



BOTSWANA
EXAMINATIONS
COUNCIL

BOTSWANA GENERAL CERTIFICATE
OF SECONDARY EDUCATION

ASSESSMENT SYLLABUS

ACCOUNTING

CODE 0614



Effective for examination from 2019

0614
CODE

Changes in the Syllabus effective from 2019

Syllabus content

The syllabus has been updated by numbering the objectives but there are **no** changes in the content of the syllabus.

Structure of assessment

The assessment structure has **not** changed.

There is detailed information on the relationship between the assessment objectives and the components indicating the weight and/or marks for each assessment objective in each component.

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1. INTRODUCTION

As part of the Botswana General Certificate of Secondary Education, this revised Accounting Assessment Syllabus is designed to assess the outcome of instruction for candidates who have completed a course based on the Senior Secondary Accounting Teaching Syllabus.

This syllabus aims to assess positive achievement at all levels of ability. Candidates will be assessed in ways that encourage them to show what they know, understand and can do, and which provide opportunities to articulate their insights, perceptions and responses.

This revised Accounting Assessment Syllabus should be read in conjunction with the Senior Secondary Accounting Teaching Syllabus

Progression

The BGCSE is a general qualification that enables candidates to progress either directly to employment or to proceed to further qualifications.

2. SCHEME OF ASSESSMENT

All candidates must take **two** papers; Paper 1 and Paper 2 which are described below. The questions will be based on the whole syllabus.

2.1 The components

Paper 1

Written

2 hours

This paper will consist of 5-6 structured questions with question one having 10 sub-questions as multiple choice items. Questions 2-6 may have different marks and will be based on topics from the whole of the syllabus. All questions are compulsory and may or may not have the same total marks. The paper will assess assessment objectives 1, 2 and 3. There are 120 marks for this paper.

Weighting: 50% of the total marks

Paper 2

Written

2 hours

The paper will comprise of 5-6 structured questions based on topics from the whole of the syllabus. The questions may have different marks and will be based on topics from the whole of the syllabus. All questions are compulsory and may or may not have the same total marks. The paper will assess assessment objectives 1, 2 and 3. There are 120 marks for this paper.

Weighting: 50% of the total marks

2.2 Availability

This syllabus is available to both school candidates and private candidates.

2.3 Combining this syllabus with other syllabuses

Candidates may **not** combine this syllabus in an examination series with the following:

- 7110 Cambridge O Level Principles of Accounts
- 0452 Accounting.

3. SYLLABUS AIMS AND ASSESSMENT OBJECTIVES

3.1 Aims

According to the Accounting Teaching Syllabus, Candidates following the syllabus should acquire and develop:

1. knowledge and skills of numeracy, literacy, communication, enquiry, presentation and interpretation;
2. understanding of accounting terminology, principles and procedures;
3. knowledge and understanding of the aims, activities, and accounting procedures in farming, manufacturing, trading and non-trading organisations;
4. knowledge and understanding of the principles and purposes of accounting in providing information for monitoring and making effective decisions appropriate to the needs of profit making and non-profit making organisations;
5. knowledge of basic business processes and entrepreneurial skills;
6. positive work habits, values and attitudes, such as accuracy, neatness and orderliness necessary for the world of work;
7. an appreciation of the use of computers in the business world, and of using accounting software for recording business transactions and the production of financial reports;
8. critical and logical thinking, self-reliance and initiative, which will serve as the basis for further training in business;
9. an appreciation of the environment and how changes in the environment affect business activities.

3.2 Assessment Objectives

At the end of the teaching/learning of the senior secondary Accounting programme, candidates should be able to:

AO1. Knowledge with Understanding

- demonstrate appropriate knowledge and understanding of facts, terms, concepts, conventions, principles and techniques that are in the syllabus;
- demonstrate their understanding of the appropriate accounting knowledge through numeracy, literacy, presentation and interpretation.
- apply knowledge and information to a variety of accounting situations and problems appropriate to their level of attainment;

AO2. Analysis

- select and order data which is relevant to the identified needs of business;
- present information in an appropriate accounting format;
- display an understanding of the role and the limitations of accounting information as a basis for decision making.
- recognise, select and organise relevant data in order to identify the needs of business in written, numerical and diagrammatic form.

AO3. Evaluation

- present reasoned explanations, understand implications and communicate in an accurate and logical manner;
- make reasoned judgements and present accurate recommendations;
- interpret and evaluate accounting information and to draw reasoned conclusions.

