



ZIMBABWE

# MINISTRY OF PRIMARY AND SECONDARY EDUCATION

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## ACCOUNTING (NON-FORMAL) SYLLABUS LEVEL 3

2015 – 2022

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2015

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# 1.0 PREAMBLE

## 1.1 Introduction

This Compressed Accounting Syllabus is designed for Level 3 learners. Learners wishing to pursue Accounting Level 3 should have successfully completed Principles of Accounting (Non-Formal) Level 2 or Principles of Accounting Form 4. The syllabus helps to promote the development of accounting skills in an indigenised economy which foster attributes of investigation and enquiry in learners. These attributes are critical elements of a sound and vibrant business as they enhance self-reliance and promote the use of Information and Communication Technology (ICT) tools in processing business transactions. This syllabus also acts as a pathway for entry into tertiary education.

## 1.2 Rationale

Zimbabwe's indigenisation policy encourages learners to apply enterprising skills and to create employment. The accounting concepts, policies and business ethics will equip learners with a diverse knowledge to live in a changing economic and technological environment. The Compressed Accounting Syllabus seeks to inculcate the values of Unhu/Ubuntu/Vumunhu and also enables learners to apply accounting knowledge and skills to provide solutions to the challenges of the individual, community and the world of business at large. It acts as a gateway to careers in such fields as teaching, bookkeeping, auditing, accounting, banking and finance.

The Accounting syllabus enables learners to develop skills in:

- Critical thinking
- Problem solving
- Decision making
- Management
- Communication and team building
- Technology
- Enterprising

### **1.3 Summary of Content**

The Compressed Syllabus will cover financial accounting and reporting as well as cost and management accounting for different forms of organisations, using both manual and computerised systems.

### **1.4 Assumptions**

The Compressed Syllabus assumes that learners:

- have Principles of Accounting and Mathematics passes at Level 2 or Form 4
- are aware of the role of Accounting in organisations
- have acquired computer literacy skills

### **1.5 Cross Cutting Themes**

Accounting is a learning area that will encompass and address the following cross cutting issues:

- Enterprise
- ICT
- Financial literacy
- Team work
- Gender equity
- Children's constitutional rights and responsibilities
- Disaster risk management
- Environmental issues
- Guidance and counselling
- Unhu/Ubuntu/Vumunhu (norms and values)

## **2.0 PRESENTATION OF SYLLABUS**

The Compressed Accounting syllabus is presented as a single document. It is a one year learning area including a competence matrix and a suggested list of resources that can be used.

## **3.0 AIMS**

The syllabus aims to enable learners to:

- 3.1 develop the knowledge and skills of applying accounting concepts, principles and practices.
- 3.2 exhibit competencies of planning, budgeting and management of financial resources.
- 3.3 acquire a critical and analytical approach to examining and evaluating accounting policies and practices.
- 3.4 develop skills of communication, analysis, interpretation and presentation of both quantitative and qualitative accounts.
- 3.5 appreciate the role of accounting in business.
- 3.6 design and evaluate a project and make informed decisions.
- 3.7 apply self-respect and respect for others (Unhu/Ubuntu/Vumunhu) when performing business transactions.
- 3.8 demonstrate proficiency in the use of ICT tools in processing accounting data

## **4.0 OBJECTIVES OF THE SYLLABUS**

Learners should be able to:

- 4.1 explain accounting concepts, principles and practices
- 4.2 apply accounting concepts, principles, policies and practices in preparing financial statements
- 4.3 demonstrate competencies of planning, budgeting and management of resources
- 4.4 present accounting information in an accurate, orderly, clear and logical way
- 4.5 analyse and interpret financial statements effectively for the benefit of users
- 4.6 communicate accounting information meaningfully to users
- 4.7 manage a project effectively
- 4.8 practice transparency in executing transactions
- 4.9 apply internal control systems
- 4.10 use ICT tools in recording and processing accounting data



## **5.0 METHODOLOGY AND TIME ALLOCATION**

### **5.1 Methodology**

For effective teaching and learning of Accounting, learner centred and multi-sensory approaches as well as principles of individualisation and concreteness are going to be applied. The following suggested learning and teaching methods will be used

- Case studies
- Discussions
- Resource persons
- ICT
- Research
- Educational tours
- Problem based learning
- Cooperative learning

### **5.2 Time allocation**

The learning area should be allocated 2 hours per week, while taking cognisance that learners should create more time for their own studies.

## **6.0 TOPICS**

**TOPIC 1: FINANCIAL ACCOUNTING**

**TOPIC 2: FINANCIAL REPORTING**

**TOPIC 3: COST ACCOUNTING**

**TOPIC 4: MANAGEMENT ACCOUNTING**

## 7.0 SCOPE AND SEQUENCE

### TOPIC 1: FINANCIAL ACCOUNTING.

SUB-TOPIC	LEVEL 3
Introduction to Accounting and Business Ethics	<ul style="list-style-type: none"> <li>• Users of accounting information and their information needs</li> <li>• Business Ethics               <ul style="list-style-type: none"> <li>- applications</li> </ul> </li> <li>• Types of business organisations               <ul style="list-style-type: none"> <li>- formal</li> <li>- non-formal</li> </ul> </li> <li>• Branches of accounting               <ul style="list-style-type: none"> <li>- Financial accounting</li> <li>- Financial reporting</li> <li>- Cost accounting</li> <li>- Management accounting</li> </ul> </li> </ul>
Accounting Concepts	<ul style="list-style-type: none"> <li>• The historical cost convention</li> <li>• The concept of money measurement</li> <li>• The principle of substance over form</li> <li>• The realisation concept</li> <li>• The prudence concept</li> <li>• The matching (accruals) concept</li> <li>• The concept of materiality</li> <li>• The consistency concept</li> <li>• The going concern concept</li> </ul>
Double entry up to the Trial Balance	<ul style="list-style-type: none"> <li>• Accounts for expenses and income including prepayments and accruals</li> <li>• Accounts of non-current assets, liabilities and capital</li> <li>• Accounts of disposals on non-current assets</li> </ul>

