowledge systems

In the 1960s, the theory of multiple-intelligences forced educationists to recognise that there were many ways of processing information to make sense of the world, and that, if one were to define intelligence anew, one would have to take these different approaches into account. Up until then the Western world had only valued logical, mathematical and specific linguistic abilities, and rated people as ‘intelligent’ only if they were adept in these ways. Now people recognise the wide diversity of knowledge systems through which people make sense of and attach meaning to the world in which they live. Indigenous knowledge systems in the South African context refer to a body of knowledge embedded in African philosophical thinking and social practices that have evolved over thousands of years. The National Curriculum Statement Grades 10 – 12 (General) has infused indigenous knowledge systems into the Subject Statements. It acknowledges the rich history and heritage of this country as important contributors to nurturing the values contained in the Constitution. As many different perspectives as possible have been included to assist problem solving in all fields.

Credibility, quality and efficiency

The National Curriculum Statement Grades 10 – 12 (General) aims to achieve credibility through pursuing a transformational agenda and through providing an education that is comparable in quality, breadth and depth to those of other countries. Quality assurance is to be regulated by the requirements of the South African Qualifications Authority Act (Act 58 of 1995), the Education and Training Quality Assurance Regulations, and the General and Further Education and Training Quality Assurance Act (Act 58 of 2001).

THE KIND OF LEARNER THAT IS ENVISAGED

Of vital importance to our development as people are the values that give meaning to our personal spiritual and intellectual journeys. *The Manifesto on Values, Education and Democracy* (Department of Education, 2001:9-10) states the following about education and values:

Values and morality give meaning to our individual and social relationships. They are the common currencies that help make life more meaningful than might otherwise have been. An education system does not exist to simply serve a market, important as that may be for economic growth and material prosperity. Its primary purpose must be to enrich the individual and, by extension, the broader society.

The kind of learner that is envisaged is one who will be imbued with the values and act in the interests of a society based on respect for democracy, equality, human dignity and social justice as promoted in the Constitution.

The learner emerging from the Further Education and Training band must also demonstrate achievement of the Critical and Developmental Outcomes listed earlier in this document. Subjects in the Fundamental Learning Component collectively promote the achievement of the Critical and Developmental Outcomes, while specific subjects in the Core and Elective Components individually promote the achievement of particular Critical and Developmental Outcomes.

In addition to the above, learners emerging from the Further Education and Training band must:

- have access to, and succeed in, lifelong education and training of good quality;
- demonstrate an ability to think logically and analytically, as well as holistically and laterally; and
- be able to transfer skills from familiar to unfamiliar situations.

THE KIND OF TEACHER THAT IS ENVISAGED

All teachers and other educators are key contributors to the transformation of education in South Africa. The National Curriculum Statement Grades 10 – 12 (General) visualises teachers who are qualified, competent, dedicated and caring. They will be able to fulfil the various roles outlined in the Norms and Standards for Educators. These include being mediators of learning, interpreters and designers of Learning Programmes and materials, leaders, administrators and managers, scholars, researchers and lifelong learners, community members, citizens and pastors, assessors, and subject specialists.

STRUCTURE AND DESIGN FEATURES

Structure of the National Curriculum Statement

The National Curriculum Statement Grades 10 – 12 (General) consists of an Overview Document, the Qualifications and Assessment Policy Framework, and the Subject Statements.

The subjects in the National Curriculum Statement Grades 10 – 12 (General) are categorised into Learning Fields.

What is a Learning Field?

A Learning Field is a category that serves as a home for cognate subjects, and that facilitates the formulation of rules of combination for the Further Education and Training Certificate (General). The demarcations of the Learning Fields for Grades 10 – 12 took cognisance of articulation with the General Education and Training and Higher Education bands, as well as with classification schemes in other countries.

Although the development of the National Curriculum Statement Grades 10 – 12 (General) has taken the twelve National Qualifications Framework organising fields as its point of departure, it should be emphasised that those organising fields are not necessarily Learning Fields or ‘knowledge’ fields, but rather are linked to occupational categories.

The following subject groupings were demarcated into Learning Fields to help with learner subject combinations:

- Languages (Fundamentals);
- Arts and Culture;
- Business, Commerce, Management and Service Studies;
- Manufacturing, Engineering and Technology;
- Human and Social Sciences and Languages; and
- Physical, Mathematical, Computer, Life and Agricultural Sciences.

What is a subject?

Historically, a subject has been defined as a specific body of academic knowledge. This understanding of a subject laid emphasis on knowledge at the expense of skills, values and attitudes. Subjects were viewed by some as static and unchanging, with rigid boundaries. Very often, subjects mainly emphasised Western contributions to knowledge.

In an outcomes-based curriculum like the National Curriculum Statement Grades 10 – 12 (General), subject boundaries are blurred. Knowledge integrates theory, skills and values. Subjects are viewed as dynamic, always responding to new and diverse knowledge, including knowledge that traditionally has been excluded from the formal curriculum.

A subject in an outcomes-based curriculum is broadly defined by Learning Outcomes, and not only by its body of content. In the South African context, the Learning Outcomes should, by design, lead to the achievement of the Critical and Developmental Outcomes. Learning Outcomes are defined in broad terms and are flexible, making allowances for the inclusion of local inputs.

What is a Learning Outcome?

A Learning Outcome is a statement of an intended result of learning and teaching. It describes knowledge, skills and values that learners should acquire by the end of the Further Education and Training band.

What is an Assessment Standard?

Assessment Standards are criteria that collectively describe what a learner should know and be able to demonstrate at a specific grade. They embody the knowledge, skills and values required to achieve the Learning Outcomes. Assessment Standards within each Learning Outcome collectively show how conceptual progression occurs from grade to grade.

Contents of Subject Statements

Each Subject Statement consists of four chapters and a glossary:

- *Chapter 1, Introducing the National Curriculum Statement:* This generic chapter introduces the National Curriculum Statement Grades 10 – 12 (General).
- *Chapter 2, Introducing the Subject:* This chapter introduces the key features of the subject. It consists of a definition of the subject, its purpose, scope, educational and career links, and Learning Outcomes.
- *Chapter 3, Learning Outcomes, Assessment Standards, Content and Contexts:* This chapter contains Learning Outcomes with their associated Assessment Standards, as well as content and contexts for attaining the Assessment Standards.
- *Chapter 4, Assessment:* This chapter outlines principles for assessment and makes suggestions for recording and reporting on assessment. It also lists subject-specific competence descriptions.
- *Glossary:* Where appropriate, a list of selected general and subject-specific terms are briefly defined.