3.3 Relationship between Assessment Objectives and Components

The table shows the raw marks and the weighting of each skill area by component as well as the total for each skill area in the overall assessment.

Assessment Objectives	Paper 1 marks	Skill Weighting	Paper 2 marks	Skill Weighting	Total Weighting
AO1: Knowledge and Understanding	84 ± 2	35%	60 ± 2	25%	60%
AO2: Analysis	24 ± 2	10%	36 ± 2	15%	25%
AO3: Evaluation	12 ± 2	5%	24 ± 2	10%	15%
Total Marks	120	50%	120	50%	100%

The skills are weighted to give an indication of their relative importance. They are not intended to provide a precise statement of the number of marks allocated to particular skills.

4. CONTENT

This section presents the content as prescribed in the Accounting Teaching Syllabus.

MODULE 1: BASIC ACCOUNTING SYSTEMS

Unit 1.1: Basic Principles and Concepts of Accounting

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Introduction to Accounting	1.1.1 understand the nature and functions of accounting.	1.1.1.1 explain the meaning of accounting; 1.1.1.2 explain the objectives of accounting; 1.1.1.3 explain the importance of accounting information to various users; 1.1.1.4 identify the branches of accounting (Cost & Management Accounting, Financial Accounting); 1.1.1.5 explain the concept of business entity and money measurement.
The Accounting Equation	1.1.2 demonstrate an understanding of the accounting equation.	1.1.2.1 state the accounting equation; 1.1.2.2 explain the elements of the accounting equation; 1.1.2.3 explain the relationships between the elements of the accounting equation; 1.1.2.4 explain the statement of financial position and its components; 1.1.2.5 relate the accounting equation to the statement of financial position; 1.1.2.6 illustrate the effects of transactions (assets, liabilities, drawings, revenue, capital, and expenses) on the accounting equation and the statement of financial position.
Double Entry System	1.1.3 demonstrate an understanding of the principle of double-entry system.	1.1.3.1 explain the meaning of the double entry system in relation to the dual concept; 1.1.3.2 relate the accounting equation to the double entry system; 1.1.3.3 state the rules of double entry; 1.1.3.4 illustrate the rules of double entry.
The Ledger	1.1.4 demonstrate an understanding and acquire skills of recording transactions in the ledger.	1.1.4.1 explain the ledger and its importance; 1.1.4.2 identify the uses of the columns of the ledger; 1.1.4.3 record transactions using the double entry system (for capital, assets, liabilities, expenses, income, drawings); 1.1.4.4 divide the ledger into specialist areas (sales, purchases, general);

		1.1.4.5 record transactions in the sales, purchases and general ledgers in the traditional and running balance methods; 1.1.4.6 balance off accounts in the ledger; 1.1.4.7 explain the balance on the ledger accounts.
The Trial Balance	1.1.5 understand the importance of preparing the trial balance.	1.1.5.1 explain the meaning of the trial balance; 1.1.5.2 state the reasons for preparing a trial balance; 1.1.5.3 prepare a trial balance; 1.1.5.4 explain why trial balance totals should equal one another.

Unit 2: Subsidiary Books

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Introduction to Subsidiary Books	1.2.1 understand why the various books of prime entry are used.	1.2.1.1 define subsidiary books; 1.2.1.2 list the types of subsidiary books; 1.2.1.3 explain the benefits to the business of using subsidiary books; 1.2.1.4 explain the accounting cycle/process.
Purchases Journal	1.2.2 understand the documentation procedures in credit purchases.	1.2.2.1 differentiate between cash and credit purchases 1.2.2.2 explain the importance of checking invoices against delivery notes and purchase orders; 1.2.2.3 state the contents of the purchases invoice.
	1.2.3 demonstrate understanding and acquire the skill of recording credit purchases in the journal.	1.2.3.1 explain why the purchases journal is used; 1.2.3.2 prepare the purchases journal from details extracted from the purchases invoice; 1.2.3.3 post from the purchases journal to the purchase and general ledgers.
Sales Journal	1.2.4 understand the documentation procedures in credit sales.	1.2.4.1 differentiate between cash and credit sales; 1.2.4.2 state the need for credit control; 1.2.4.3 state the contents of the sales invoice; 1.2.4.4 explain the terms relating to sales on the invoice (trade discount, E&OE, cash discount, carriage forward, carriage paid).
	1.2.5 demonstrate an understanding of and acquire the skill of recording credit sales in the journal.	1.2.5.1 explain why the sales journal is used; 1.2.5.2 prepare the sales journal from details extracted from the sales invoice; 1.2.5.3 post from the sales journal to the sales and the general ledgers.

