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JUNIOR CERTIFICATE

INTRODUCTION

This syllabus covers a three year programme that is designed to equip the learner with basic accounting principles. It is structured such that teaching develops from concrete experiences of handling personal finances in order to enable learners to construct their own understanding of abstract accounting knowledge. It is developed in such a way that it dovetails with the SGCSE syllabus to allow for a smooth transition from Junior Secondary to Senior Secondary.

The syllabus is designed such that it caters for any contemporary development in accounting and Business Studies.

JC syllabuses follow a general pattern. The main sections of this syllabus are:

- Aims
- Assessment objectives
- Assessment
- Curriculum content

AIMS OF SECONDARY SCHOOL ACCOUNTING

The aims of the syllabus are to provide:

1. Knowledge and skills of numeracy, literacy, communication, enquiry, presentation and interpretation;
2. Understanding of Accounting terms, concepts, conventions and procedures and their application to modern business activities;
3. Development of attitudes and values of accuracy, honesty, accountability, perseverance, neatness and orderliness;
4. Knowledge and understanding of the purpose of accounting.

PRIOR KNOWLEDGE

JC Bookkeeping and Accounts (520) can be done by candidates who have completed the Eswatini Primary Certificate or its equivalent. There is no prior knowledge of Business Studies required in order for a candidate to study this course.

KEY BENEFITS

Learners will benefit from this course in that they will learn life-long skills such as the ability to calculate and interpret data, communication skills needed, budgeting, importance of keeping accounting records even in personal life and accounting on revenue as well as spending.

PROGRESSION

Learners who have completed the JC Bookkeeping and Accounts syllabus (520) can cope better with the demands of the SGCSE Business Studies (6897), Economics (6899) and Accounting (6896) syllabuses. They can also better understand the content of the Prevocational Business Studies, Accounting and Entrepreneurship.

SUMMARY OF CONTENT

- 1. Purpose of bookkeeping and accounting**

This section introduces bookkeeping and accounts, explains the difference between bookkeeping and accounting. It justifies the reasons for ascertaining profit and loss in a business. It then states the users of bookkeeping and accounting information within and outside the business.
- 2. Accounting concepts and convention**

Explain the main underlying principles in the preparation of accounting statements and the implications of accounting principles in financial reporting and recording. It includes: business equity, duality, money measurement, consistency, prudence and historical cost.
- 3. Accounting terminology**

This section explains the meaning of accounting terms: sales, purchases, capital, inventory, assets, income, expenses, expenditure, revenue, drawings, liabilities, debit, credit, trade receivables, trade payables and turnover. It also identifies and explains non-current assets, current assets, non-current liabilities and current liabilities.
- 4. Accounting equation**

This section displays the basic accounting equations and its effects on transactions. It also calculates the missing figures of equity, assets and liabilities using the accounting equation.
- 5. Source documents**

This section recognises source documents, their uses and the importance of keeping them in the business (invoice, debit note, credit note, cheque, receipts, petty cash voucher and statement of account).
- 6. Subsidiary books**

This section shows an understanding of subsidiary books, recording data from given documents and transactions into relevant books of prime entry: cash book, petty cash book, sales, purchases journals, sales returns and purchases returns journals. It also shows understanding of cash and trade discounts, when an allowance could be made on a customer's account as well as understanding of VAT and its purpose.

7. Double entry and division of the ledger

This section covers double entry of bookkeeping, processing accounting data using double entry system, preparing ledger accounts using either 'T' account format or the running balance, posting transactions to the ledger, balancing ledger accounts. Interpret ledger accounts and their balances, the division of the ledger into sales/trade receivables ledger, purchases/trade payables ledger and nominal/general ledger.

8. Trial balance

This section shows understanding of the meaning and purpose of a trial balance, preparing a trial balance from a list of balances as well as understanding the meaning and purpose of a suspense account. It further shows how the difference in the totals of the trial balance is treated in the trial balance and suspense account. It shows the errors not revealed by a trial balance and how they can be corrected: errors of omission, commission, principle, and original entry, complete reversal of entries, compensating errors and transposition. It then shows errors that are revealed by the trial balance.

