

**SOUTH PACIFIC BOARD  
FOR  
EDUCATIONAL ASSESSMENT**



**Pacific Senior Secondary  
Certificate**

**ACCOUNTING**

***Prescription***

**Form 6**

*Effective from January 2010*

# PACIFIC SENIOR SECONDARY CERTIFICATE

## Accounting

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# ACCOUNTING

## Preamble

Accounting is the study of the language of business and allows information to be gathered, processed and reported on for users to make informed financial decisions.

This prescription defines the requirements for assessment for the PSSC Accounting and is designed to assess a one year course of study at this level.

It is assumed that students have studied accounting at School Certificate level.

## General Aims

The aims of accounting are to:

- allow students to understand the role of accounting in society
- promote knowledge and understanding of accounting as a financial language for trading and service businesses, and community organisations
- apply financial knowledge and skills to practical situations
- provide a basis for further study in accounting and a background to assist students should they decide to work in an accounting environment.

## Outcomes

To achieve these aims, students will, within the specified contexts:

- recall and use relevant accounting knowledge
- examine, understand and apply the assumptions, principles and concepts on which accounting is based
- process financial data into meaningful information
- develop a knowledge and understanding of the systems and controls required to ensure financial data is processed accurately and efficiently
- prepare financial reports which meet user needs
- analyse and interpret financial reports
- make informed decisions based on financial and non-financial information
- develop skills in communication, numeracy, information and problem solving.

# Course Context

The context of study are:

1. sole proprietors who:
  - are trading or service businesses
  - record transactions on the accrual basis
  - buy and sell inventory or services for cash or on credit
  - maintain either a physical or perpetual inventory
  
2. community organisations who:
  - provide a service to the community e.g. sports/social/recreation club, church, Red Cross and other volunteer organisations
  - motive is non-profit.

# Course Structure

The prescription is divided into five sections:

- I Conceptual Basis of Accounting
- II Processing
- III Accounting Systems
- IV Accounting Reports
- V Analysis, Interpretation and Making Decisions

# LEARNING OUTCOMES

## Section I Conceptual Basis of Accounting

Students should develop an understanding of the principles/concepts on which accounting is based.

Students should be able to:

1. define accounting
2. explain the functions of accounting

*Coverage:*

Functions of accounting can include: communication, aids decision making, accountability, control devices, aid to interested parties, stewardship

3. explain how interested parties make use of accounting

*Coverage:*

Users of accounting information can include: the entities, other entities, owners, managers, investors, creditors, Government, customers, unions

4. identify, describe and apply the qualitative characteristics of accounting information

*Coverage:*

relevance, reliability, understandability, comparability, timeliness, neutrality, verifiability, objectivity

5. define, recognise and apply accounting concepts

*Coverage:*

accounting entity, monetary measurement, going concern, accounting period, matching, accrual basis, historical cost, materiality, prudence (conservatism), consistency, disclosure

6. describe the relationship between any of the accounting concepts

7. define, recognize and apply the financial elements

*Coverage:* assets, liabilities, owner's equity, revenues, expenses (See page 29 for definitions)

8. use the accounting equation  $OE = A - L$ , to show the relationship between owner's equity, liabilities (sources of funds), and assets (uses of funds)

9. describe how OE is affected by contributions/withdrawals by the owner and profit/loss as measured by  $R - E$

10. distinguish between capital and revenue transactions

## Section II Processing

Students should be able to record and process financial transactions.

Students should be able to:

1. describe the input, process and output components of an accounting cycle for the entity
2. compare manual and computer processing methods that can be used for recording, processing, storing and reporting accounting data
3. prepare and use a chart of accounts for an entity
4. describe and analyse transactions in terms of their effects on the accounting equation

*Coverage:*

- the accounting equation may show expenses and revenue separate for owners equity
  - the purchase/sales of inventory can be treated as for a perpetual system i.e. directly affecting the balance of inventory or as an expense/revenue respectively
5. explain and apply the debit and credit rules (Double Entry) for processing accounting transactions
  6. identify source documents used for recording transactions

*Coverage:*

source documents include: invoices, credit notes, statements, receipts, payment vouchers, cheques

7. record transactions on source documents
8. prepare accounting records

*Coverage:*

- general journal
- lists of credit sales, credit purchases and returns (which may be in the form of journals)
- cash receipts journal
- cash payments journal
- general ledger accounts including control accounts
- subsidiary ledgers for accounts receivable and accounts payable
- trial balance

NOTE: ledger accounts will be examined in 3 column form only

9. prepare journal/ledger entries for balance day adjustments

*Coverage:*

- accrued expenses
  - accrued revenue
  - prepayments
  - revenue in advance
  - depreciation (Straight Line and Diminishing Value)
  - bad and doubtful debts
10. explain the need for and prepare journal/ledger entries for closing and reversing entries

## Section III Accounting Systems

Students should be able to identify and understand an accounting system, including documents, accounting records and appropriate control measures.