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Returns Journal	1.2.6 demonstrate an understanding of recording returns inwards and outwards from source documents.	1.2.6.1 explain returns inwards and outwards; 1.2.6.2 explain the reasons for returns; 1.2.6.3 describe the credit and debit notes; 1.2.6.4 record returns in the journals; 1.2.6.5 post from the returns inwards and outwards journals to the appropriate ledgers;
General Journal	1.2.7 demonstrate an understanding and acquire the skill of recording in the general journal.	1.2.7.1 explain the importance of the general journal 1.2.7.2 explain the uses of columns of the general journal 1.2.7.3 state the uses of the general journal 1.2.7.4 record in the general journal 1.2.7.5 post from the general journal into the ledgers.
The Cash Books	1.2.8 demonstrate understanding and acquire the skill of recording in the cash books.	1.2.8.1 state the types of bank accounts; 1.2.8.2 explain payments through the banking system (standing order, direct debit, credit transfer) 1.2.8.3 complete a cheque and paying in slip; 1.2.8.4 list the types of cash books (two column, three column, analysis, petty cash); 1.2.8.5 explain why the cash book is used; 1.2.8.6 record transactions in the two and three columns cash books and balance them; 1.2.8.7 explain bank overdraft; 1.2.8.8 differentiate between cash and trade discounts; 1.2.8.9 post from three columns cash book into the ledgers; 1.2.8.10 record transaction in the petty cash book using the imprest system and balance it; 1.2.8.11 record transactions in the analysis cash books (cash receipt journal and cash payment journal); 1.2.8.12 post the analysis cash book to the ledgers.

Unit 3: Verification of Accounts

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Bank Reconciliation	1.3.1 demonstrate an understanding of how to prepare bank reconciliation statement.	1.3.1.1 explain the meaning of bank reconciliation; 1.3.1.2 explain the need to confirm bank account records with bank statement records; 1.3.1.3 explain the causes and effects of differences between bank account records and bank statement records; 1.3.1.4 describe the procedure for reconciling bank account records with bank statement records; 1.3.1.5 complete entries in the cash book; 1.3.1.6 prepare a bank reconciliation statement including an overdraft.
Correction of Errors	1.3.2 acquire knowledge and understanding of the treatment of errors in the ledger accounts.	1.3.2.1 state the errors which do not affect the trial balance; 1.3.2.2 explain errors which do not affect the trial balance; 1.3.2.3 use the journal to correct errors which do not affect the trial balance; 1.3.2.4 explain the errors which affect the trial balance 1.3.2.5 explain the suspense account; 1.3.2.6 use a suspense account to correct the errors which affect the trial balance.
Control Accounts	1.3.3 demonstrate the use of control accounts in locating errors.	1.3.3.1 explain control accounts; 1.3.3.2 explain the purpose of control accounts; 1.3.3.3 state the sources of information for control accounts; 1.3.3.4 prepare trade receivables' and trade payables' control accounts; 1.3.3.5 reconcile the purchases ledger and sales ledger with their respective control accounts.

Unit 4: Accounting Concepts and Conventions

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Accounting Concepts	1.4.1 understand the importance of accounting concepts for external reporting purposes.	1.4.1.1 identify the accounting concepts (historical cost, money measurement, entity, dual aspect, realisation, time interval going-concern, consistency, prudence, substance over form, materiality, matching/accrual); 1.4.1.2 explain each of the accounting concepts; 1.4.1.3 illustrate each of the accounting concepts; 1.4.1.4 explain the limitations of accounting concepts; 1.4.1.5 discuss the implications of the accounting concepts in financial recording and reporting.