SUB-TOPIC	LEVEL 3
	<ul style="list-style-type: none"> <li>• Accounts of provision for depreciation</li> <li>• Accounts for bad debts</li> <li>• Accounts of allowances for doubtful debts</li> <li>• Trial balance</li> </ul>
Trial Balance and Errors	<ul style="list-style-type: none"> <li>• Errors which do not affect the trial balance</li> <li>• Errors which affect the trial balance and suspense accounts</li> <li>• Correction of errors through the journal proper</li> <li>• Preparation of suspense accounts</li> <li>• Preparation of corrected trial balances</li> <li>• Correction of gross profit</li> <li>• Correction of net profit or net loss</li> <li>• Correction of working capital</li> </ul>
Control Applications	<ul style="list-style-type: none"> <li>• Adjustments to control accounts and personal accounts</li> <li>• Reconciliation of personal ledger balances to control account balances</li> <li>• Updated cash book</li> <li>• Bank reconciliation statements</li> <li>• Treatment of bank overdraft</li> <li>• Errors in the cash book and on bank statements</li> </ul>
Valuation of Assets	<ul style="list-style-type: none"> <li>• Inventory valuation - IAS2 <ul style="list-style-type: none"> <li>- Inventory valuation basis: Cost or net realisable value</li> </ul> </li> <li>• Valuation methods: Perpetual and periodic <ul style="list-style-type: none"> <li>- First in First Out (FIFO)</li> <li>- Weighted Average Cost (AVCO)</li> </ul> </li> <li>• Non-current assets valuation IAS16</li> <li>• Non-current assets valuation methods <ul style="list-style-type: none"> <li>- Replacement cost</li> <li>- Disposal or exit value (Net realisable value)</li> </ul> </li> </ul>

SUB-TOPIC	LEVEL 3
Financial statements: IAS1	<ul style="list-style-type: none"> <li>• Statements of profit and loss and other comprehensive income for sole proprietors, partnerships and companies which may be small to medium scale enterprises or large businesses</li> <li>• Statements of changes in equity of companies</li> <li>• Capital and current accounts of partnerships</li> <li>• Statements of financial position of sole proprietors, partnerships and companies which may be small to medium enterprises or large businesses</li> <li>• Statements of cash flows (IAS7)</li> <li>• Notes to financial statements</li> <li>• Directors' reports</li> <li>• Auditors' reports</li> </ul>
Incomplete Records Accounting	<ul style="list-style-type: none"> <li>• Statements of affairs</li> <li>• Statements of profit and loss and other comprehensive income</li> <li>• Profit estimation</li> <li>• Statements of financial position</li> </ul>
Not for Profit Organisations	<ul style="list-style-type: none"> <li>• Sources of income: <ul style="list-style-type: none"> <li>- Subscriptions</li> <li>- Life membership fees</li> <li>- Donations</li> <li>- Income generating activities such as: dinner dances and raffles</li> </ul> </li> <li>• Income statements for income generating activities</li> <li>• Income and expenditure accounts</li> <li>• Accumulated funds</li> <li>• Statements of financial position</li> </ul>
Further considerations in Partnership Accounting	<ul style="list-style-type: none"> <li>• Partnership changes</li> <li>• Goodwill and revaluation of assets</li> <li>• Financial statements</li> </ul>

SUB-TOPIC	LEVEL 3
	<ul style="list-style-type: none"> <li>• Partnership dissolution</li> <li>• Realisation accounts</li> <li>Capital and current accounts</li> </ul>
Manufacturing Businesses	<ul style="list-style-type: none"> <li>• Manufacturing accounts</li> <li>• Manufacturing profit</li> <li>• Unrealised profit</li> <li>• Statements of profit and loss and other comprehensive income</li> <li>• Statements of financial position</li> </ul>
Departmental Accounting	<ul style="list-style-type: none"> <li>• Costs and ancillary income</li> <li>• Departmental statements of profit and loss and other comprehensive income</li> <li>• Statements of financial position</li> </ul>
Sources of Capital	<ul style="list-style-type: none"> <li>• Types of shares: <ul style="list-style-type: none"> <li>- Ordinary</li> <li>- Preference</li> <li>- Redeemable ordinary</li> <li>- Redeemable preference</li> </ul> </li> <li>• Loan notes (loan capital): <ul style="list-style-type: none"> <li>- Redeemable</li> <li>- Irredeemable</li> </ul> </li> <li>• Convertible loan stock</li> <li>Advantages and disadvantages of various sources of capital</li> </ul>
Issue and Redemption of Shares	<ul style="list-style-type: none"> <li>• Raising and repayment of share capital</li> <li>• Bonus issue</li> <li>• Rights issue</li> <li>• Share premium</li> <li>• Raising and repayment of loans</li> <li>• Extracts of statements of financial position</li> </ul>

<b>SUB-TOPIC</b>	<b>LEVEL 3</b>
	<ul style="list-style-type: none"> <li>• Capital Redemption Reserve accounts</li> </ul>
Issue and Redemption of Loan Notes	<ul style="list-style-type: none"> <li>• Raising and repayment of loans</li> <li>• Extracts of statements of financial position</li> </ul>
Business Purchase	<ul style="list-style-type: none"> <li>• Companies taking over sole proprietors or partnerships which may be small to medium scale enterprises or large businesses</li> <li>• Business purchase accounts</li> <li>• Journal entries</li> <li>• Statements of financial position after purchase</li> </ul>

## **TOPIC 2: FINANCIAL REPORTING.**

<b>SUB-TOPIC</b>	<b>LEVEL 3</b>
International Accounting Standards	<ul style="list-style-type: none"> <li>• International Accounting Standards (IAS) <ul style="list-style-type: none"> <li>- 1 Presentation of financial statements</li> <li>- 2 Inventories</li> <li>- 7 Statements of cash flows</li> <li>- 8 Accounting policies, changes in accounting estimates and errors</li> <li>- 10 Events after the reporting period</li> <li>- 16 Property, plant and equipment</li> <li>- 36 Impairment of assets</li> <li>- 38 Intangible assets</li> </ul> </li> </ul>
Interpretation and analysis of financial statements	<ul style="list-style-type: none"> <li>• Profitability Ratios <ul style="list-style-type: none"> <li>- Gross profit margin</li> <li>- Net profit margin</li> <li>- Return on assets</li> <li>- Return on equity</li> </ul> </li> </ul>

SUB-TOPIC	LEVEL 3
	<ul style="list-style-type: none"> <li>- Return on capital employed</li> <li>- Operating expenses to sales</li> <li>• Financial ratios <ul style="list-style-type: none"> <li>- Current ratio</li> <li>- Quick ratio</li> <li>- Accounts receivable collection period</li> <li>- Accounts payable payment period</li> <li>- Rate of inventory turnover</li> </ul> </li> <li>• Resource utilisation ratios <ul style="list-style-type: none"> <li>- Total assets turnover</li> <li>- Non-current assets turnover</li> <li>- Current assets turnover</li> <li>- Capital employed turnover</li> </ul> </li> <li>• Investment ratios <ul style="list-style-type: none"> <li>- Earnings per share</li> <li>- Price earnings ratios</li> <li>- Debt to equity ratio</li> <li>- Dividend yield</li> <li>- Dividend cover</li> <li>- Dividend per share</li> <li>- Gearing</li> <li>- Earnings yield</li> </ul> </li> </ul>