LEARNING PROGRAMME GUIDELINES

A Learning Programme specifies the scope of learning and assessment for the three grades in the Further Education and Training band. It is the plan that ensures that learners achieve the Learning Outcomes as prescribed by the Assessment Standards for a particular grade. The Learning Programme Guidelines assist teachers and other Learning Programme developers to plan and design quality learning, teaching and assessment programmes.

CHAPTER 2

ACCOUNTING

DEFINITION

Accounting focuses on measuring performance, and processing and communicating financial information about economic sectors. This discipline ensures that ethical behaviour, transparency and accountability are adhered to. It deals with the logical, systematic and accurate selection and recording of financial information and transactions, as well as the compilation, analysis and interpretation of financial statements and managerial reports for use by interested parties.

PURPOSE

The subject Accounting develops learners' knowledge, skills, values, attitudes and ability to make meaningful and informed personal and collaborative financial decisions in economic and social environments.

By engaging in Accounting, learners will be able to:

- Collect, select, record and/or capture, analyse and interpret financial and other relevant data in order to make informed decisions.
- Develop general and specific skills in accounting to integrate theory and practice and which could be used for compliance with generally accepted accounting practice.
- Present and/or communicate financial information effectively by using generally accepted accounting practice, developments and legislation.
- Develop and demonstrate an understanding of fundamental accounting concepts.
- Acquire skills, knowledge, attitudes and values that can contribute directly or indirectly to the improvement of standard of living, human development and productivity, and create opportunities for all.
- Relate skills, knowledge and values to real-world situations in order to ensure the balance between theory and practice, to enter the world of work and/or move to higher education, and to encourage self-development.
- Organise and manage own finances and activities responsibly and effectively.
- Apply principles to solve problems in a judicious and systematic manner in familiar and unfamiliar situations, thus developing the ability to identify and solve problems.
- Develop critical, logical, and analytical abilities and thought processes to enable them to apply these skills to current and new situations.
- Develop the necessary characteristics including:
 - ethics;
 - sound judgment;
 - thoroughness;
 - orderliness;

- accuracy; and
 - neatness and presentability.
- Deal confidently with the basic demands of an accounting occupation manually and/or electronically.

SCOPE

This subject encompasses accounting knowledge, skills and values focusing on the financial, managerial and auditing fields. These knowledge, skills and values must address and underpin the constitutional goals of South Africa (e.g. legitimacy, accountability, accessibility, transparency and ethical behaviour). To meet the requirements of a multicultural and democratic environment financial accounting, cost and managerial accounting and auditing serve as a framework to capture the essence of Accounting and should be seen as progression for further development within this subject.

This scope embraces the following features:

Financial accounting

Financial accounting includes the logical, systematic and accurate recording of financial transactions as well as the analysis, interpretation and communication of financial statements by understanding the fundamental concepts regarding basic accounting principles and practice.

Managerial accounting

Managerial accounting includes concepts such as costing and budgeting. It puts emphasis on the analysis, interpretation and communication of financial and managerial information for decision-making purposes.

Tools in managing resources

Tools in managing resources include basic internal controls and internal audit processes and code of ethics. This features puts the emphasis on the knowledge, understanding and adherence to ethics in pursuit of human dignity, acknowledging human rights, values and equity, in financial and managerial activities.

EDUCATIONAL AND CAREER LINKS

The principles, concepts, skills, attitudes and values in Accounting articulate with business, economic, management, administration and financial outcomes in the General Education and Training band. These principles, concepts, skills, attitudes and values are recognised and broadened in the Further Education and Training band.

The Learning Outcomes in the Further Education and Training band correspond directly with current learning in Higher Education and Training institutions, and form a base for learning in the Higher Education and Training band. Learning in this subject enables learners to continue with their studies in further and/or higher educational institutions and professional bodies, *inter alia* in the fields of financial, cost, managerial accounting and auditing. It also enables them to develop skills, knowledge, values and attitudes to pursue different career pathways.

LEARNING OUTCOMES



Learning Outcome 1: Financial Information

The learner is able to demonstrate knowledge, understanding and the application of financial information according to generally accepted accounting practice and concepts.

This Learning Outcome will equip learners with the necessary knowledge and skills to collect, analyse, organise, record and critically evaluate financial information from source documents up to final accounts and financial statements. Learners will be able to organise, apply and manage financial activities and data in a responsible and effective manner in their lives, community and economic environments.



Learning Outcome 2: Managerial Accounting

The learner is able to demonstrate knowledge and understanding of managerial accounting, as well as the application thereof.

The focus of this Learning Outcome is to equip learners with the ability to manage and report on activities by using specific management, organising and leadership skills. This Learning Outcome focuses on developing managerial, financial and communication skills to enable learners to manage themselves and their business activities responsibly and effectively. Learners will be able to interpret financial and managerial information so as to make informed decisions and communicate these decisions to the relevant stakeholders.



Learning Outcome 3: Managing Resources

The learner is able to demonstrate knowledge and understanding of the use of different financial and managerial control tools and strategies to manage resources in a responsible manner.

Learners will be equipped with the skills to use financial and managerial tools and strategies to determine the financial impact on the management of resources. The focus of this Learning Outcome is to inculcate ethical behaviour with regard to the management of resources.

CHAPTER 3

LEARNING OUTCOMES, ASSESSMENT STANDARDS, CONTENT AND CONTEXTS

Grade 10



Learning Outcome 1

Financial Information

The learner is able to demonstrate knowledge, understanding and the application of financial information according to generally accepted accounting practice and concepts.