9. Financial statements of a sole trader

This section focuses on the financial statements of a sole trader. It also includes preparing statements of financial position in the horizontal and vertical formats and ascertaining profit for the year.

10. Adjustment to financial statements

This section explains the meaning of the following terms: depreciation of non-current assets, accruals and prepayments, irrecoverable debts and provision for doubtful debts. It calculates depreciation using the straight line and reducing balance method as well as preparation of financial statements with adjustments: depreciation of non-current assets, accruals and prepayments, irrecoverable debts, closing inventory and provision for doubtful debts (creation, increase and decrease).

11. Bank reconciliation statements

This part covers the importance of reconciling the cash book and bank statement, preparing a supplementary cash book. It also explains the terms: standing order, direct debit, credit transfer, dishonoured cheques, bank charges, uncredited and unrepresented cheques. It shows the preparation of the reconciliation statement as well as explaining what is meant by favourable and unfavourable balances.

12. Capital and revenue expenditure/receipts

This sections explains revenue and capital expenditure/receipts and the selection of these from given transactions. It also explains capital and revenue expenditure/receipts, recognising them from given transactions. It shows the effects of expenditure and receipts on: assets, liabilities, expenses and profits.

13. Accounts of non-trading concerns

This section recognises non-profit making organisations in the Kingdom of Eswatini and internationally. It explains how non-profit making organisations raise funds and income: subscriptions, donations, joining fees and gate takings. It further shows calculation of the accumulated fund, preparation of income and expenditure accounts and statement of financial position with adjustments: prepayments, accruals and depreciation. It also summarises the importance of keeping financial records by non-profit making organisations.

14. Elementary partnership accounts

This section focuses on a partnership business. It explains the purpose of preparing an appropriation account, current account and capital account, as well as preparation of income statement and statement of financial position in the horizontal and vertical formats. It also explains why interest on drawings and interest on capital are charged in a partnership.

ASSESSMENT OBJECTIVES (AO)

Assessment will be on:

AO1. Knowledge and Understanding

AO2. Application and analysis

AO3. Evaluation and Decision Making

A. KNOWLEDGE WITH UNDERSTANDING

Learners can:

1. Show knowledge and understanding of terms, content, principles, procedures and concepts.
2. Show knowledge and understanding of bookkeeping and accounting through arithmetic and presentation.

Words that will be used in questions testing knowledge with understanding are: define, state, identify, name, explain and record.

B. APPLICATION AND ANALYSIS

Learners can:

1. Apply knowledge and understanding to various accounting situations and problems
2. Select data which is relevant to specific needs of business
3. Present information in an orderly manner and in appropriate accounting form
4. Analyse information observing accounting procedures

Words that may be used in questions testing application will include: record, select, calculate, compile, prepare, draw up, write up, explain and display.

C. EVALUATION AND DECISION MAKING

Learners can:

1. Evaluate accounting information
2. Make decision based on accounting information

Words that may be used in questions testing evaluation and decision making will include: explain, compare, discuss, and distinguish

SPECIFICATION GRID

Paper	AO1. Knowledge with understanding	AO2. Application and Analysis	AO3. Evaluation and decision making
1	60%	30%	10%
2	50%	40%	10%

The percentages are not intended to provide a precise statement of the number of marks allocated to particular assessment objectives.

ASSESSMENT

All papers are compulsory. Candidates must enter for paper 1 and 2.

PAPER 1

Paper 1 will be a structured question paper consisting of five (5) questions.

- The questions will include 10 multiple choice items, short answer and structured questions.
- The duration of the paper will be 1 hour 30 minutes.
- All questions will be answered on the question paper.
- The total marks for the paper will be 100.
- The paper will contribute 50% of the total marks.

PAPER 2

Paper 2 will be a structured question paper consisting of five (5) questions.

- The duration of the paper will be 2 hours.
- All questions will be answered on the question paper.
- The total mark for the paper will be 100.
- The paper will contribute 50% of the total marks.