### TOPIC 3: COST ACCOUNTING.

SUB-TOPIC	LEVEL 3
Cost terms and purpose	<ul style="list-style-type: none"> <li>• Cost</li> <li>• Costing</li> <li>• Cost coding</li> <li>• Cost unit</li> <li>• Cost centre</li> <li>• Period and product costs</li> <li>• Relevant and irrelevant costs</li> <li>• Opportunity costs</li> <li>• Sunk costs</li> <li>• Fixed, variable, semi-fixed and semi-variable costs</li> <li>• Cost accounting and management accounting</li> </ul>
Absorption Costing	<ul style="list-style-type: none"> <li>• Overhead apportionment, allocation and allotment</li> <li>• Overhead absorption:               <ul style="list-style-type: none"> <li>- Overhead absorption rates</li> <li>- Overhead analysis sheet</li> </ul> </li> <li>• Over and under absorption (application)</li> <li>• The Profit statements</li> <li>• Uses and limitations of absorption costing</li> </ul>
Marginal Costing	<ul style="list-style-type: none"> <li>• Closing inventory</li> <li>• Contribution</li> <li>• The Profit statements</li> <li>• Reconciliation of absorption and marginal profits</li> <li>• The differences between marginal and absorption costing</li> <li>• Margin of safety</li> <li>• Contribution to sales ratio</li> <li>• Short run decision making</li> </ul>

<b>SUB-TOPIC</b>	<b>LEVEL 3</b>
	<ul style="list-style-type: none"> <li>• Cost-volume-profit-analysis</li> </ul>
Job and Batch Costing	<ul style="list-style-type: none"> <li>• Elements of job and batch costing</li> <li>• Prime cost of a job or a batch</li> <li>• Absorption of overheads into a job or a batch</li> <li>• Total cost of a job</li> <li>• Selling price of a job or a batch</li> </ul>
Standard Costing	<ul style="list-style-type: none"> <li>• Standards</li> <li>• Types of standards</li> <li>• Types of variances – material, labour and sales</li> <li>• Variance analysis</li> <li>• Reconciliation statements</li> </ul>

#### **TOPIC 4: MANAGEMENT ACCOUNTING.**

<b>SUB-TOPIC</b>	<b>LEVEL 3</b>
Budgeting and Budgetary Control	<ul style="list-style-type: none"> <li>• Importance of budgeting and budgetary control systems</li> <li>• Behavioural aspects of budgeting</li> <li>• Types of budgets: <ul style="list-style-type: none"> <li>- Sales</li> <li>- Production and purchases in units and value</li> <li>- Cash</li> <li>- Master</li> </ul> </li> <li>• Limiting factors on preparation of budgets</li> <li>• Flexed budget statements</li> <li>• Causes of differences between actual and flexed budgets</li> </ul>

<b>SUB-TOPIC</b>	<b>LEVEL 3</b>
Investment Appraisal	<ul style="list-style-type: none"><li>• Investment appraisal techniques and decision criteria:<ul style="list-style-type: none"><li>- Accounting Rate of Return</li><li>- Payback Period</li><li>- Net Present Value</li><li>- Internal Rate of Return</li></ul></li><li>• Advantages and disadvantages of investment appraisal techniques</li></ul>

## 8.0 COMPETENCY MATRIX

### LEVEL 3

#### TOPIC 1: FINANCIAL ACCOUNTING

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
Introduction to Accounting and Business Ethics	<ul style="list-style-type: none"> <li>identify users of accounting information and their information needs</li> <li>explain the importance of good business ethics</li> <li>apply business ethics in day to day business transactions</li> <li>list types of business organisations</li> <li>explain the branches of accounting</li> </ul>	<ul style="list-style-type: none"> <li>Users of accounting information and their information needs.</li> <li>Business ethics -applications</li> <li>Types of business organisations               <ul style="list-style-type: none"> <li>formal</li> <li>non-formal.</li> </ul> </li> <li>branches of accounting               <ul style="list-style-type: none"> <li>financial accounting</li> <li>financial reporting</li> <li>cost accounting</li> <li>management accounting.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Identifying users of accounting information and their information needs.</li> <li>Explaining importance of good business ethics</li> <li>Applying business ethics in running projects.</li> <li>Listing types of business organisations.</li> <li>Explaining the branches of accounting.</li> </ul>	<ul style="list-style-type: none"> <li>ICT tools</li> <li>Braille</li> </ul>
Accounting Concepts	<ul style="list-style-type: none"> <li>explain the accounting concepts</li> <li>apply accounting concepts in preparing</li> </ul>	<ul style="list-style-type: none"> <li>The historical cost convention.</li> <li>The concept of money measurement.</li> </ul>	<ul style="list-style-type: none"> <li>Stating the accounting concepts.</li> <li>Discussing applications of the accounting</li> </ul>	<ul style="list-style-type: none"> <li>ICT tools</li> <li>Published financial statements</li> </ul>

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
	financial statements	<ul style="list-style-type: none"> <li>• The principle of substance over form.</li> <li>• The prudence concept.</li> <li>• The matching (accruals) concept.</li> <li>• The concept of materiality.</li> <li>• The consistency concept.</li> <li>• The going concern concept.</li> <li>• The realisation concept.</li> </ul>	<p>concepts.</p> <ul style="list-style-type: none"> <li>• Applying accounting concepts in preparing financial statements.</li> <li>• Presenting researched data on accounting concepts.</li> <li>• Analysing importance of the accounting concepts in preparing financial statements.</li> </ul>	<ul style="list-style-type: none"> <li>• Braille</li> </ul>
Double entry up to the Trial Balance	<ul style="list-style-type: none"> <li>• explain the concept of double entry</li> <li>• identify the two accounts involved in a transaction</li> <li>• record business transactions in double entry</li> <li>• balance off ledger accounts</li> <li>• differentiate debit balances from credit balances</li> <li>• extract trial balances</li> </ul>	<ul style="list-style-type: none"> <li>• Accounts for expenses and income including prepayments and accruals.</li> <li>• Accounts of non-current assets, liabilities and capital.</li> <li>• Accounts of disposals of non-current assets.</li> <li>• Accounts of provision for depreciation.</li> <li>• Accounts for bad debts.</li> <li>• Accounts of allowances for doubtful debts.</li> </ul>	<ul style="list-style-type: none"> <li>• Explaining the concept of double entry.</li> <li>• Identifying the two accounts involved in a transaction.</li> <li>• Recording business transactions in double entry.</li> <li>• Balancing off ledger accounts.</li> <li>• Distinguishing debit balances from credit balances.</li> <li>• Extracting a trial balance</li> </ul>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Braille</li> </ul>