Assessment Standards

We know this when the learner is able to:

- Define and explain accounting concepts for sole trader up to financial statements.
- Within the context of the accounting cycle, identify and complete source documents, record the information in the subsidiary journals (books of first entry), post to the ledgers and draw up the trial balance of a sole trader manually and/or by using an accounting package.
- Analyse and show the effect of transactions on the accounting equation of sole traders.
- Prepare final accounts and financial statements of a sole trader.
- Explain basic VAT concepts

Grade 11



Assessment Standards

We know this when the learner is able to:

- Define and explain accounting concepts for partnerships and non-profit organisations.
- Within the context of the accounting cycle, record the unique information of a partnership and a club.
- Analyse and show the effect of transactions on the accounting equation of partnerships and clubs.
- Prepare a bank reconciliation statement.
- Prepare and interpret final accounts and financial statements of a partnership and a club.
- Perform elementary VAT calculations.

Grade 12



Assessment Standards

We know this when the learner is able to:

- Define and explain accounting concepts for manufacturing enterprises, close corporations and companies.
- Within the context of the accounting cycle, record the unique information for a company and close corporation.
- Analyse and interpret the influence of transactions on the accounting equation of close corporations and companies.
- Analyse and interpret bank, debtors and creditors reconciliations.
- Prepare final accounts and financial statements, analyse and interpret the financial statements of a close corporation and a company.
- Analyse published financial statements and audit reports of companies.
- Apply the principles of VAT in different situations.



Learning Outcome 2

Managerial Accounting

The learner is able to demonstrate knowledge and understanding of managerial accounting as well as the application thereof.



Assessment Standards

We know this when the learner is able to:

- Distinguish between financial and managerial accounting.
- Identify basic cost concepts.

- Explain basic budget concepts.

Grade 11



Assessment Standards

We know this when the learner is able to:

- Apply costing principles and cost behaviour in a manufacturing environment.
- Prepare and present, a cash budget for a sole trader.

Grade 12



Assessment Standards

We know this when the learner is able to:

- Prepare, present, analyse and report on cost information for a manufacturing enterprise by compiling a production cost statement.
- Analyse and interpret projected income statements and a cash budget for sole traders.



Learning Outcome 3

Managing Resources

The learner is able to demonstrate knowledge and an understanding of the use of different financial and managerial control tools and strategies to manage resources in a responsible manner.



Assessment Standards

We know this when the learner is able to:

- Interview persons who are using informal or indigenous bookkeeping systems to gather all information.
- Explain salary and wages scales and different contributions, and record in the subsidiary journals and ledger.
- Discuss the perpetual inventory system, record transactions in the subsidiary journals and post to the ledgers.
- Explain the code of ethics as it applies mutually in an accountable and transparent way to all parties in the financial environment.
- Demonstrate knowledge of internal control processes.

Grade 11



Assessment Standards

We know this when the learner is able to:

- Calculate and record depreciation, the acquisition and disposal of assets.
- Record transactions in the subsidiary journals and ledgers utilising the periodic inventory system, and compare it with the perpetual inventory system.
- Identify and analyse ethical behaviour applicable to the financial environment with reference to accountability and transparency.
- Demonstrate knowledge of internal audit processes.

Grade 12



Assessment Standards

We know this when the learner is able to:

- Interpret and report on asset disposal.
- Validate and calculate inventories with specific reference to the different inventory valuation methods.
- Discuss disciplinary and punitive measures to be applied for non-compliance to the code of ethics and the role of professional bodies.
- Apply internal control and internal audit processes in a business environment.



CONTENT AND CONTEXTS FOR THE ATTAINMENT OF ASSESSMENT STANDARDS

In this section proposed content and contexts are provided to support the attainment of the Assessment Standards. The content indicated needs to be dealt with in such a way as to assist the learner to progress towards the achievement of the Learning Outcomes. Content must serve the Learning Outcomes and not be an end in itself. The contexts suggested will enable the content to be embedded in situations which are meaningful to the learner and so assist learning and teaching. The educator should be aware of and use local contexts, not necessarily indicated here, which could be more suited to the experiences of the learner. Content and context, when aligned to the attainment of the Assessment Standards, provide a framework for the development of Learning Programmes. The Learning Programme Guidelines give more detail in this respect.

In order to understand how this content is used in this statement, the following need to be taken into consideration:

- The features of the subjects outlined in the scope for each Learning Outcome will inform the core knowledge required to attain the Assessment Standards.
- The broad content areas are arranged progressively according to grades.



Learning Outcome 1

Financial Information

The learner is able to demonstrate knowledge, understanding and the application of financial information according to generally accepted accounting practice and concepts.

The learner will understand, define and explain the accounting concepts of a sole trader, partnerships, non-profit organisation, close corporations and companies, and apply the information according to generally accepted accounting practice. This will be achieved in each grade as follows.

Proposed content

- Defining and explaining the accounting concepts for sole trader, with the emphasis on the accounting cycle and the GAAP principles.
- Identifying and completing the source documents, recording in the relevant subsidiary journal, posting to the ledger and drawing up the trial balance for a sole trader.
- Analysing and showing the effect of the all transactions of a sole trader on the accounting equation.
- Preparing the final accounts and financial statements of a sole trader, including some year-end adjustments.
- Explaining the need, purpose, principle and basic concepts of VAT.

Grade 11



Proposed content

- Defining and explaining the accounting concepts for partnerships and non-profit organisations, with the emphasis on the accounting cycle and the GAAP principles.
- Identifying and recording the unique differences related to partnerships and clubs in the relevant subsidiary journal and posting to the ledger.
- Analysing and showing the effect of all transactions of partnerships and clubs on the accounting equation.
- Preparing bank reconciliation of a sole trader.
- Preparing and interpreting the final accounts and financial statements of a partnership and a club, including the year-end adjustments.
- Performing VAT calculations from invoices and receipts.

Grade 12



Proposed content

- Defining and explaining the accounting concepts for manufacturing enterprises, close corporations and companies with the emphasis on the accounting cycle and the GAAP principles.
- Identifying and recording the unique differences related to close corporations and companies in the relevant subsidiary journal and ledger.
- Analysing and showing the effect of all transactions of close corporations and companies on the accounting equation.
- Analysing and interpreting the results of debtors, creditors and bank reconciliation statements.
- Preparing final accounts and financial statements, analysing and interpreting the financial statements of close corporations and companies, including the year-end adjustments.
- Analysing a company's published financial statements and audit report by way of a project.
- Applying VAT concepts related to VAT returns, and completing input, output and control VAT accounts from given information.