WEIGHTING OF PAPERS

PAPER	WEIGHTING
1	50
2	50

CURRICULUM CONTENT

1. MEANING AND PURPOSE OF BOOKKEEPING AND ACCOUNTS
<p>All learners can:</p> <ul style="list-style-type: none">1.1 understand Bookkeeping, Accounting and transaction1.2 acknowledge the uses and users of accounting information within and outside the business.1.3 recognise the interest of users of accounting information1.4 state the purpose of measuring business profit and loss
2. ACCOUNTING CONCEPTS AND CONVENTION
<p>All learners can:</p> <p>Display understanding of the main concepts underlying the preparation of accounting statements:</p> <ul style="list-style-type: none">2.1 Business entity: appreciate that a distinction is made between the financial transactions of a business and that of its owner.2.2 Duality: that every transaction has two aspects.2.3 Money measurement: that all transactions are expressed in monetary terms.2.4 Prudence: that revenue should not be recorded before it is earned.2.5 Historical cost: that assets are normally recorded at cost price.2.6 Consistency: that the same accounting policy should be applied to similar items at all times.
3. ACCOUNTING TERMINOLOGY
<p>All learners can:</p> <ul style="list-style-type: none">3.1 understand accounting terms: Transaction, Sales , Purchases, Capital, Inventory, Assets, Income, Expenses, Expenditure, Drawings, Liabilities, Debit, Credit, Trade receivables, Trade payables and Turnover.3.2 show an understanding of non-current assets, current assets, non-current liabilities and current liabilities

4. ACCOUNTING EQUATION

All learners can:

- 4.1 display knowledge of the accounting equation..
- 4.2 demonstrate understanding of the effects of transactions on assets, liabilities and capital.

5. SOURCE DOCUMENTS

All learners can:

- 5.1 recognise and understand source documents: invoice(issued and received), debit note, credit note, cheque, receipt, petty cash voucher and statement of account.
- 5.2 show knowledge of the uses and contents of the source documents in 5.1.
- 5.3 understand the importance of keeping source documents

6. SUBSIDIARY BOOKS

All learners can:

- 6.1 Show an understanding of subsidiary books, record data from given documents and transactions into relevant books of prime entry: cash book, petty cash book, sales journal, sales returns journal, purchases journal, purchases returns journal and general journal: (uses - purchases and sale of fixed assets on credit, interest charged and earned, drawings, opening statement, depreciation on non-current assets, inventory, irrecoverable debts, expenses incurred on credit e. g stationery, repairs etc).
- 6.2 Understand cash and trade discounts.
- 6.3 calculate the amount of cash, purchases, sales, purchases returns and sales returns to be recorded in the subsidiary books after taking into consideration trade and cash discounts
- 6.4 show an understanding of instances when an allowance could be made on a customer's account.
- 6.5 understand Value Added Tax (VAT), the current rate and its purposes

7. DOUBLE ENTRY AND DIVISION OF THE LEDGER

All learners can:

- 7.1 demonstrate an understanding of the meaning of the ledger and double entry
- 7.2 recognise the classes of ledger account:
nominal, personal: trade payables, trade receivables, proprietary (drawings and capital) and real
account
- 7.3 recognise the divisions of the ledger accounts:
general ledger, purchases ledger and sales ledger
- 7.4 record transactions in the ledger accounts observing the duality concept (from given transactions and from subsidiary books), using either "T" account format or running balance
- 7.5 balance off ledger account and bring down balances
- 7.6 show understanding of ledger accounts' entries and balances.

