



## basic education

Department:  
Basic Education  
**REPUBLIC OF SOUTH AFRICA**

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**TO: HEADS OF PROVINCIAL EDUCATION DEPARTMENTS  
HEADS OF PROVINCIAL CURRICULUM SECTIONS  
HEADS OF PROVINCIAL EXAMINATION SECTIONS  
UNIVERSITIES SOUTH AFRICA  
SOUTH AFRICAN QUALIFICATIONS AUTHORITY  
UMALUSI  
INDEPENDENT EXAMINATION BOARD (IEB)  
SOUTH AFRICAN COMPREHENSIVE ASSESSMENT INSTITUTE (SACAI)  
INDEPENDENT SCHOOLS ASSOCIATION OF SOUTHERN AFRICA  
SCHOOL GOVERNING BODIES (SGB) ASSOCIATIONS  
NATIONAL TEACHER ORGANISATIONS**

### **CIRCULAR S12 OF 2017: THE SPLITTING OF THE ACCOUNTING QUESTION PAPER FROM ONE PAPER TO TWO PAPERS AND THE PROVISION OF A FORMULA SHEET FOR GRADES 10-12**

1. The Curriculum and Assessment Policy Statement (CAPS) for Accounting stipulates that the examination for the subject should consist of **ONE 3 hour** paper of 300 marks.
2. The Council of Education Ministers has approved the splitting of the current Accounting paper into two papers.
3. The Accounting question paper has been split into two papers of 2hours totaling 150 marks each. The content for the two question papers would be split as follows:
  - **Paper 1:** Recording, Reporting, Corporate Governance & Interpretation of Financial Information (Financial Accounting integrated with Managing resources) and
  - **Paper 2:** Manufacturing, Budgeting/Forecasting & Internal Auditing and Control (Managerial Accounting integrated with Managing resources).
4. The CAPS for Accounting stipulate that Managing Resources must be integrated in the teaching and assessment of the other two main topics. This principle will be maintained.
5. Learners will also be provided with a formulae sheet. This will allow learners to focus on the application of the formulae, which is the skill being assessed in an examination.

6. Implementation dates as follows:
  - i. 2018: Grade 10;
  - ii. 2019: Grade 11; and
  - iii. 2020: Grade 12.
7. The **New Grade 10-12 structure** to be implemented incrementally from **2018 in Grade 10** is attached as **Annexure A**.
8. You are kindly requested to bring the contents of this **Circular** to the attention of all provincial and district officials, principals and teachers of both public and independent schools, and relevant stakeholders.



**DR G WHITTLE**  
**ACTING DIRECTOR-GENERAL**  
DATE: 02/11/17

## CIRCULAR S12 OF 2017 ANNEXURE A

## Structure: Accounting Question Paper

Weighting of curriculum	Exam. papers	Topics
<b>Discipline 1:</b> <b><u>weighting 50%</u></b>  <b>Recording, Reporting and Evaluation of Financial Information &amp; Corporate Governance</b>	<b>PAPER 1</b>	1. Accounting concepts, GAAP & IFRS
		2. Bookkeeping (including salaries & wages) and trial balances
		3. Accounting equation
		4. Adjustments, final accounts and trial balances
		5. Financial statements (including notes e.g. fixed assets and inventory notes; and Independent Auditors' Report)
		6. Financial indicators for reporting purposes & interpretation
		7. Corporate governance, ethics & professional bodies
<b>Discipline 2:</b> <b><u>weighting 50%</u></b>  <b>Manufacturing, Forecasting and Internal Auditing &amp; Control</b>	<b>PAPER 2</b>	1. Reconciliations (including debtors' age analysis)
		2. Value-added tax
		3. Inventory valuation
		4. Manufacturing & Cost accounting
		5. Budgeting and Projected Income Statements
		6. Financial indicators for internal control purposes
		7. Internal control & internal auditing (cash, fixed assets, inventories, debtors, creditors, income and expenses including salaries & wages)
		8. Ethics



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## FORMULA SHEET GRADE 10

$\frac{\text{Gross Profit}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Gross Profit}}{\text{Cost of sales}} \times \frac{100}{1}$	$\frac{\text{Net profit}}{\text{Sales}} \times \frac{100}{1}$
$\frac{\text{Operating expenses}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Operating profit}}{\text{Sales}} \times \frac{100}{1}$	
Current assets : Current liabilities	(Current assets – inventories) : Current liabilities	
$\frac{\text{Net profit}}{\text{Owners' equity}} \times \frac{100}{1}$	Total assets : Total liabilities	



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## FORMULA SHEET GRADE 11

$\frac{\text{Gross Profit}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Gross Profit}}{\text{Cost of sales}} \times \frac{100}{1}$	$\frac{\text{Net profit}}{\text{Sales}} \times \frac{100}{1}$
$\frac{\text{Operating expenses}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Operating profit}}{\text{Sales}} \times \frac{100}{1}$	
$\frac{\text{Total earnings by partner}}{\text{Partners' average equity}} \times \frac{100}{1}$	$\frac{\text{Net profit}}{\text{Average owners' equity}} \times \frac{100}{1}$	
Current assets : Current liabilities	(Current assets – inventories) : Current liabilities	
$\frac{\text{Average debtors}}{\text{Credit sales}} \times \frac{365 \text{ or } 12}{1}$	$\frac{\text{Average creditors}}{\text{Credit purchases}} \times \frac{365 \text{ or } 12}{1}$	
$\frac{\text{Average inventories}}{\text{Cost of sales}} \times \frac{365 \text{ or } 12}{1}$	$\frac{\text{Cost of sales}}{\text{Average inventories}}$	
Non-current liabilities : Owners' equity	Total assets : Total liabilities	



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## FORMULA SHEET GRADE 12

$\frac{\text{Gross Profit}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Gross Profit}}{\text{Cost of sales}} \times \frac{100}{1}$	$\frac{\text{Net profit}}{\text{Sales}} \times \frac{100}{1}$
$\frac{\text{Operating expenses}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Operating profit}}{\text{Sales}} \times \frac{100}{1}$	
$\frac{\text{Net profit after tax}}{\text{Average shareholders' equity}} \times \frac{100}{1}$	$\frac{\text{Net profit before tax} + \text{interest expense}}{\text{Average capital employed}} \times \frac{100}{1}$	
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	$\frac{\text{Dividends per share}}{\text{Earnings per share}}$
$\frac{\text{Profit after tax}}{\text{No. shares in issue}}$	$\frac{\text{Ordinary share dividends}}{\text{No. shares in issue}}$	
$\frac{\text{Fixed Costs}}{\text{Selling price per unit} - \text{variable cost per unit}}$	$\frac{\text{Total ordinary shareholders' equity}}{\text{No. shares in issue}}$	