Learning Outcome 2

Managerial Accounting

The learner is able to demonstrate knowledge and understanding of managerial accounting, as well as the application thereof.

The learner will show an understanding of managerial accounting as well as its application. This will be achieved in each grade as follows.

Proposed content

- Distinguishing between financial and managerial accounting.
- Identifying basic cost concepts in the manufacturing environment.
- Explaining the different budget concepts and types of budgets.

Grade 11



Proposed content

- Applying costing principles and cost behaviours in a manufacturing environment (material, labour and overheads) and recording in the ledger.
- Preparing and presenting a cash budget including estimates for revenue and expenditure, debtors and creditors for a sole trader.

Grade 12



Proposed content

- Preparing, presenting, analysing and reporting on cost information and compiling a production cost statement.
- Analysing and interpreting projected income statements and cash budgets for a sole trader.



Learning Outcome 3

Managing Resources

The learner is able to demonstrate knowledge and understanding of the use of different financial and managerial control tools and strategies to manage resources in a responsible manner.

In order to understand the use of different financial and managerial control tools and strategies to manage resources in a responsible manner, the learner should understand the management of resources, be able to explain salary and wages, and use the methods of inventory systems to record transactions. This will be achieved in each grade as follows.

Proposed content

- Managing the resources of an informal business using indigenous bookkeeping systems and the formal bookkeeping system by comparing the two systems.
- Explaining salary and wages scales, calculating and recording salary and wage transactions in the subsidiary journals and ledger, taking the relevant contributions and deductions into consideration.
- Discussing and understanding the perpetual inventory system and recording transactions in the subsidiary journals and ledgers.
- Explaining the basic principles of the code of ethics as it applies mutually in an accountable and transparent way to all parties.
- Understanding internal control processes.

Grade 11



Proposed content

- Calculating and recording depreciation, and the acquisition and disposal of assets using different methods of depreciation.
- Recording transactions in the subsidiary journals and ledgers utilising the periodic inventory system and comparing it to the perpetual inventory system with a focus on partnerships and clubs.
- Using different control tools to identify and analyse ethical behaviour applicable to the financial environment, with reference to accountability and transparency.
- Understanding internal audit processes.

Grade 12



Proposed content

- Interpreting and reporting on the movement of assets in financial statements.
- Using different valuation methods to validate and calculate inventories.
- Discussing disciplinary and punitive measures to be applied for non-compliance to the code of ethics and the role of professional bodies, with reference to legislation and policies.
- Applying internal control and internal audit processes in a business environment with reference to the receipt of cash.

CHAPTER 4

ASSESSMENT

INTRODUCTION

Assessment is a critical element of the National Curriculum Statement Grades 10 – 12 (General). It is a process of collecting and interpreting evidence in order to determine the learner's progress in learning and to make a judgement about a learner's performance. Evidence can be collected at different times and places, and with the use of various methods, instruments, modes and media.

To ensure that assessment results can be accessed and used for various purposes at a future date, the results have to be recorded. There are various approaches to recording learners' performances. Some of these are explored in this chapter. Others are dealt with in a more subject-specific manner in the Learning Programme Guidelines.

Many stakeholders have an interest in how learners perform in Grades 10 – 12. These include the learners themselves, parents, guardians, sponsors, provincial departments of education, the Department of Education, the Ministry of Education, employers, and higher education and training institutions. In order to facilitate access to learners' overall performances and to inferences on learners' competences, assessment results have to be reported. There are many ways of reporting. The Learning Programme Guidelines and the Assessment Guidelines discuss ways of recording and reporting on school-based and external assessment as well as giving guidance on assessment issues specific to the subject.

WHY ASSESS

Before a teacher assesses learners, it is crucial that the purposes of the assessment be clear and unambiguous. Understanding the purposes of assessment ensures that an appropriate match exists between the purposes and the methods of assessment. This, in turn, will help to ensure that decisions and conclusions based on the assessment are fair and appropriate for the particular purpose or purposes.

There are many reasons why learners' performance is assessed. These include monitoring progress and providing feedback, diagnosing or remediating barriers to learning, selection, guidance, supporting learning, certification and promotion.

In this curriculum, learning and assessment are very closely linked. Assessment helps learners to gauge the value of their learning. It gives them information about their own progress and enables them to take control of and to make decisions about their learning. In this sense, assessment provides information about whether teaching and learning is succeeding in getting closer to the specified Learning Outcomes. When assessment indicates lack of progress, teaching and learning plans should be changed accordingly.

TYPES OF ASSESSMENT

This section discusses the following types of assessment:

- baseline assessment;
- diagnostic assessment;
- formative assessment; and
- summative assessment.

Baseline assessment

Baseline assessment is important at the start of a grade, but can occur at the beginning of any learning cycle. It is used to establish what learners already know and can do. It helps in the planning of activities and in Learning Programme development. The recording of baseline assessment is usually informal.

Diagnostic assessment

Any assessment can be used for diagnostic purposes – that is, to discover the cause or causes of a learning barrier. Diagnostic assessment assists in deciding on support strategies or identifying the need for professional help or remediation. It acts as a checkpoint to help redefine the Learning Programme goals, or to discover what learning has not taken place so as to put intervention strategies in place.

Formative assessment

Any form of assessment that is used to give feedback to the learner is fulfilling a formative purpose. Formative assessment is a crucial element of teaching and learning. It monitors and supports the learning process. All stakeholders use this type of assessment to acquire information on the progress of learners. Constructive feedback is a vital component of assessment for formative purposes.

Summative assessment

When assessment is used to record a judgement of the competence or performance of the learner, it serves a summative purpose. Summative assessment gives a picture of a learner's competence or progress at any specific moment. It can occur at the end of a single learning activity, a unit, cycle, term, semester or year of learning. Summative assessment should be planned and a variety of assessment instruments and strategies should be used to enable learners to demonstrate competence.

WHAT SHOULD ASSESSMENT BE AND DO?