8. TRIAL BALANCE

All learners can:

- 8.1 understand the meaning and purpose of a trial balance
- 8.2 balance ledger accounts and prepare trial balance
- 8.3 prepare a trial balance from a given list of balances
- 8.4 understand the meaning and purpose of a suspense account
- 8.5 show how the difference in the totals of the trial balance is treated in the trial balance and suspense account
- 8.6 show knowledge of errors that may not be revealed by a trial balance **and** correct them (omission, commission, principle, original entry, complete reversal of entries, compensating error and transposition)
- 8.7 prepare a trial after the correction of errors
- 8.8 understand the effects of correcting errors on a statement of financial position (non-current assets, current assets and current liabilities)
- 8.9 show knowledge of errors that are revealed by a trial balance (arithmetic errors, posting twice to the ledger and single entry errors). **Correction of these errors is not required.**

8 FINANCIAL STATEMENTS OF A SOLE TRADER

All learners can:

- 9.1 display knowledge of a sole trader business
- 9.2 recognise the objectives of preparing financial statements
- 9.3 recognise items specific to each statement: (income statement and statement of financial position)
- 9.4 prepare income statement and statement of financial position in horizontal and vertical format
- 9.5 ascertain profit for the year when preparing statements from a given list of items.

10 ADJUSTMENTS TO FINANCIAL STATEMENTS

All learners can:

- 10.1 show an understanding of the following terms: depreciation of non-current assets, accruals and prepayments, irrecoverable debts and provision for doubtful debts
- 10.2 calculate depreciation using straight line and reducing balance methods.
(Ledger accounts are not required)
- 10.3 prepare financial statements with adjustments for the following: accruals and prepayments, depreciation of non-current assets, irrecoverable debts, closing inventory, provision for doubtful debts; (creation, increase and decrease)

11 BANK RECONCILIATION STATEMENT

All learners can:

- 11.1 understand the importance of reconciling the cash book and bank statement balances
- 11.2 prepare a supplementary cash book
- 11.3 show an understanding of the following terms: standing order, direct debit, credit transfer, dishonoured cheques, bank charges, uncredited and unpresented cheques.
- 11.4 recognise the need for preparing a bank reconciliation statement
- 11.5 prepare reconciliation statement given: a cash book and a bank statement

- and a list of cash book and bank statement items
- 11.6 prepare a reconciliation statement: Starting with a balance as per cash book and starting with a balance as per bank statement (favourable and unfavourable)
 - 11.7 recognise and explain what is meant by favourable and unfavourable balance
 - 11.8 show an understanding of the difference between a bank loan and a bank Overdraft

12 CAPITAL AND REVENUE EXPENDITURE

All learners can:

- 12.1 show understanding of revenue and capital expenditure
- 12.2 select revenue and capital expenditure items from given transactions
- 12.3 demonstrate understanding of capital and revenue receipts
- 12.4 select revenue and capital receipt items from given transactions
- 12.5 show the effects of expenditure and receipts on: assets, liabilities, expenses and profit.

13 ACCOUNTS OF NON TRADING CONCERNS

All learners can:

- 13.1 show understanding of non-profit making organisations
- 13.2 recognise non-profit making organisations in Swaziland and internationally
- 13.3 understand how non-profit making organisations raise funds and income: subscriptions, donations, joining fees and gate takings
- 13.4 show knowledge of receipts and payments and income and expenditure accounts
- 13.5 prepare receipts and payments accounts
- 13.6 calculate the accumulated fund
- 13.7 prepare income and expenditure accounts and statement of financial position with adjustments; prepayments, accruals and depreciation
- 13.8 recognise the importance of keeping financial records by non- profit making Organisations

14 ELEMENTARY PARTNERSHIP ACCOUNTS

All learners can:

- 14.1 show understanding of a partnership business: formation, contents of a partnership agreement
- 14.2 understand the purpose of preparing an appropriation account, current account and capital account
- 14.3 prepare a partnership income statement and statement of financial position in the horizontal and vertical formats
- 14.4 prepare appropriation account showing: profit for the year, interest on capital, interest on drawings, salaries, commission, share of profit per partner and interest on partners loan
- 14.5 prepare current accounts in columnar form and T-format accounts
- 14.6 understand why interest on drawings is charged and interest on capital is paid in a partnership

GRADE DESCRIPTIONS

Grade descriptions are provided to give a general indication of the standards of achievement likely to have been attained by candidates awarded particular grades. The candidates will be awarded grades A to F. The grade awarded will depend on the extent to which the candidate has met the assessment objectives overall and may conceal weaknesses in one aspect of the examination which is balanced by above-average performance on some other.