MODULE 2: FINANCIAL STATEMENTS

Unit 1: Accounts of the Sole Trader

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Financial statements	2.1.1 demonstrate an understanding of how to prepare the income statement of a merchandised business.	2.1.1.1 explain a sole trader in relation to profit; 2.1.1.2 state the purpose of preparing the income statement; 2.1.1.3 differentiate between gross profit and profit for the year; 2.1.1.4 close the nominal accounts affecting the income statement; 2.1.1.5 explain how the closing inventory is valued (cost and net realisable value); 2.1.1.6 determine the cost of sales and the gross profit in the income statement; 2.1.1.7 draw up income statements in a vertical format from the trial balance.
	2.1.2 demonstrate an understanding of how to prepare the income statements of a service business.	2.1.2.1 explain the differences between a merchandised business and a service business; 2.1.2.2 explain the format of the income statement of a service business; 2.1.2.3 draw up the income statement for a service business in a vertical format.
	2.1.3 demonstrate an understanding of how to prepare the statement of financial position of a sole trader.	2.1.3.1 explain the meaning of the statement of financial position; 2.1.3.2 identify the components of the statement of financial position; 2.1.3.3 explain how statement of financial position items are presented; 2.1.3.4 prepare a statement of financial position of a sole trader in a vertical format (items in order of permanence and liquidity); 2.1.3.5 evaluate the usefulness of the financial statements in presenting information for users.

Unit 2: Adjustments in the Account

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Adjustments for financial statements	2.2.1 demonstrate an understanding of how to adjust the nominal ledger accounts before the preparation of the financial statements.	2.2.1.1 explain the need for financial statement adjustments, (using matching/accrual, prudence concepts); 2.2.1.2 explain accrued expenses and income, prepaid expenses and revenue received in advance (using matching/accrual concepts); 2.2.1.3 adjust expense accounts for accruals and prepayments; 2.2.1.4 make adjustments for goods taken by owner for own use; 2.2.1.5 adjust revenue accounts for amount owing and received in advance (matching/accrual concept); 2.2.1.6 prepare financial statements with adjustments; 2.2.1.7 discuss the importance of the going concern, consistency, accrual and prudence concepts in preparing accounting statements; 2.2.1.8 show the effects of errors on profits and the statement of financial position; 2.2.1.9 show the effects of the corrected errors on the trial balance, profits and the statement of financial position.
Bad Debts and Provision for Doubtful Debts	2.2.2 demonstrate an understanding of how to treat bad debts and provision for doubtful debts in the financial statements.	2.2.2.1 explain the meanings of bad and doubtful debts; 2.2.2.2 explain the need to declare some debts as bad and to provide for doubtful debts (matching/ accrual, prudence concepts); 2.2.2.3 show the accounting entries for writing off bad debts; 2.2.2.4 show the accounting entries for the recovery of bad debts; 2.2.2.5 explain how the provision for doubtful debts is estimated (e.g. Ageing of debts); 2.2.2.6 show the accounting entries for creating provisions for doubtful debts; 2.2.2.7 show the effects of provision for doubtful debts on the profit for the year and the statement of financial position; 2.2.2.8 show the accounting entries for increasing and decreasing the provision for doubtful debts.

Provision for Discount	2.2.3 understand how to make provision for discount against trade receivables.	2.2.3.1 explain the need for provision for discount allowed (prudence concept); 2.2.3.2 show the accounting entries of provision for discount; 2.2.3.3 show the effect of provision for discount on the profit for the year and the statement of financial position.
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TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Depreciation of non-current assets	2.2.4 demonstrate an understanding of the nature and calculation of depreciation.	2.2.4.1 explain the meaning of depreciation and its effects on non-current assets (prudence and matching/accrual concept); 2.2.4.2 explain the causes of depreciation; 2.2.4.3 explain the methods of depreciation (straight line, reducing balance, revaluation); 2.2.4.4 calculate depreciation using the above methods; 2.2.4.5 state the advantages and disadvantages of each of the above methods of depreciation.
	2.2.5 demonstrate an understanding of how to record depreciation in the general ledger.	2.2.5.1 record depreciation of non-current assets in the ledger using the provision for depreciation account; 2.2.5.2 show the effect of depreciation on the profit for the year and the statement of financial position; 2.2.5.3 record disposal of non-current assets and the adjustment needed in the assets and provisions for depreciation accounts and disposal account.