Assessment should:

- be understood by the learner and by the broader public;
- be clearly focused;
- be integrated with teaching and learning;
- be based on the pre-set criteria of the Assessment Standards;
- allow for expanded opportunities for learners;
- be learner-paced and fair; and
- be flexible;
- use a variety of instruments;
- use a variety of methods.

HOW TO ASSESS

Teachers' assessment of learners' performances must have a great degree of reliability. This means that teachers' judgements of learners' competences should be generalisable across different times, assessment items and markers. The judgements made through assessment should also show a great degree of validity; that is, they should be made on the aspects of learning that were assessed.

Because each assessment cannot be totally valid or reliable by itself, decisions on learner progress must be based on more than one assessment. This is the principle behind continuous assessment (CASS). Continuous assessment is a strategy that bases decisions about learning on a range of different assessment activities and events that happen at different times throughout the learning process. It involves assessment activities that are spread throughout the year, using various kinds of assessment instruments and methods such as tests, examinations, projects and assignments. Oral, written and performance assessments are included. The different pieces of evidence that learners produce as part of the continuous assessment process can be included in a portfolio. Different subjects have different requirements for what should be included in the portfolio. The Learning Programme Guidelines discuss these requirements further.

Continuous assessment is both classroom-based and school-based, and focuses on the ongoing manner in which assessment is integrated into the process of teaching and learning. Teachers get to know their learners through their day-to-day teaching, questioning, observation, and through interacting with the learners and watching them interact with one another.

Continuous assessment should be applied both to sections of the curriculum that are best assessed through written tests and assignments and those that are best assessed through other methods, such as by performance, using practical or spoken evidence of learning.

METHODS OF ASSESSMENT

Self-assessment

All Learning Outcomes and Assessment Standards are transparent. Learners know what is expected of them. Learners can, therefore, play an important part, through self-assessment, in 'pre-assessing' work before the teacher does the final assessment. Reflection on one's own learning is a vital component of learning.

Peer assessment

Peer assessment, using a checklist or rubric, helps both the learners whose work is being assessed and the learners who are doing the assessment. The sharing of the criteria for assessment empowers learners to evaluate their own and others' performances.

Group assessment

The ability to work effectively in groups is one of the Critical Outcomes. Assessing group work involves looking for evidence that the group of learners co-operate, assist one another, divide work, and combine individual contributions into a single composite assessable product. Group assessment looks at process as well as product. It involves assessing social skills, time management, resource management and group dynamics, as well as the output of the group.

METHODS OF COLLECTING ASSESSMENT EVIDENCE

There are various methods of collecting evidence. Some of these are discussed below.

Observation-based assessment

Observation-based assessment methods tend to be less structured and allow the development of a record of different kinds of evidence for different learners at different times. This kind of assessment is often based on tasks that require learners to interact with one another in pursuit of a common solution or product. Observation has to be intentional and should be conducted with the help of an appropriate observation instrument.

Test-based assessment

Test-based assessment is more structured, and enables teachers to gather the same evidence for all learners in

the same way and at the same time. This kind of assessment creates evidence of learning that is verified by a specific score. If used correctly, tests and examinations are an important part of the curriculum because they give good evidence of what has been learned.

Task-based assessment

Task-based or performance assessment methods aim to show whether learners can apply the skills and knowledge they have learned in unfamiliar contexts or in contexts outside of the classroom. Performance assessment also covers the practical components of subjects by determining how learners put theory into practice. The criteria, standards or rules by which the task will be assessed are described in rubrics or task checklists, and help the teacher to use professional judgement to assess each learner's performance.

RECORDING AND REPORTING

Recording and reporting involves the capturing of data collected during assessment so that it can be logically analysed and published in an accurate and understandable way.

Methods of recording

There are different methods of recording. It is often difficult to separate methods of recording from methods of evaluating learners' performances.

The following are examples of different types of recording instruments:

- rating scales;
- task lists or checklists; and
- rubrics.

Each is discussed below.

Rating scales

Rating scales are any marking system where a symbol (such as A or B) or a mark (such as 5/10 or 50%) is defined in detail to link the coded score to a description of the competences that are required to achieve that score. The detail is more important than the coded score in the process of teaching and learning, as it gives learners a much clearer idea of what has been achieved and where and why their learning has fallen short of the target. Traditional marking tended to use rating scales without the descriptive details, making it difficult to have a sense of the learners' strengths and weaknesses in terms of intended outcomes. A six-point scale of achievement is used in the National Curriculum Statement Grades 10 – 12 (General).

Task lists or checklists

Task lists or checklists consist of discrete statements describing the expected performance in a particular task. When a particular statement (criterion) on the checklist can be observed as having been satisfied by a learner during a performance, the statement is ticked off. All the statements that have been ticked off on the list (as criteria that have been met) describe the learner's performance. These checklists are very useful in peer or group assessment activities.

Rubrics

Rubrics are a combination of rating codes and descriptions of standards. They consist of a hierarchy of standards with benchmarks that describe the range of acceptable performance in each code band. Rubrics require teachers to know exactly what is required by the outcome. Rubrics can be holistic, giving a global picture of the standard required, or analytic, giving a clear picture of the distinct features that make up the criteria, or can combine both. The Learning Programme Guidelines give examples of subject-specific rubrics.

To design a rubric, a teacher has to decide the following:

- Which outcomes are being targeted?
- Which Assessment Standards are targeted by the task?
- What kind of evidence should be collected?
- What are the different parts of the performance that will be assessed?
- What different assessment instruments best suit each part of the task (such as the process and the product)?
- What knowledge should be evident?
- What skills should be applied or actions taken?
- What opportunities for expressing personal opinions, values or attitudes arise in the task and which of these should be assessed and how?
- Should one rubric target all the Learning Outcomes and Assessment Standards of the task or does the task need several rubrics?
- How many rubrics are, in fact, needed for the task?

It is crucial that a teacher shares the rubric or rubrics for the task with the learners before they do the required task. The rubric clarifies what both the learning and the performance should be focus on. It becomes a powerful tool for self-assessment.

Reporting performance and achievement

Reporting performance and achievement informs all those involved with or interested in the learner's progress. Once the evidence has been collected and interpreted, teachers need to record a learner's achievements. Sufficient summative assessments need to be made so that a report can make a statement about the standard achieved by the learner.