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
	<ul style="list-style-type: none"> <li>from the ledger</li> <li>• draft adjusting journal entries for accruals, prepayments and depreciation</li> </ul>	<ul style="list-style-type: none"> <li>• Trial balance.</li> </ul>	<ul style="list-style-type: none"> <li>from the ledger.</li> <li>• Observing double entry transactions.</li> <li>• Distinguishing between depreciation and provision for depreciation, bad debts and allowances for doubtful debts.</li> </ul>	
Trial Balance and Errors	<ul style="list-style-type: none"> <li>• identify errors which are revealed and not revealed by trial balance</li> <li>• distinguish between errors which affect trial balances and those errors which do not affect trial balances</li> <li>• correct errors using journal entries</li> <li>• prepare suspense accounts</li> <li>• draw up corrected trial balances</li> <li>• draw up statements of corrected net profit</li> </ul>	<ul style="list-style-type: none"> <li>• Errors which do not affect trial balances.</li> <li>• Errors which affect trial balances and suspense accounts.</li> <li>• Correction of errors through the journal proper.</li> <li>• Preparation of suspense accounts.</li> <li>• Preparation of corrected trial balances.</li> <li>• Correction of gross profit.</li> <li>• Correction of net profit or net loss.</li> <li>• Correction of working capital.</li> </ul>	<ul style="list-style-type: none"> <li>• Examining effects of errors on trial balances.</li> <li>• Identifying errors which are revealed and not revealed by trial balances.</li> <li>• Distinguishing between errors which affect trial balances and those errors which do not affect trial balances.</li> <li>• Correcting errors using journal entries.</li> <li>• Preparing suspense accounts.</li> <li>• Preparing corrected trial balances.</li> <li>• Drawing up statements of</li> </ul>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Braille</li> </ul>

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
			corrected net profit.	
Control Applications	<ul style="list-style-type: none"> <li>demonstrate importance of control applications in organisations</li> <li>examine differences between control accounts and personal ledger accounts</li> <li>prepare control accounts</li> <li>identify causes of differences between cash book and bank balances</li> <li>draw up bank reconciliation statements</li> <li>correct errors in the cash book and on bank statements</li> </ul>	<ul style="list-style-type: none"> <li>Control accounts.</li> <li>Adjustments to control accounts and personal accounts.</li> <li>Reconciliation of personal ledger balances to control account balances.</li> <li>Updated cash book.</li> <li>Bank reconciliation statements.</li> <li>Treatment of bank overdraft.</li> <li>Errors in the cash book and on the bank statements.</li> </ul>	<ul style="list-style-type: none"> <li>Discussing importance of control applications.</li> <li>Presenting researched data on causes of differences between bank and cash balances.</li> <li>Preparing control accounts and bank reconciliation statements.</li> <li>Reconciling personal ledger and control ledger balances.</li> <li>Correcting errors in the cash book and on bank statements.</li> </ul>	<ul style="list-style-type: none"> <li>ICT tools</li> <li>Accounting software</li> <li>Resource persons</li> <li>Braille</li> </ul>
Valuation of Assets	<ul style="list-style-type: none"> <li>state the provisions of International Accounting Standard 2</li> <li>outline the provisions of International Accounting Standard</li> </ul>	<ul style="list-style-type: none"> <li>Inventory valuation - IAS2</li> <li>- Inventory valuation basis: Cost or net realisable value.</li> <li>Valuation methods:</li> </ul>	<ul style="list-style-type: none"> <li>Outlining the meaning of International Accounting Standard 2.</li> <li>Outlining the meaning of International Accounting Standard 16.</li> </ul>	<ul style="list-style-type: none"> <li>ICT tools</li> <li>Accounting software</li> <li>Copies of International Accounting</li> </ul>

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
	16 <ul style="list-style-type: none"> <li>• explain inventory valuation methods</li> <li>• explain non-current assets valuation methods</li> <li>• calculate the value of inventory</li> <li>• calculate the value of non-current assets</li> </ul>	<ul style="list-style-type: none"> <li>- Perpetual and periodic</li> <li>- First in First Out (FIFO)</li> <li>- Weighted Average Cost (AVCO).</li> <li>• Non-current assets valuation IAS16.</li> <li>• Non-current assets valuation methods               <ul style="list-style-type: none"> <li>- Replacement cost</li> <li>- Disposal or exit value (Net realisable value) .</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Explaining methods used to value inventory</li> <li>• Computing the value of inventory.</li> <li>• Comparing inventory valuation methods.</li> <li>• Calculating the value of non-current assets.</li> </ul>	Standards 2 and 16 <ul style="list-style-type: none"> <li>• Braille</li> </ul>
Financial statements	<ul style="list-style-type: none"> <li>• identify financial statements that are prepared for sole proprietors, partnerships, and companies which may be small to medium scale enterprises or large businesses</li> <li>• identify elements of the financial statements of sole proprietors, partnerships and</li> </ul>	<ul style="list-style-type: none"> <li>• Statements of profit and loss and other comprehensive income for sole proprietors, partnerships and companies which may be small to medium scale enterprises or large businesses.</li> <li>• Statements of changes in equity of companies.</li> <li>• Capital and current accounts of</li> </ul>	<ul style="list-style-type: none"> <li>• Identifying financial statements that are prepared for sole proprietors, partnerships and companies which may be small to medium scale enterprises or large businesses.</li> <li>• Identifying elements of the financial statements of sole proprietors, partnerships and companies which may be</li> </ul>	<ul style="list-style-type: none"> <li>• ICT Tools</li> <li>• Published financial statement</li> <li>• Braille</li> </ul>



SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
	<p>companies which may be small to medium scale enterprises or large businesses</p> <ul style="list-style-type: none"> <li>• effect year-end adjustments using the accruals concept</li> <li>• prepare statements of profit and loss and other comprehensive income for sole proprietors, partnerships and companies which may be small to medium scale enterprises or large businesses in accordance with the requirements of IAS1</li> <li>• prepare statements of changes in equity of a company</li> <li>• prepare capital and current accounts of partnership</li> <li>• prepare statements of financial position of</li> </ul>	<p>partnerships.</p> <ul style="list-style-type: none"> <li>• Statements of financial position of sole proprietors, partnerships and companies which may be small to medium enterprises or large businesses.</li> <li>• Statements of cash flows (IAS7).</li> <li>• Notes to financial statements.</li> <li>• Directors' reports.</li> <li>• Auditors' reports.</li> </ul>	<p>small to medium scale enterprises or large businesses.</p> <ul style="list-style-type: none"> <li>• Effecting year-end adjustments using the accruals concept.</li> <li>• Preparing statements of profit and loss and other comprehensive income for sole proprietors, partnerships and companies which may be small to medium scale enterprises or large businesses.</li> <li>• Preparing appropriation accounts, current accounts and capital accounts of partnerships.</li> <li>• Preparing statements of changes in equity of a companies.</li> <li>• Preparing statements of financial position of sole proprietors, partnerships and companies which may be small to medium</li> </ul>	