Unit 3: Partnership

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Nature of Partnership	2.3.1 understand the nature of partnership.	2.3.1.1 explain the meaning of partnership; 2.3.1.2 explain the features of partnership agreement; 2.3.1.3 explain the position of the partnership when there is no partnership deed.
Accounting for Partnership	2.3.2 demonstrate understanding of how to prepare the financial statements of partnerships.	2.3.2.1 explain the composition of the financial statements of a partnership; 2.3.2.2 explain the importance of the profit and loss appropriation account; 2.3.2.3 prepare profit and loss appropriation account; 2.3.2.4 differentiate between fixed and fluctuating capital accounts; 2.3.2.5 explain the importance of the current account of partners; 2.3.2.6 prepare the capital and current account of partners in the ledger; 2.3.2.7 prepare the partnership financial statements; 2.3.2.8 explain the meaning of goodwill; 2.3.2.9 prepare the accounting entries for goodwill on admission of a new partner; 2.3.2.10 state the accounting differences between a sole trader and a partnership.
Purchase of Business	2.3.3 demonstrate an understanding of the accounting entries required for the purchase of a business either by the sole trader or partnership.	2.3.3.1 explain the factors that may affect the purchase price of a business; 2.3.3.2 calculate the goodwill and adjust for the revaluation of assets for a business purchased; 2.3.3.3 explain the need to re-value some of the assets of a business purchased; 2.3.3.4 differentiate between the purchase of a business by a sole trader and the amalgamation of two sole traders' businesses; 2.3.3.5 record the purchase of a business in the buyer's books of account; 2.3.3.6 prepare the statement of financial position of a business which has bought another business or two businesses which have amalgamated.

Unit 4: Introduction to Company Accounts

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Limited Liability Companies	2.4.1 demonstrate an understanding of the capital structure of limited liability companies.	2.4.1.1 explain the meaning of limited liability company; 2.4.1.2 explain shares and debentures; 2.4.1.3 differentiate between types of shares (ordinary and preference); 2.4.1.4 classify the share capital of a limited company (authorised, issued, called-up, uncalled, calls in arrears, paid-up).
Financial statements	2.4.2 demonstrate an understanding of how to prepare simple financial statements of limited liability companies.	2.4.2.1 identify the items of differences between the income statement of a sole trader/partnership and limited liability company; 2.4.2.2 explain interim and final dividends; 2.4.2.3 calculate the interim and final dividends; 2.4.2.4 explain capital reserves, general reserves, special reserves and shareholders' funds; 2.4.2.5 prepare a simple income statement and appropriation account of a limited company; 2.4.2.6 identify the items of difference between the statement of financial position of sole trader/partnership and limited companies; 2.4.2.7 prepare a simple statement of financial position of a limited liability company; 2.4.2.8 calculate the shareholders' funds.

MODULE 3: OTHER FORMS OF ACCOUNTS

Unit 1: Manufacturing Accounts

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Production Costs	3.1.1 demonstrate understanding of how to calculate production costs.	3.1.1.1 explain the purpose of preparing manufacturing account; 3.1.1.2 calculate cost of raw materials used; 3.1.1.3 explain direct and indirect costs with examples 3.1.1.4 explain the term 'prime cost'; 3.1.1.5 calculate prime cost of production; 3.1.1.6 explain the term factory overheads with examples; 3.1.1.7 explain work in progress; 3.1.1.8 calculate production cost; 3.1.1.9 calculate the unit cost of production.
Manufacturing, accounts and income statements	3.1.2 demonstrate understanding of how to prepare manufacturing account and income statement.	3.1.2.1 explain the relationship between manufacturing account and income statement; 3.1.2.2 prepare the manufacturing account and income statement; 3.1.2.3 explain market price of manufactured goods; 3.1.2.4 ascertain manufacturing profit or loss; 3.1.2.5 prepare the statement of financial position of a manufacturing business.

Unit 2: Single Entry and Incomplete Records

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Financial statements from incomplete records	3.2.1 understand the calculation of profit or loss by capital comparison.	3.2.1.1 explain the meaning of single entry and incomplete records; 3.2.1.2 state the disadvantages of single entry and incomplete records as a method of bookkeeping; 3.2.1.3 use the accounting equation to show that profit increases capital; 3.2.1.4 prepare statement of affairs to ascertain the capital; 3.2.1.5 calculate profit or loss by comparing the capital at the beginning and capital at the end.
	3.2.2 understand the preparation of financial statements from single entry and incomplete records.	3.2.2.1 calculate credit purchases using total trade payables account; 3.2.2.2 calculate credit sales using total trade receivables account; 3.2.2.3 calculate missing figures using various ledger accounts and cash book; 3.2.2.4 prepare income statements from all the information available; 3.2.2.5 prepare the statement of financial position from all the information available.