The National Curriculum Statement Grades 10 – 12 (General) adopts a six-point scale of achievement. The scale is shown in Table 4.1.

Table 4.1 Scale of achievement for the National Curriculum Statement Grades 10 – 12 (General)

Rating Code	Description of Competence	Marks (%)
6	Outstanding	80-100
5	Meritorious	60-79
4	Satisfactory	50-59
3	Adequate	40-49
2	Partial	30-39
1	Inadequate	0-29

SUBJECT COMPETENCE DESCRIPTIONS

To assist with benchmarking the achievement of Learning Outcomes in Grades 10 – 12, subject competences have been described to distinguish the grade expectations of what learners must know and be able to achieve. Six levels of competence have been described for each subject for each grade. These descriptions will assist teachers to assess learners and place them in the correct rating. The descriptions summarise the Learning Outcomes and the Assessment Standards, and give the distinguishing features that fix the achievement for a particular rating. The various achievement levels and their corresponding percentage bands are as shown in Table 4.1.

In line with the principles and practice of outcomes-based assessment, all assessment – both school-based and external – should primarily be criterion-referenced. Marks could be used in evaluating specific assessment tasks, but the tasks should be assessed against rubrics instead of simply ticking correct answers and awarding marks in terms of the number of ticks. The statements of competence for a subject describe the minimum skills, knowledge, attitudes and values that a learner should demonstrate for achievement on each level of the rating scale.

When teachers/assessors prepare an assessment task or question, they must ensure that the task or question addresses an aspect of a particular outcome. The relevant Assessment Standard or Standards must be used when creating the rubric for assessing the task or question. The descriptions clearly indicate the minimum level of attainment for each category on the rating scale.

The competence descriptions for this subject appear at the end of this chapter.

PROMOTION

Promotion at Grade 10 and Grade 11 level will be based on internal assessment only, but must be based on the same conditions as those for the Further Education and Training Certificate. The requirements, conditions, and rules of combination and condonation are spelled out in the *Qualifications and Assessment Policy Framework for the Grades 10 – 12 (General)*.

WHAT REPORT CARDS SHOULD LOOK LIKE

There are many ways to structure a report card, but the simpler the report card the better, provided that all important information is included. Report cards should include information about a learner's overall progress, including the following:

- the learning achievement against outcomes;
- the learner's strengths;
- the support needed or provided where relevant;
- constructive feedback commenting on the performance in relation to the learner's previous performance and the requirements of the subject; and
- the learner's developmental progress in learning how to learn.

In addition, report cards should include the following:

- name of school;
- name of learner;
- learner's grade;
- year and term;
- space for signature of parent or guardian;
- signature of teacher and of principal;
- date;
- dates of closing and re-opening of school;
- school stamp; and
- school attendance profile of learner.

ASSESSMENT OF LEARNERS WHO EXPERIENCE BARRIERS TO LEARNING

The assessment of learners who experience any barriers to learning will be conducted in accordance with the recommended alternative and/or adaptive methods as stipulated in the *Qualifications and Assessment Policy Framework for Grades 10 – 12 (General)* as it relates to learners who experience barriers to learning. Refer to *White Paper 6 on Special Needs Education: Building an Inclusive Education and Training System*.

Grade 10



Code



Scale

6

80%-100%
Outstanding



Competence Descriptions

By the end of Grade 10 the learner with outstanding achievement can:

- master accounting knowledge (including VAT concepts) and record information from all source documents to trial balance level accurately, using the perpetual inventory system of a sole trader;
- master the preparation of final accounts and financial statements where all given adjustments were taken into consideration, and analyse and motivate the effect of the transactions on the accounting equation of a sole trader;
- apply cost and budget concepts in calculations;
- accurately complete salary and wages journals and post to ledger accounts;
- consider the code of ethics and internal control measures for all accounting processes.

Grade 11



Competence Descriptions

By the end of Grade 11 the learner with outstanding achievement can:

- illustrate the capability to correctly identify and record the unique differences related to owner's equity and accumulative funds for clubs, the appropriation of profit and losses for partnerships in the subsidiary journal;
- prepare and interpret final accounts and financial statements, including all adjustments of partnerships and clubs and the calculation of VAT;
- correctly prepare bank reconciliation for sole traders;
- master knowledge of cost principles and cost behaviour in a manufacturing environment to determine the correct cost;
- compile and present the cash budget successfully;
- accurately calculate depreciation and record the acquisition and disposal of tangible assets;
- apply ethics and internal audit skills by identifying and critically analysing different processes and behaviours regarding accountability and transparency.

Grade 12



Competence Descriptions

By the end of Grade 12 the learner with outstanding achievement can:

- correctly identify and record the unique differences, as well as the influence on the accounting equation, related to manufacturing enterprises, close corporations and companies;
- prepare final accounts and financial statements, and apply in-depth knowledge and insight when interpreting and analysing financial statements of close corporations and companies as well as published financial statements and audit reports;
- correctly apply VAT principles in different situations, as well as analysing and interpreting the results of reconciliations;
- analyse and interpret with insight a production cost statement, a projected income statement, and a cash budget;
- interpret and report on asset disposal with in-depth knowledge;
- correctly validate inventories in a manufacturing enterprise;
- exercise the correct disciplinary and punitive measures that apply for non-compliance to the code of ethics after assessing internal control and internal audit processes in a business environment.



Code



Scale

5

60%-79%
Meritorious



Competence Descriptions

By the end of Grade 10 the learner with meritorious achievement can:

- integrate accounting knowledge to master accurately the recording of information from source documents to trial balance;
- prepare final accounts where three adjustments were taken into consideration, and analyse the effect of the transactions on the accounting equation of a sole trader;
- compare six cost and six budget concepts for the sole trader;
- investigate the differences between informal and indigenous bookkeeping systems and integrate them into the formal bookkeeping system;
- integrate knowledge and record transactions related to the perpetual inventory system, code of ethics, internal control processes and preparation of salary and wages journals.