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
	<p>sole proprietors, partnerships and companies which may be small to medium enterprises or large businesses in accordance with the requirements of IAS1</p> <ul style="list-style-type: none"> <li>• prepare statements of cash flows for sole proprietors, partnerships and companies which may be small to medium scale enterprises or large businesses in accordance with the requirements of IAS7</li> <li>• identify notes related to statements of profit and loss and other comprehensive income for a companies according to IAS1</li> <li>• identify notes related to statements of financial position for companies</li> </ul>		<p>scale enterprises or large businesses in accordance with the requirements of IAS1.</p> <ul style="list-style-type: none"> <li>• Distinguishing between statements of cash flows of unincorporated businesses and those of companies.</li> <li>• Explaining revenue (distributable) reserves and capital (non-distributable) reserves.</li> <li>• Preparing statement of cash flows for sole proprietors, partnerships and companies which may be small to medium scale enterprises or large businesses in accordance with the requirements of IAS7.</li> <li>• Preparing notes to financial statements.</li> </ul>	

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
	according to 1AS1 <ul style="list-style-type: none"> <li>• prepare notes to financial statements</li> <li>• summarise contents of the auditors' and directors' reports</li> </ul>		<b>The financial statements referred to in this section are those for internal use and not for publication</b>	
Incomplete Records Accounting	<ul style="list-style-type: none"> <li>• calculate missing figures using relevant ratios and ledger accounts</li> <li>• calculate capital using statements of affairs</li> <li>• calculate profit or loss using the accounting equation</li> <li>• prepare statements of profit and loss and other comprehensive income</li> <li>• prepare statements of financial position</li> </ul>	<ul style="list-style-type: none"> <li>• Statements of affairs.</li> <li>• Statements of profit and loss and other comprehensive income.</li> <li>• Profit estimation.</li> <li>• Statements of financial position.</li> </ul>	<ul style="list-style-type: none"> <li>• Calculating missing figures using relevant ratios and ledger accounts.</li> <li>• Calculating capital using statements of affairs.</li> <li>• Calculating profit using the accounting equation.</li> <li>• Preparing statements of profit and loss and other comprehensive income.</li> <li>• Preparing statements of financial position.</li> <li>• Visiting small to medium enterprises.</li> </ul>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Resource persons</li> <li>• Braille</li> </ul>
Non-Profit making Organisations	<ul style="list-style-type: none"> <li>• state sources of income for not for profit organisations</li> <li>• prepare subscriptions accounts taking into account subscriptions</li> </ul>	<ul style="list-style-type: none"> <li>• Sources of income:               <ul style="list-style-type: none"> <li>- Subscriptions</li> <li>- Life membership fees</li> <li>- Donations</li> <li>- Income</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Discussing sources of income for not for profit organisations.</li> <li>• Preparing subscriptions accounts.</li> <li>• Drafting income and</li> </ul>	<ul style="list-style-type: none"> <li>• Resource persons</li> <li>• Braille</li> </ul>

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
	<ul style="list-style-type: none"> <li>in advance and arrears</li> <li>• explain the accounting treatment of various types of donations</li> <li>• prepare income and expenditure accounts</li> <li>• calculate accumulated fund for not for profit organisations</li> <li>• draft statements of financial position for not for profit organisations</li> </ul>	<ul style="list-style-type: none"> <li>generating activities such as. dinner dances and raffles.</li> <li>• Income statements for income generating activities.</li> <li>• Income and expenditure accounts.</li> <li>• Accumulated fund.</li> <li>• Statements of financial position.</li> </ul>	<ul style="list-style-type: none"> <li>expenditure accounts.</li> <li>• Calculating accumulated fund.</li> <li>• Drafting statements of financial position for not for profit organisations.</li> </ul>	
Further considerations in Partnership Accounting	<ul style="list-style-type: none"> <li>• explain reasons for partnership changes</li> <li>• account for changes in a partnerships</li> <li>• prepare capital and current accounts to reflect changes of goodwill and revaluation of assets</li> <li>• prepare statements of financial position after changes in partnerships</li> <li>• prepare ledger accounts to close books</li> </ul>	<ul style="list-style-type: none"> <li>• Partnership changes.</li> <li>• Goodwill and revaluation of assets.</li> <li>• Financial statements.</li> <li>• Partnership dissolutions.</li> <li>• Realisation accounts.</li> <li>• Capital and current accounts.</li> </ul>	<ul style="list-style-type: none"> <li>• Discussing reasons for partnership changes.</li> <li>• Preparing journal entries and capital accounts to show effects of partnership changes.</li> <li>• Drawing up revaluation accounts.</li> <li>• Drafting statements of financial position after partnership changes.</li> <li>• Preparing journal entries and ledger accounts to close books of</li> </ul>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Resource persons</li> <li>• Braille</li> </ul>

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
	of partnerships		partnerships.  <b>Questions will not be set on piecemeal realisation and the rule in Garner versus Murray.</b>	
Manufacturing Businesses	<ul style="list-style-type: none"> <li>• classify manufacturing costs for small to medium scale enterprises or large businesses</li> <li>• explain manufacturing profit and unrealised profit</li> <li>• draw up a manufacturing accounts</li> <li>• prepare financial statements for manufacturing companies</li> </ul>	<ul style="list-style-type: none"> <li>• Manufacturing accounts.</li> <li>• Manufacturing profit.</li> <li>• Unrealised profit.</li> <li>• Statements of profit and loss and other comprehensive income.</li> <li>• Statements of financial position.</li> </ul>	<ul style="list-style-type: none"> <li>• Classifying manufacturing costs for small to medium scale enterprises or large businesses.</li> <li>• Explaining manufacturing profit and unrealised profit.</li> <li>• Preparing manufacturing accounts and financial statements.</li> <li>• Visiting manufacturing companies.</li> </ul>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Braille</li> <li>• Resource persons</li> </ul>
Departmental Accounting	<ul style="list-style-type: none"> <li>• apportion expenses and ancillary incomes to departments using appropriate bases</li> </ul>	<ul style="list-style-type: none"> <li>• Costs and ancillary income.</li> <li>• Departmental statements of profit and</li> </ul>	<ul style="list-style-type: none"> <li>• Apportioning expenses to departments using appropriate bases.</li> <li>• Drafting departmental</li> </ul>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Resource persons</li> <li>• Braille</li> </ul>