Unit 3: Non-Profit Making Organisations

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Receipts and payments account	3.3.1 demonstrate understanding of the preparation of receipts and payments account of non-trading organisations.	3.3.1.1 differentiate between a trading organisation and non-trading organisation; 3.3.1.2 state the sources of revenue of the non-trading organisations; 3.3.1.3 state the items of expenditure of non-trading organisations; 3.3.1.4 prepare the receipts and payments account of non-trading organisation.
Income and expenditure account and the statement of financial position	3.3.2 understand how the income and expenditure accounts and the statements of financial position of non-trading organisations are prepared.	3.3.2.1 explain the difference between capital and revenue receipt; capital and revenue expenditure; 3.3.2.2 prepare the subscriptions account; 3.3.2.3 differentiate between receipts and payments account; and income and expenditure account 3.3.2.4 make adjustments in the accounts of non-trading organisations; 3.3.2.5 prepare the income statement of fund raising activities of non-trading organisation; 3.3.2.6 prepare the income and expenditure account 3.3.2.7 calculate the accumulated fund; 3.3.2.8 prepare the statement of financial position.

Unit 4: Payroll Accounting

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Payroll records	3.4.1 understand the methods of remuneration and payroll records.	3.4.1.1 explain the two major ways of calculating remuneration (time rate and piece rate); 3.4.1.2 identify the main documents used in processing payroll (clock card, time sheet, pay slip, register/wages sheet); 3.4.1.3 complete the clock card and time sheet.
Bookkeeping entry for payroll	3.4.2 demonstrate an understanding of how to prepare payroll accounts	3.4.2.1 explain voluntary and statutory deductions and the Pay As You Earn (PAYE); 3.4.2.2 explain gross and net pay; 3.4.2.3 calculate gross and net pay; 3.4.2.4 complete the payroll register, pay slip, wages sheet; 3.4.2.5 journalise the entries in the payroll sheet; 3.4.2.6 post the journal entries for payroll into the accounts in the general ledger.

Unit 5: Farm Accounts

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Farm income and expenses	3.5.1 demonstrate understanding of the nature of farm income and expenses.	3.5.1.1 explain the importance of farm records and accounts; 3.5.1.2 identify the records to be kept on the farm; 3.5.1.3 complete crop record and livestock books 3.5.1.4 identify the sources of farm income and expenses; 3.5.1.5 calculate the cost of farm produce; 3.5.1.6 estimate the selling price of farm produce; 3.5.1.7 value the produce used by the farmer and the workers.
Farm income statement and statement of financial position	3.5.2 understand the preparation of farm income statement and the statement of financial position	3.5.2.1 calculate the value of closing inventory of farm produce and livestock using standard rates; 3.5.2.2 prepare farm income statement; 3.5.2.3 value farm equipment and buildings; 3.5.2.4 prepare the farm statement of financial position.

MODULE 4: INTERPRETATION OF ACCOUNTS

Unit 1: Basic Principles and Concepts of Accounting

TOPIC	GENERAL OBJECTIVES	SPECIFIC OBJECTIVES
	Learners should be able to:	Learners should be able to:
Ratios	4.1.1 understand the calculation and uses of accounting ratios.	3.3.1.1 explain the meaning of accounting ratios; 3.3.1.2 classify accounting ratios into profitability, liquidity, efficiency and capital structure ratios; 4.1.1.3 define liquidity ratios; 4.1.1.4 calculate liquidity ratios (current, quick); 4.1.1.5 explain the uses of liquidity ratios; define efficiency ratios; 4.1.1.6 calculate efficiency ratios (rate of inventory turn, collection period of trade receivables, payment period of trade payables); 4.1.1.7 explain the uses of efficiency ratios; 4.1.1.8 define profitability ratios; 4.1.1.9 calculate profitability ratios (percentage of gross profit and profit for the year to sales, profit for the year as a percentage of capital employed); 4.1.1.10 show the effects of transactions on the working capital; 4.1.1.11 make suggestions and recommendations for improving profitability and working capital; 4.1.1.12 explain the uses of profitability ratios.
Interpretation and evaluation of financial statements	4.1.2 understand the importance of accounting ratios for the interpretation and evaluation of business performance.	4.1.2.1 discuss the importance of accounting ratios to owner-manager, trade creditors, lenders and employees; 4.1.2.2 compare accounting ratios over time and within industry; 4.1.2.3 discuss the limitations of accounting ratios; 4.1.2.4 show the interrelationship of gross and profits for the year to valuation of inventory, rate of inventory turn, turnover, expenses, capital.