The criteria for the standard of achievement likely to have been attained by candidates awarded A, C and E are shown below.

A Grade A candidate has demonstrated the following abilities:

AO1 knowledge and understanding

- authoritative, deep and holistic understanding of facts, principles and techniques in relation to the content of the syllabus
- A very good understanding of the main principles and themes of the syllabus

AO2 Application and analysis

- Excellent ability to classify and comment on information presented in various forms
- Excellent ability to select and use appropriate data to synthesize accounting statements and apply concepts

AO3 Evaluation and Decision Making

- An ability to express the synthesis of ideas or applications in a clear and logical manner
- A thorough ability to interpret and evaluate accounting information, draw reasoned conclusions, and make sound judgements and decisions.

AO4 Extended thinking

- An excellent ability to conduct research, organise time and a variety of skills in the practical paper
- An excellent ability to make clear and critically reasoned judgements and communicate them in an accurate and logical manner

A Grade C candidate has demonstrated the following abilities:

AO1 Recall and reproduction

- A sound understanding of facts, principles and techniques in relation to the content of the syllabus
- A good ability to define the main principles and themes of the syllabus

AO2 Skills and concepts

- A good ability to classify and comment on information presented in various forms
- A good ability to select and use appropriate data to synthesize accounting statements and apply concepts

AO3 Strategic thinking

- An ability to express the synthesis of ideas or applications
- A good ability to interpret and evaluate accounting information, draw reasoned conclusions, and make sound judgements and decisions.

A Grade E candidate has demonstrated the following abilities:

AO1 Recall and reproduction

- Some understanding of facts, principles and techniques in relation to the content of the syllabus
- Some ability to define the main principles and themes of the syllabus

AO2 Skills and concepts

- Some ability to classify and comment on information presented in various forms
- Some ability to select and use appropriate data to synthesize accounting statements and apply concepts

A03. Evaluation and Decision Making

A minimum ability to express the synthesis of ideas or applications

- Some ability to interpret and evaluate accounting information, draw conclusions, and make judgements and decisions.

COMMAND WORDS

Ascertain	To find out or to compute a specific amount. Often used in place of “Calculate”.
Balance off	Making the two sides of an account equal, showing the difference of the debit side and credit side as balance.
Calculate	“work out”. Often no format specified. Sometimes accompanied by “show works”.
Define	Write down an explanation of the meaning of an accounting term, for example “Define assets”.
Distinguish	Write down differences between two accounting statements or methods of recording something
Draw up	Often used in place of “Prepare”. Present something in account format. For an example “Draw up a Bank reconciliation statement “.
Enter	Record given information in specified accounts/books. Often used in place of “make entries”.
Explain	Give a written account of what something means/why it is done.
Give	Write down, sometimes used in place of “State”. Often used as “Give one example of current assets”.
Identify	To select a specific type of information or categorizing accounting information, for example, “Identify the Trading, Profit and Loss items”.
List	Write down information in a number of points – usually without explanation
Make entries	Record transactions in specified accounts.
Name	Write down the title of, etc. Usually used for short/ one word answers.
Outline	Write down. Often used in place of “State”. Give a brief written account of something. For example, “Outline the purpose of preparing final accounts”.
Post	Transferring an entry from a ledger account to complete double entry.

Prepare	Present accounting information in a suitable format, for example “Prepare journal entries”.
Record	Make necessary entries of accounting information. Often used in place of “enter” or “Write up”.
Select	Choose relevant information from given. Usually linked to a further instruction, for example “Select relevant income and expenses and prepare a Profit and Loss account”.
State	“Write down” Used where written explanation is required, for example State how non -trading organisations raise funds”.
Write Up	Sometimes used in place of “Prepare”. Often used in connection with ledger accounts, books of original entry”.

INTERNATIONAL STANDARDS TERMINOLOGY

Financial Statements
Income Statement
Revenue
Cost of Sales
Inventory
Operating expenses
Irrecoverable debts
Non-current assets
Trade receivables
Trade payables
Non – current Liabilities
Equity/capital