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
	<ul style="list-style-type: none"> <li>• prepare departmental statements of profit and loss and other comprehensive income</li> <li>• draft statements of financial position</li> </ul>	<p>loss and other comprehensive income.</p> <ul style="list-style-type: none"> <li>• Statements of financial position.</li> </ul>	<p>statements of profit and loss and other comprehensive income.</p> <ul style="list-style-type: none"> <li>• Preparing statements of financial position.</li> </ul>	
Sources of capital	<ul style="list-style-type: none"> <li>• state the main types of shares used in raising capital</li> <li>• differentiate loan notes from convertible loan stock</li> <li>• describe advantages and disadvantages of various sources of capital</li> </ul>	<ul style="list-style-type: none"> <li>• Types of shares: <ul style="list-style-type: none"> <li>- Ordinary</li> <li>- Preference</li> <li>- Redeemable ordinary</li> <li>- Redeemable preference.</li> </ul> </li> <li>• Loan notes (loan capital): <ul style="list-style-type: none"> <li>- Redeemable</li> <li>- Irredeemable.</li> </ul> </li> <li>• Convertible loan stock.</li> <li>• Advantages and disadvantages of various sources of capital.</li> </ul>	<ul style="list-style-type: none"> <li>• Explaining sources of capital.</li> <li>• Distinguishing types of shares.</li> <li>• Differentiating loan notes from convertible loan stock.</li> <li>• Describing advantages and disadvantages of various sources of capital.</li> </ul>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Print media</li> <li>• Braille</li> <li>• Resource persons</li> </ul>
Issue and Redemption of Shares	<ul style="list-style-type: none"> <li>• analyse effects of issue of shares on the statements of financial position</li> <li>• assess different types</li> </ul>	<ul style="list-style-type: none"> <li>• Raising and repayment of share capital.</li> <li>• Bonus issue.</li> <li>• Rights issue.</li> <li>• Share premium.</li> </ul>	<ul style="list-style-type: none"> <li>• Analysing effects of issue of shares on statements of financial position.</li> <li>• Explaining reasons for</li> </ul>	<ul style="list-style-type: none"> <li>• Published financial statements</li> <li>• ICT tools</li> <li>• Resource persons</li> </ul>

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
	<ul style="list-style-type: none"> <li>• of shares</li> <li>• explain why companies may redeem or purchase own shares</li> <li>• examine uses of share premium and their effect on capital structure</li> <li>• calculate bonus and rights issues and show their effect on capital</li> <li>• distinguish between rights and bonus issue</li> <li>• create Capital Redemption Reserve accounts</li> <li>• prepare extracts of statements of financial position</li> </ul>	<ul style="list-style-type: none"> <li>• Extracts of statements of financial position.</li> <li>• Capital Redemption Reserve account.</li> </ul>	<ul style="list-style-type: none"> <li>• redemption.</li> <li>• Discussing effects of bonus and rights issue.</li> <li>• Discussing differences between rights and bonus issue.</li> <li>• Calculating bonus and rights issue.</li> <li>• Examining uses of share premium and their effect on capital structure.</li> <li>• Creating Capital Redemption Reserve accounts.</li> <li>• Drafting extracts of statements of financial position.</li> </ul>	<ul style="list-style-type: none"> <li>• Braille</li> </ul>
Issue and redemption of loan notes	<ul style="list-style-type: none"> <li>• explain purposes of loan notes and their effects on statements of financial position</li> <li>• draft extracts of statements of financial position after issue or redemption of loan</li> </ul>	<ul style="list-style-type: none"> <li>• Raising and repayment of loans.</li> <li>• Extracts of statements of financial position.</li> </ul>	<ul style="list-style-type: none"> <li>• Discussing uses of loan notes and their effects on statements of financial position.</li> <li>• Drafting extracts of statements of financial position.</li> </ul>	<ul style="list-style-type: none"> <li>• Published financial statements</li> <li>• Braille</li> <li>• ICT tools</li> </ul>

<b>SUB-TOPIC</b>	<b>OBJECTIVES</b> Learners should be able to:	<b>UNIT CONTENT(Skills, attitudes and knowledge)</b>	<b>SUGGESTED LEARNING ACTIVITIES AND NOTES</b>	<b>SUGGESTED RESOURCES</b>
	notes			
Business Purchase	<ul style="list-style-type: none"> <li>• explain business purchase</li> <li>• record accounting entries to close books of businesses taken over</li> <li>• record accounting entries for purchase by cash, issue of shares and loan notes</li> <li>• calculate goodwill</li> <li>• prepare business purchase accounts</li> <li>• prepare statements of financial position after the business purchase</li> </ul>	<ul style="list-style-type: none"> <li>• Company taking over sole proprietor or partnerships which may be small to medium scale enterprises or large businesses.</li> <li>• Business purchase accounts.</li> <li>• Journal entries .</li> <li>• Statements of financial position after purchase.</li> </ul>	<ul style="list-style-type: none"> <li>• Explaining business purchase.</li> <li>• Recording entries to close the books of businesses taken over.</li> <li>• Recording accounting entries for purchase by cash, issue of shares and loan notes.</li> <li>• Calculating goodwill.</li> <li>• Preparing business purchase accounts.</li> <li>• Preparing statements of financial position after the business purchase.</li> </ul>	<ul style="list-style-type: none"> <li>• Resource persons</li> <li>• Braille</li> <li>• ICT tools</li> </ul>



## TOPIC 2: FINANCIAL REPORTING

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
International Accounting Standards	<ul style="list-style-type: none"> <li>• explain purposes and importance of various standards</li> <li>• state provisions of various international accounting standards</li> <li>• apply international accounting standards when preparing financial statements</li> </ul>	<ul style="list-style-type: none"> <li>• International Accounting Standards (IAS)               <ul style="list-style-type: none"> <li>- 1 Presentation of financial statements</li> <li>- 2 Inventories</li> <li>- 7 Statements of cash flows</li> <li>- 8 Accounting policies, changes in accounting estimates and errors</li> <li>- 10 Events after the reporting period</li> <li>- 16 Property, plant and equipment</li> <li>- 36 Impairment of assets</li> <li>- 38 Intangible assets.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Discussing purposes and importance of the international accounting standards.</li> <li>• Analysing application of the provisions of the standards in the preparation of financial statements.</li> <li>• Applying standards in preparing financial statements.</li> <li>• Discussing contents of the international accounting standards.</li> </ul>	<ul style="list-style-type: none"> <li>• Published financial statements</li> <li>• Copies of international accounting standards</li> <li>• Resource persons</li> <li>• Braille</li> <li>• ICT tools</li> </ul>
Interpretation and analysis of financial statements	<ul style="list-style-type: none"> <li>• list the accounting ratios</li> <li>• explain the accounting ratios and their importance</li> <li>• calculate the</li> </ul>	<ul style="list-style-type: none"> <li>• Profitability Ratios               <ul style="list-style-type: none"> <li>- Gross profit margin</li> <li>- Net profit margin</li> <li>- Return on assets</li> <li>- Return on equity</li> <li>- Return on capital</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Classifying accounting ratios into profitability, financial, resource utilisation and investment.</li> <li>• Calculation of accounting</li> </ul>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Print media</li> <li>• Braille</li> </ul>