5. OTHER INFORMATION

5.1 GRADING AND REPORTING

BGCSE results are reported on a scale of A* – G, A* being the highest and G the lowest. Ungraded (U) indicates that the candidate's performance fell short of the standard required for grade G. Ungraded (U) will be reported on the statement of results but not on the certificate. The letters Q (result pending) and X (no result) may also appear on the statement of results.

5.2 GRADE DESCRIPTORS

As a guide to what might be expected of a candidate, Grade Descriptors are given as follows.

Grade A

To achieve an A grade, a candidate has the following abilities:

- An excellent ability to identify detailed facts, principles and techniques in relation to the content of the syllabus;
- A thorough ability to define and explain the main principles and themes of the syllabus;
- An excellent ability to classify, interpret and comment on information presented in various forms;
- An excellent ability to select, and use appropriate data in an orderly manner;
- A thorough ability to interpret and evaluate accounting information and draw reasoned conclusions and make excellent decisions.

Grade C

To achieve a C grade, a candidate has the following abilities:

- A sound ability to identify facts, principles and techniques in relation to the content of the syllabus;
- A good ability to use and comment on information presented in a non-verbal as well as a verbal manner;
- A sound ability to define the main principles and themes of the syllabus;
- A sound ability to select and use appropriate data;
- An ability to interpret and evaluate accounting information and draw reasoned conclusions.

Grade E

To achieve an E Grade, a candidate has the following abilities:

- Some ability to identify specific facts, principles or techniques in relation to the content of the syllabus;
- Some familiarity with definitions of the central principles of the syllabus;
- Some ability to classify and present data in a simple way and some ability to select and organise relevant information from a set of data;
- Some ability to select and use appropriate data;
- A rudimentary ability to gather information relating to a particular topic, present it in an ordered manner and draw some basic conclusions.

6. APPENDICES

Appendix A

Glossary of Terms of cognitive domain

A larger percentage of the marks are structured in such a way that candidates will recall what they have learnt; or what they are expected to know.

The following words have been explained to help to understand the expected outcome from candidates if they are used as a command word for an examination question.

Knowledge

Recall or recognise information for example recall a process, rules, definitions; quote law or procedure

Words to be used under knowledge will include: name, *arrange, define, describe, label, list, select, state.*

Comprehension/understanding

Understand meaning, re-state data in one's own words, interpret, extrapolate, and translate. explain the meaning from a given scenario or statement, suggest treatment, reaction or solution to given problem, create examples.

Words to be used under comprehension will include: *explain, classify, summarise, illustrate, report, discuss, re-write, estimate and interpret.*

Analysis

Interpret elements, organizational principles, structure, construction, internal relationships; quality, reliability. E.g. identify constituent parts and functions of a process or concept, or de-construct a methodology or process, making qualitative assessment of elements, relationships, values and effects; measure requirements or needs.

Words to be used under analysis will include: *analyse, compare, and examine.*

Evaluation

Assess effectiveness of whole concepts, in relation to values, outputs, efficacy, viability; critical thinking, strategic comparison; judgement relating to external criteria.

Words to be used under knowledge will include: *review, justify, assess, defend, and investigate.*

Command words used to write the questions for examination papers may include:

Account for

Explain the reasons for, giving an indication of all relevant circumstances.

Analyse

Examine in detail to show meaning, identify elements and the relationship between them. To take apart or break down the whole into its component parts and functions of a process or consider in detail the component parts or features of the whole.

Assess

Make informed judgments. Weigh up several sides of an argument. Consider in a balanced way: strengths and weaknesses, points for and against. In conclusion, state your judgment clearly.

Calculate

Work out from given facts, figures or information. Manipulate numbers. In general, working should be shown when two or more steps are involved.

Comment

Give an informed opinion. State clearly and in a moderate fashion your opinion on the material in question. Support your views with references to suitable evidence, examples or explanation as appropriate.

Compare

Identify/comment on similarities and/or differences. Look for qualities and characteristics which resemble each other.

Consider

Review and respond to given information

Contrast

Identify/comment on differences. Stress the differences between the items in question, but do not ignore points of similarity.