Grade 11



Competence Descriptions

By the end of Grade 11 the learner with meritorious achievement can:

- illustrate a considerable amount of capability to identify and record the unique differences related to owner's equity and accumulative funds for clubs, the appropriation of profit and losses for partnerships in the subsidiary journal;
- prepare and interpret final accounts and financial statements of partnerships and clubs, including the calculation of VAT;
- prepare a bank reconciliation for sole traders with a considerable amount of accuracy;
- apply a considerable knowledge of cost principles and cost behaviour in a manufacturing environment to determine cost;
- prepare and present a cash budget;
- with a considerable amount of accuracy, calculate depreciation and record the acquisition and disposal of assets;
- apply in-depth knowledge of ethics and internal audit by identifying and analysing different processes and behaviours regarding accountability and transparency.

Grade 12



Competence Descriptions

By the end of Grade 12 the learner with meritorious achievement can:

- apply considerable knowledge in identifying and recording unique differences, as well as the influence on the accounting equation, related to manufacturing enterprises, close corporations and companies;
- prepare final accounts and financial statements with substantial accuracy, and interpret and analyse financial statements of close corporations and companies as well as published financial statements and audit reports with a solid understanding;
- apply VAT principles in different situations;
- analyse and interpret the results of reconciliations;
- analyse and interpret a production cost statement, projected income statements and cash budgets;
- interpret and report on asset disposal;
- validate, with a pure understanding, inventories in a manufacturing enterprise;
- apply suitable disciplinary and punitive measures for non-compliance to the code of ethics after formulating internal control and internal audit processes in a business environment.



Code



Scale

4

50%-59%
Satisfactory

Competence Descriptions

By the end of Grade 10 the learner with satisfactory achievement can:

- classify and explain applicable accounting and VAT concepts;
- identify and complete source documents, record the information in the relevant subsidiary journals, post to the ledger and draw-up the trial balance for a sole trader;
- prepare the final accounts and financial statements of a sole trader where two adjustments were taken into consideration;
- point out the effect of the transactions on the accounting equation;
- distinguish between six cost and six budget concepts;
- analyse information from an interview and determine the difference between informal/indigenous bookkeeping systems and compare them to the formal bookkeeping system;
- classify a perpetual inventory system;
- point out the code of ethics and internal control processes;
- prepare salary and wages journals with deductions.

Grade 11



Competence Descriptions

By the end of Grade 11 the learner with satisfactory achievement can:

- identify and record the unique differences related to owner's equity and accumulative funds for clubs, the appropriation of profit and losses for partnerships in the subsidiary journal;
- prepare and interpret final accounts and financial statements of partnerships and clubs, including VAT calculation;
- complete and prepare a bank reconciliation for sole traders;
- reasonably apply cost principles and cost behaviour to determine cost in a manufacturing environment;
- prepare and present a cash budget;
- calculate depreciation and record the acquisition and disposal of assets;
- reasonably identify and analyse different ethical and internal audit processes and behaviours regarding accountability and transparency.

Grade 12



Competence Descriptions

By the end of Grade 12 the learner with satisfactory achievement can:

- apply knowledge in identifying and recording the unique differences, as well as the influence on the accounting equation, related to manufacturing enterprises, close corporations and companies;
- to a reasonable extent, accurately complete final accounts and draft financial statements;
- analyse and interpret these statements of close corporations and companies satisfactorily;
- apply a reasonable amount of knowledge regarding VAT principles in different situations;
- analyse and interpret bank, debtors and creditors reconciliations satisfactorily;
- apply a reasonable amount of knowledge to prepare, present, analyse and report on a production cost statement;
- prepare, analyse and interpret projected income statements and cash budgets for sole traders;
- interpret an asset situation, the result of actions and report on asset disposal;
- validate inventories with specific reference to manufacturing enterprises;
- suggest disciplinary and punitive measures to be applied for non-compliance to the code of ethics and be capable of applying theoretical knowledge regarding internal control and internal audit processes.

Grade 10



Code



Scale

3

40%-49%
Adequate

Competence Descriptions

By the end of Grade 10 the learner with adequate achievement can:

- describe accounting and VAT concepts;
- identify and complete source documents, and record this information in the relevant subsidiary journals, post to the ledger and draw up the trial balance using the perpetual inventory system for a sole trader;
- categorise accounts according to the accounting equation format and prepare the final accounts and financial statements of a sole trader where the adjustments were taken into consideration;
- explain six basic cost and six budget concepts;
- differentiate between financial and managerial accounting;
- interpret gathered information from interviews of persons who were using informal/indigenous bookkeeping systems and apply it in a formal bookkeeping system;
- record the information and different contributions and deductions in the salaries and wages journals;
- explain the code of ethics and demonstrate knowledge of internal control processes.

Grade 11



Competence Descriptions

By the end of Grade 11 the learner with adequate achievement can:

- identify and record the unique differences related to owner's equity and accumulative funds for clubs, the appropriation of profit and losses for partnerships in the subsidiary journal;
- interpret the accounting concepts related to the completion of financial statements with notes for partnerships and clubs, including VAT calculations;
- prepare bank reconciliations for sole traders;
- understand cost concepts and be able to apply cost principles and cost behaviour in a manufacturing environment;
- prepare a basic cash budget;
- apply the concept of depreciation by calculating depreciation and record the acquisition and disposal of assets;
- describe the concepts of ethics and internal audit and analyse different processes and behaviour patterns related to accountability and transparency.

Grade 12



Competence Descriptions

By the end of Grade 12 the learner with adequate achievement can:

- apply knowledge regarding accounting concepts that are applicable to manufacturing enterprises, close corporations and companies;
- record the unique information for a company and close corporation within the context of the accounting cycle and equation;
- prepare final accounts and financial statements, and analyse and interpret these statements and reconciliations for bank, debtors and creditors;
- apply VAT principles to a certain extent in different situations;
- prepare a production cost statement, projected income statements and cash budgets and analyse and interpret the results;
- interpret and report on asset disposal and validate inventories;
- apply adequate knowledge on internal control and internal audit processes by discussing disciplinary and punitive measures applied for non-compliance to the code of ethics and the role of professional bodies.