Accounting subsystems to be assessed are:

- Cash receipts/payments
- Inventory
- Accounts Receivable/Sales
- Accounts Payable/Purchases
- Fixed Assets
- Payroll

### Internal Control

Students should be able to:

1. explain the principles and objectives of internal control

*Coverage:*

Principles to include: reliable personnel, verification, authorisation, responsibility, separation of duties, serialisation of documents

Objectives to include: Provide accurate and reliable accounting data, Encourage efficiency, Safeguard assets, Ensure management policies are followed

### For each subsystem:

2. explain the objectives and procedures for internal controls
3. identify the input, process and output elements
4. identify and describe the essential information and control features recorded on the appropriate source documents
5. prepare the accounting entries
6. identify internal control weaknesses from given situations (case studies)
7. make recommendations for improvements
8. identify the links between related subsystems

*Note: Document flow charts are not required*

### Cash Subsystem

Students should be able to:

1. explain the need for internal control over cash
2. identify and explain the internal control procedures for cash receipts and cash payments

3. describe the purpose of a bank reconciliation
4. complete the bank reconciliation procedures including preparing a Bank Reconciliation Statement

*Coverage:*

the reconciliation can include: direct credit/debit, automatic payments, dishonoured cheques, correction of errors.

### **Inventory Subsystem**

Students should be able to:

1. explain the need for internal control over inventory
2. identify and explain internal control procedures for purchase, receipt, storage, stock-take and sale of inventory
3. describe the importance of maintaining appropriate inventory levels and of stock turn policies
4. explain the significance of the conservatism concept in relation to inventory valuation
5. distinguish between periodic and perpetual inventory systems in calculating cost of goods sold and closing inventory
6. record transactions in the ledger using the perpetual inventory system
7. understand the purpose of a stock ledger card in calculating cost of goods sold and closing inventory
8. record transactions on a stock ledger card using FIFO, weighted average and actual cost methods of valuation and describe the effects of each method on cost of goods sold and gross profit
9. identify and record inventory gains/losses (Inventory Adjustments).

### **Accounts Receivable/Sales Subsystem**

Students should be able to:

1. explain the need for control over credit sales
2. identify and explain the internal control procedures for accounts receivable
3. describe the purpose for keeping an accounts receivable subsidiary ledger and control account
4. prepare the accounts receivable subsidiary ledger, control account and list of accounts receivable



5. prepare journal/ledger entries relating to accounts receivable

*Coverage:*

- bad debts
  - creating/adjusting provision for doubtful debts
  - discount allowed
  - off setting contra accounts
  - interest charged
  - bad debts recovered
6. explain the relationship between the conservatism concept and providing for doubtful debts
  7. describe the need to prepare a schedule of age of accounts receivable.

### **Accounts Payable/Purchases Subsystem**

Students should be able to:

1. explain the need for internal control over credit purchases
2. identify and explain internal control procedures for accounts payable
3. describe the need for the accounts payable subsidiary ledger
4. prepare the accounts payable subsidiary ledger, control account and list of accounts receivable
5. prepare journal/ledger entries relating to accounts payable

*Coverage:*

- discount received
- off setting contra accounts
- interest charged

### **Fixed Assets Subsystem**

Students should be able to:

1. explain the need for internal control over fixed assets
2. identify and explain the internal control procedures for purchase, storage and sale of fixed assets
3. define depreciation and explain the purpose of depreciating assets
4. calculate depreciation expense

*Coverage:*

- straight line
- diminishing value
- units of use

5. prepare journal/ledger entries for depreciation expense and accumulated depreciation
6. prepare journal/ledger entries for the purchase and disposal (including trade ins) of fixed assets
7. prepare a fixed assets register with the details of each asset, annual depreciation, accumulated depreciation and book value

### **Payroll Subsystem**

Students should be able to:

1. explain the need for internal control over payroll
2. identify and explain internal control procedures for payroll
3. calculate net pay
4. interpret source documents used for a payroll
5. prepare wage sheets to calculate gross pay
6. distinguish between different ways of paying payroll

*Coverage:*

cash, cheque, direct credit

7. prepare journal/ledger entries for the payroll.

## Section IV Accounting Reports

Students should be able to report financial information for:

- business organisations
- community organisations.