Compare and Contrast

Look for similarities and differences

Demonstrate

Show how or give an example

Determine

This often implies that the quantity concerned cannot be measured directly but is obtained by calculation or substituting measured or known values of other quantities into a standard formula.

Define

Give precise/concise, clear and authoritative meaning. Do not give too many details, but be sure to state the limitations of the definition.

Describe

State the points of topic/Give characteristics and the main features of the matter in question, or relate in sequence form.

Develop

Take forward to a more advanced stage or build upon given information

Discuss

Write about issue(s) or topic(s) in depth in a structured way. giving reasons for and against and the advantages and disadvantages of the factors being considered.

Evaluate

Judge or calculate the quality, importance, amount, or value of something by emphasizing the views of authorities as well as your personal opinion.

Examine

Investigate closely, in detail. To study something closely or in depth

Explain

Set out purpose or reasons/make the relationships between things evident/provide why and /or how and support with relevant evidence.

Identify

Name/select/ locate or recognise, to establish, or to say what it is.

Justify

Support a case with evidence/argument. Make out a case, prove or give reasons for decisions, statements or conclusions, taking care to be convincing: to show that something is correct, appropriate and reasonable.

List

Write an itemized series of words, phrases or concise statements without explanation.

Outline

Set out main points. Provide a framework description of main points and subordinate points, omitting minor detail and stressing the arrangement or classification of the material.

Prepare

To make ready or suitable in advance for a particular purpose or for some use, event or an activity or to work out the details of or To put together or make by combining various elements or parts; manufacture or compound: compose or construct.

Predict

Suggest what may happen based on availability

State/name

Express in clear terms. Present the main points or definition in brief clear sequence with little or no supporting argument.

Suggest

Apply knowledge and understanding to situation where there are a range of valid responses in order to make proposals/ put forward considerations.

Summarise

Select and present the main points, without details.

APPENDIX B

Tables, Quantitative Skills and Principles

Tables

The column of a table will be headed or titled and the appropriate unit needed would be added e.g. Pounds, Pula, grams, etc.

Quantitative Skills

Candidates will be required to perform some quantitative operations, including calculations. They should be able to use scientific calculators. The mathematical requirements, which form part of this syllabus, are listed below.

Add, subtract, multiply and divide number; use simple accounting formulae; understand and use averages; read, interpret and draw simple references from tables and statements.

Find percentages of quantities; construct and interpret ledgers; journals; financial statements. Calculate with simple fractions, decimals, percentage or ratios; manipulate and solve simple accounting equations; substitute numbers in simple accounting equations; interpret and use tables and graph.

Accounting Principles

The syllabus and question papers will conform to generally acceptable international accounting practices.

APPENDIX C

International Standards – Terminology

The list below is to help Centres become familiar with international terminology which Botswana Examinations Council (BEC) uses in accounting syllabus. Well-known standards, which are relevant to the level of study, will be included in question papers, mark schemes and associated documents.

It is recommended that Centres use this terminology in their teaching and learning materials, however, candidates will not lose marks for using different terms.

International usage	Previous BEC/Botswana usage
Statement of financial position (Balance sheet)	Balance sheet
Bank (and other) loans Interest bearing loans and borrowing	Loans repayable after 12 months
Bank overdrafts and loans Interest bearing loans and borrowing	Loans repayable within 12 months
Capital or equity/shareholders' equity	Capital
Cash (and cash equivalents)	Bank and cash
Cost of sales	Cost of goods sold
Current assets	Current assets
Current liabilities	Current liabilities Creditors: amounts due within 12 months
Finance costs	Interest payable
Finance income/investment revenues	Interest receivable
Financial statements	Final accounts
Gross profit	Gross profit
Income statement	Trading and profit & loss account
Intangible assets	Goodwill, etc.
Inventory/inventories (of raw materials and finished goods)	Stock
Investment property	Investments
Non-current assets	Fixed assets
Non-current liabilities	Long-term liabilities Creditors: amounts falling due after more than one year
Other operating expenses	Sundry expenses (administration and distribution)

Other operating income	Sundry income
Other payables	Accruals
Other receivables	Prepayments
Plant and equipment	Plant and equipment
Profit (before tax) for the year	Net Profit
Property	Land and buildings
Raw materials Ordinary goods purchased	Purchases
Revenue	Sales
Share capital	Share capital
Trade payables	Creditors
Trade receivables	Debtors
Work in progress	Work in progress