Grade 10



Code

2



Scale

30%-39%
Partial



Competence Descriptions

By the end of Grade 10 the learner with partial achievement can:

- describe basic accounting concepts (e.g. assets and liabilities);
- identify and complete the basic source documents (e.g. receipts and cheque counterfoils) and record this information in the subsidiary journals using a perpetual inventory system of a sole trader;
- classify basic accounts according to the accounting equation format;
- explain three basic costs and three budget concepts;
- list the basic differences between financial and managerial accounting;
- use some unstructured questions to interview persons who use informal/indigenous bookkeeping systems to gather information and apply it in a formal bookkeeping system;
- record basic information (e.g. normal and overtime hours) in the salaries and wages journals.

Grade 11



Competence Descriptions

By the end of Grade 11 the learner with partial achievement can:

- illustrate capabilities to identify and record some of the unique differences related to owner's equity and accumulative funds, the appropriation of profit and losses for partnerships and clubs in the subsidiary journal;
- partly prepare and interpret final accounts and financial statements of partnerships and clubs, including VAT calculation, fairly well;
- partly prepare bank reconciliation for sole traders;
- explain basic cost principles and cost behaviour in a manufacturing environment, as well as partly prepare and present a basic cash budget;
- calculate basic depreciation and record the acquisition and disposal of assets;
- illustrate and analyse different ethics and internal audit processes and behaviours regarding accountability and transparency.

Grade 12



Competence Descriptions

By the end of Grade 12 the learner with partial achievement can:

- illustrate accounting concepts for manufacturing enterprises, close corporations and companies and use basic knowledge to record the unique information, within the context of the accounting cycle and accounting equation, for close corporations and companies;
- analyse and interpret reconciliations for bank, debtors and creditors, but struggles to do so;
- to a certain extent, prepare final accounts and financial statements of close corporations and companies;
- apply some principles of VAT in different situations;
- prepare a production cost statement, a projected income statement, and a cash budget to some extent;
- to some degree, interpret and report on asset disposal and validate inventories;
- apply to some extent internal control and internal audit processes and discuss disciplinary and punitive measures to be applied for non-compliance to the code of ethics and the role of professional bodies.



Code



Scale

1

0%-29%
Inadequate



Competence Descriptions

By the end of Grade 10 the learner with inadequate achievement can:

- recognise accounting concepts;
- identify and complete a minimum of source documents, record the information in the subsidiary journals, and randomly categorise accounts according to the accounting equation format using the perpetual inventory system for sole traders;
- use unrelated and unstructured questions to interview persons who use informal/indigenous bookkeeping systems to gather information and record it in a formal bookkeeping system.

Grade 11



Competence Descriptions

By the end of Grade 11 the learner with inadequate achievement can:

- list accounting concepts by recognising and recording a few unique differences related to owner's equity and accumulative funds, the appropriation of profit and losses for partnerships and clubs in the subsidiary journal;
- apply limited skills to prepare and interpret final accounts and financial statements of partnerships and clubs, including VAT calculation;
- to a limited extent prepare bank reconciliation for sole traders;
- list basic cost principles and cost behaviour in a manufacturing environment as well as show limited skills to prepare and present a cash budget;
- calculate to a limited extent depreciation, recording the acquisition and disposal of assets;
- apply a limited understanding of ethics and internal audit by identifying different processes and behaviours regarding accountability and transparency.

Grade 12



Competence Descriptions

By the end of Grade 12 the learner with inadequate achievement can:

- define accounting concepts for manufacturing enterprises, close corporations and companies to a limited extent, and demonstrate a limited knowledge of how to record the unique information, within the context of the accounting cycle and accounting equation, for close corporations and companies;
- prepare final accounts and financial statements of close corporations and companies to a limited extent;
- hardly analyse and interpret reconciliation for bank, debtors and creditors as well as the principles of VAT;
- demonstrate an imperfect ability to prepare a production cost statement, a projected income statement, and a cash budget;
- struggle to interpret and report on asset disposal and the validation of inventories;
- barely apply internal control and internal audit processes to disciplinary and punitive measures to be applied for non-compliance to the code of ethics and the role of professional bodies.

GLOSSARY

accounting concepts – words that are used in accounting (e.g. assets, owner's equity, liabilities)

accounting cycle – the steps that are followed from the initiating of a transaction to the final reporting thereof

accounting equation – $\text{assets} = \text{owner's equity} + \text{liabilities}$

accredited accounting package – computer programme (software) developed according to generally accepted accounting practice

acquisition and disposal of tangible assets – the purchase and sale of fixed assets

books of first entry – all subsidiary journals (cash, debtors, creditors and general journals, etc.)

cash budget – cash forecast of future cash receipts and payments

close corporation – a form of ownership (according to Act 74 of 1984)

company – a form of ownership (according to Act 61 of 1973 as amended)

cost principles – the methods used to classify and determine costs (e.g. direct cost, indirect cost)

creditors payment schedules – timelines to pay creditors

current accounting practices – current accounting practice in South Africa, determined by the various Acts of Parliament and GAAP

debtors collection schedules – timelines for receipt of payments from debtors

depreciation – a decrease in the value of an asset over a period of time

employee contributions – money deducted from the employee's salary towards a particular fund (e.g. medical aid, unemployment insurance fund)

employer contributions – additional contributions by the employer towards the various employee funds (e.g. unemployment insurance fund)

final accounts – accounts that are prepared for the determination of profit or loss and the distribution thereof in accordance with accounting practice

financial accounting – financial information primarily for internal use

financial period – a predetermined timeline for financial activities

financial statement – final report reflecting financial results and position for a given period in accordance with accounting practice

Generally Accepted Accounting Practices (GAAP) – concepts and principles according to accounting standards regulated by the Companies Act (Act No. 61 of 1993), and which are acceptable in the financial world

internal audit – an independent objective assurance and consulting activity designed to add value and improve an organisation's operation

internal control – an action taken by management to enhance the likelihood that established objectives and goals will be achieved

inventory – various stocks on hand for resale or manufacturing purposes

managerial accounting – provides financial information primarily for internal use

non-profit organisation – an organisation whose major focus point is service delivery and not profit

production cost – various costs incurred in the production of a product

projected income statement – a forecast of future revenue and expenditure

tangible assets – all fixed assets (moveable and non-moveable)