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
	accounting ratios <ul style="list-style-type: none"> <li>• interpret accounting ratios</li> <li>• analyse financial statements using accounting ratios</li> </ul>	employed <ul style="list-style-type: none"> <li>- Operating expenses to sales.</li> <li>• Financial ratios               <ul style="list-style-type: none"> <li>- Current ratio</li> <li>- Quick ratio</li> <li>- Accounts receivable collection period</li> <li>- Accounts payable payment period</li> <li>- Rate of inventory turnover.</li> </ul> </li> <li>• Resource utilisation ratios               <ul style="list-style-type: none"> <li>- Total assets turnover</li> <li>- Non-current assets turnover</li> <li>- Current assets turnover</li> <li>- Capital employed turnover</li> </ul> </li> <li>• Investment ratios               <ul style="list-style-type: none"> <li>- Earnings per share</li> <li>- Price earnings ratio</li> <li>- Debt to equity ratio</li> <li>- Dividend yield</li> <li>- Dividend cover</li> </ul> </li> </ul>	ratios. <ul style="list-style-type: none"> <li>• Explaining importance of accounting ratios.</li> <li>• Analysing financial statements of businesses or projects using ratios.</li> </ul>	

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
		<ul style="list-style-type: none"> <li>- Dividend per share</li> <li>- Gearing</li> <li>- Earnings yield.</li> </ul>		

### TOPIC 3: COST ACCOUNTING

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
Cost terms and purpose	<ul style="list-style-type: none"> <li>• define cost terminology</li> <li>• explain the purposes of cost accounting</li> <li>• classify cost</li> <li>• separate fixed and variable costs</li> <li>• distinguish between cost accounting and management accounting</li> </ul>	<ul style="list-style-type: none"> <li>• Cost.</li> <li>• Costing .</li> <li>• Cost coding.</li> <li>• Cost unit .</li> <li>• Cost centre.</li> <li>• Period and product costs.</li> <li>• Relevant and irrelevant costs.</li> <li>• Opportunity costs .</li> <li>• Sunk costs.</li> <li>• Fixed, variable, semi-fixed and semi-variable costs.</li> <li>• Cost accounting and management accounting.</li> </ul>	<ul style="list-style-type: none"> <li>• Defining cost terminology.</li> <li>• Explaining the purposes of cost accounting.</li> <li>• Classifying cost.</li> <li>• Separating fixed and variable costs.</li> <li>• Distinguishing between cost accounting and management accounting.</li> </ul>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Resource persons</li> <li>• Braille</li> </ul>

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
Absorption Costing	<ul style="list-style-type: none"> <li>• explain absorption costing</li> <li>• apportion, allocate and allot costs to cost centres</li> <li>• calculate overhead absorption rates</li> <li>• prepare overhead analysis sheet</li> <li>• identify and explain the uses and limitations of absorption costing</li> <li>• calculate closing inventory using absorption costing</li> <li>• calculate under and over absorption of overheads</li> <li>• explain the causes of under and over absorption of overheads</li> <li>• prepare absorption profit statements</li> </ul>	<ul style="list-style-type: none"> <li>• Overhead apportionment, allocation and allotment.</li> <li>• Overhead absorption: <ul style="list-style-type: none"> <li>- Overhead absorption rates</li> <li>- Overhead analysis sheet.</li> </ul> </li> <li>• Over and under absorption (application).</li> <li>• The profit statements.</li> <li>• Uses and limitations of absorption costing.</li> </ul>	<ul style="list-style-type: none"> <li>• Explaining absorption costing.</li> <li>• Apportioning, allocating and allotting costs to cost centres.</li> <li>• Preparing overhead analysis sheet.</li> <li>• Calculating overhead absorption rates.</li> <li>• Identifying and explaining the uses and limitations of absorption costing.</li> <li>• Calculating closing inventory using absorption costing.</li> <li>• Calculating under and over absorption of overheads.</li> <li>• Explaining the causes of under and over absorption of overheads.</li> <li>• Preparing absorption profit statements.</li> </ul>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Braille</li> </ul>

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
Marginal Costing	<ul style="list-style-type: none"> <li>• value inventory using marginal costing</li> <li>• prepare profit statements based on marginal costing</li> <li>• explain differences between marginal and absorption costing</li> <li>• calculate contribution of products</li> <li>• apply marginal costing techniques to make tactical or operational decisions</li> <li>• use contribution to sales ratio to calculate profits or losses at various activity levels</li> <li>• calculate and interpret margin of safety</li> <li>• reconcile profits calculated using absorption and marginal costing</li> </ul>	<ul style="list-style-type: none"> <li>• Closing inventory.</li> <li>• Contribution.</li> <li>• The profit statements.</li> <li>• Reconciliation of absorption .and marginal profits.</li> <li>• The differences between marginal and absorption costing.</li> <li>• Margin of safety.</li> <li>• Contribution to sales ratio.</li> <li>• Short run decision making.</li> <li>• Cost-volume-profit analysis.</li> </ul>	<ul style="list-style-type: none"> <li>• Valuing inventory using marginal costing.</li> <li>• Preparing profit statements.</li> <li>• Explaining differences between marginal costing and absorption costing.</li> <li>• Calculating contribution of products.</li> <li>• Applying marginal costing techniques in decision making.</li> <li>• Calculating and interpreting margin of safety.</li> <li>• Reconciling profit calculated on marginal and absorption basis.</li> </ul>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Graphs</li> <li>• Braille</li> </ul>

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
Job and Batch Costing	<ul style="list-style-type: none"> <li>• explain elements of job and batch costing</li> <li>• calculate costs and profit for a job or a batch</li> </ul>	<ul style="list-style-type: none"> <li>• Elements of job and batch costing.</li> <li>• Prime cost of a job or a batch.</li> <li>• Absorption of overheads into a job or a batch.</li> <li>• Total cost of a job.</li> <li>• Selling price of a job or a batch.</li> </ul>	<ul style="list-style-type: none"> <li>• Explaining elements of job and batch costing.</li> <li>• Determining overheads absorbed by a job.</li> <li>• Calculating costs and profit for a job or a batch.</li> <li>• Conducting educational tours.</li> </ul>	<ul style="list-style-type: none"> <li>• ICT Tools</li> </ul>
Standard Costing	<ul style="list-style-type: none"> <li>• explain standard costing</li> <li>• set standards</li> <li>• identify types of standards</li> <li>• calculate variances</li> <li>• explain the causes of variances</li> <li>• interpret the different types of variances</li> <li>• reconcile standard to actual costs</li> <li>• reconcile standard to actual profit</li> </ul>	<ul style="list-style-type: none"> <li>• Standards.</li> <li>• Types of standards.</li> <li>• Types of variances – material, labour and sales.</li> <li>• Variance analysis.</li> <li>• Reconciliation statements.</li> </ul>	<ul style="list-style-type: none"> <li>• Explaining standard costing.</li> <li>• Setting of standards.</li> <li>• Calculating material, labour and sales variances.</li> <li>• Analysing variances.</li> <li>• Reconciling standard amounts to actual amounts.</li> </ul> <p><b>Questions on overhead variances will not be set.</b></p>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Resource persons</li> <li>• Braille</li> </ul>

## TOPIC 4: MANAGEMENT ACCOUNTING

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
Budgeting and Budgetary Control	<ul style="list-style-type: none"> <li>• explain importance of budgeting and budgetary control systems</li> <li>• explain behavioural aspects of budgeting and budgetary control</li> <li>• prepare various types of budgets</li> <li>• explain effects of limiting factors on the preparation of budgets</li> <li>• prepare flexed budget statements</li> <li>• identify and explain causes of differences between actual and flexed budgets</li> <li>• make business</li> </ul>	<ul style="list-style-type: none"> <li>• Importance of budgeting and budgetary control systems.</li> <li>• Behavioural aspects of budgeting.</li> <li>• Types of budgets:               <ul style="list-style-type: none"> <li>- Sales</li> <li>- Production and purchases in units and value</li> <li>- Cash</li> <li>- Master.</li> </ul> </li> <li>• Limiting factors on preparation of budgets.</li> <li>• Flexed budget statements.</li> <li>• Causes of differences between actual and flexed budgets.</li> </ul>	<ul style="list-style-type: none"> <li>• Explaining importance of budgeting and budgetary control systems.</li> <li>• Explaining behavioural aspects of budgeting and budgetary control.</li> <li>• Preparing various types of budgets.</li> <li>• Explaining effects of limiting factors on the preparation of budgets.</li> <li>• Preparing flexed budget statements.</li> <li>• Identifying and explaining causes of differences between</li> </ul>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Print media</li> <li>• Braille</li> </ul>

SUB-TOPIC	OBJECTIVES Learners should be able to:	UNIT CONTENT(Skills, attitudes and knowledge)	SUGGESTED LEARNING ACTIVITIES AND NOTES	SUGGESTED RESOURCES
	<p>decisions and recommendations using supporting data</p>		<p>actual and flexed budgets.</p> <ul style="list-style-type: none"> <li>• Making business decisions and recommendations using supporting data.</li> </ul>	
Investment Appraisal	<ul style="list-style-type: none"> <li>• use capital investment appraisal techniques to assess viability of investment projects</li> <li>• state decision criteria of each capital investment appraisal technique</li> <li>• analyse advantages and disadvantages of each investment appraisal technique</li> </ul>	<ul style="list-style-type: none"> <li>• Investment appraisal techniques and decision criteria: <ul style="list-style-type: none"> <li>- Accounting Rate of Return</li> <li>- Payback Period</li> <li>- Net Present Value</li> <li>- Internal Rate of Return.</li> </ul> </li> <li>• Advantages and disadvantages of investment appraisal techniques.</li> </ul>	<ul style="list-style-type: none"> <li>• Using capital investment appraisal techniques to assess the viability of investment projects.</li> <li>• Stating the decision criteria of each capital investment appraisal technique.</li> <li>• Analysing advantages and disadvantages of each investment appraisal technique.</li> </ul>	<ul style="list-style-type: none"> <li>• ICT tools</li> <li>• Braille</li> </ul>



## **9.0 SCHEME OF ASSESSMENT**

### **9.1 Assessment**

Accounting will be assessed using continuous and summative assessment. The syllabus scheme of assessment is grounded on the principle of inclusivity. Arrangements, accommodations and modifications should be visible in both continuous and summative assessments to enable candidates with special needs to access assessments and receive accurate performance measurement of their abilities. Access arrangements must neither give these learners an undue advantage over others nor compromise the standards being assessed.

### **9.2 Assessment objectives**

By the end of Level 3, accounting learners should be able to:

1. explain accounting concepts, principles and practices
2. apply accounting concepts, principles, policies and practices in preparing financial statements
3. demonstrate competencies of planning, budgeting and management of resources
4. present accounting information in an accurate, orderly, clear and logical way
5. analyse and interpret financial statements for the benefit of users
6. communicate accounting information meaningfully to users
7. manage a project in a cost effective way without compromising on quality
8. demonstrate transparency and accountability in executing transactions
9. demonstrate knowledge and understanding of internal control systems
10. use ICT tools in recording and processing accounting data
11. select ways of financing a business

### 9.3 FORMS OF ASSESSMENT

<b>FORM OF ASSESSMENT</b>	<b>WEIGHTING</b>
<b>Continuous</b>	<b>30%</b>
<b>Summative</b>	<b>70%</b>
<b>TOTAL</b>	<b>100%</b>

### 9.4 CONTINUOUS ASSESSMENT (30%)

<b>LEVEL</b>	<b>ASSESSMENT TASK</b>	<b>FREQUENCY</b>	<b>WEIGHTING</b>
<b>LEVEL 3</b>	Theory test	1 per term	30%
	Practical assignment	1 per term	
	Project	1 per year	
<b>TOTAL</b>			<b>30%</b>

### 9.5 SUMMATIVE ASSESSMENT (70%)

PAPER	DESCRIPTION	DURATION	NO OF QUESTIONS	MARKS	PAPER WEIGHTING	WEIGHTING
1	Multiple choice question	1 hour 20 minutes	40	40	15%	<b>70%</b>
2	Structured questions	1 hour 45 minutes	4	100	25%	
3	Problem solving	2 ½ hours	4	100	30%	
<b>NOTE:</b> All papers are <b>compulsory</b> . 20-25% of the marks will be awarded to questions relating to Cost and Management Accounting Section of the Syllabus						

**Paper 1** - A multiple choice test consisting of **40** items with **four** options each, testing across the whole syllabus

**Paper 2** - A written paper which candidates answer on the question paper consisting of **four** structured questions testing across the whole syllabus

**Paper 3** – A written paper consisting of **four** problem solving questions testing on any area of the syllabus.  
The paper will contain questions in which candidates will be tested on their ability to organize and present information, ideas or arguments clearly and logically.

## 9.6 THE SPECIFICATION GRID

<b>SKILL</b>	<b>PAPER 1</b>	<b>PAPER 2</b>	<b>PAPER 3</b>
1. Knowledge and understanding	60%	60%	50%
2. Application and analysis	40%	20%	30%
3. Synthesis and evaluation	-	20%	20%
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

### Skill guide

- Skill 1:** Candidates are expected to demonstrate knowledge and understanding of accounting concepts and principles and apply them in preparing financial statements and reports
- Skill 2:** Candidates are expected to select, order, analyse and present information in an appropriate accounting form
- Skill 3:** Candidates are expected to present reasoned explanations, make decisions, recommendations and judgements based on accounting information and principles.

# Assessment of learner performance in Accounting Level 3