### Business Organisations

Students should be able to:

1. describe functions, features and limitations of financial statements listed in 3 below
2. prepare a ten column worksheet incorporating the balance day adjustments
3. prepare financial statements in vertical form incorporating balance day adjustments for a sole proprietor business

*Coverage:*

Financial statements to include:

- Statement of Accounting Policies, limited to:
  - identification of the entity reporting by name and nature of its business
  - the measurement system adopted (to be Historical Cost)
  - reliance on going concern and use of accrual basis
  - policies for the measurement of depreciation, accounts receivable and inventory
- Statement of Financial Performance (Revenue Statement) with classification of expenses appropriate to the business activities
- Statement of Financial Position (Balance Sheet) with:
  - classification of assets into current and non-current (investments, fixed assets, intangible assets)
  - classification of liabilities into current and non-current (term liabilities)
  - owner's equity to show opening capital, net profit/loss, drawings, closing capital
- Statement of Changes in Cash Position
  - cash movements to be shown as cash receipts and cash payments
  - the difference to be shown as net increase/decrease for the period, which is added to the opening bank balance to give closing bank balance
  - the statement to be prepared from a summary list of transactions

**NOTE:** *Financial statements will be examined in vertical form only*

## Community Organisations

Students should be able to:

1. identify and describe the nature and features of community organizations

*Coverage:*

- community organizations to be limited to sports/social/recreation clubs, churches or other volunteer organizations

2. prepare financial statements in vertical form incorporating balance day adjustments for a community organisation

*Coverage:*

- (i) Balance day adjustments limited to:

- subscriptions in arrears
- subscriptions in advance
- accrued expenses including purchases
- other accrued revenue
- depreciation (Straight Line and Diminishing Value)

- (ii) Financial statements to include:

- Statement of Accounting Policies, limited to:
  - identification of the entity reporting by name and nature of its activity
  - the measurement system adopted (to be Historical Cost)
  - reliance on going concern and use of accrual basis
  - policies for the measurement of depreciation, accounts receivable and inventory
- Statement of Changes in Cash Position (Statement of Receipts and Payments)
  - cash movements to be shown as cash receipts and cash payments
  - the difference to be shown as net increase/decrease for the period, which is added to the opening bank balance to give closing bank balance
  - the statement to be prepared from a summary list of transactions
- Supplementary trading and activity statements (Canteen, Refreshments, Raffle)
- Statement of Financial Performance (Statement of Income and Expenditure) - classification of expenses is not needed
- Statement of Financial Position (Balance Sheet) with:
  - classification of assets into current and non-current (investments, fixed assets, intangible assets)
  - classification of liabilities into current and non-current (term liabilities)
  - members' funds to show opening balance, net surplus/deficit, closing balance.

**NOTE:** *Financial statements will be examined in vertical form only*

## Section V Analysis, Interpretation and Making Decisions

Students should be able to analyse, interpret and evaluate financial and non-financial information of sole proprietors to make informed decisions.

Students should be able to:

### **A Explain, calculate and comment on ratios and percentages for a business entity from given data**

1. explain the purpose of analyzing financial information
2. identify, explain and calculate ratios and percentages appropriate for the entity which measures profitability, financial stability, liquidity and management effectiveness

*Coverage:*

ratios and percentages to include:

- percentage changes
  - measures of profitability:
    - mark-up percentage
    - gross profit percentage
    - expense percentage
    - net profit percentage
    - return on average owner's equity percentage
    - return on average total assets percentage
  - measurement of liquidity:
    - working capital amount
    - current ratio
    - liquid ratio
  - measurement of financial stability:
    - equity ratio
    - debt ratio
  - measures of management effectiveness:
    - accounts receivable collection period
    - inventory turnover
3. comment on the results of the calculations of any of the ratios and percentages for a specific business over a period of time.

### **B Analyse, interpret and make recommendations about a businesses financial performance, position and managerial effectiveness and present the information in a written report.**

1. analyse and interpret ratios and percentages for at least a three year period
2. identify and explain the relationships between the ratios and percentages used
3. identify trends and explain the possible reasons for the trends
4. comment on an entity's performance, financial position and management effectiveness using comparative figures, industry averages, and the results of analysis

5. interpret the Statement of Changes in Cash Position for the entity and comment on the entity's management of its cash resources
6. make recommendations of the measures needed to improve the financial performance, financial position, managerial effectiveness
7. prepare a written report, including graphs, tables and other non-written material, to cover the analysis, interpretation and recommendations required.

# Assessment

The assessment of this prescription is in two parts (internal and external assessment), and is made up of the following assessment components:

## ***External Assessment (60%)***

External Examination

## ***Internal Assessment (40%)***

Major Task 1 – Accounting cycle and processing to financial statements (20%)

Major Task 2 – Analysis, interpretation and reporting (20%)

## **External Assessment**

### **The Examination**

The end-of-year examination will be in written form and will test a range of and skill objectives specified in this prescription. All sections will be represented in the examination.

The examination will be one three hour paper and be marked out of 200 marks.

The examination will contain no essays or reports, but may require short paragraphs.

The weightings in the examination on the externally assessed parts of the prescription shall be as follows:

Section I	Conceptual basis of Accounting	10 – 15%
Section II	Processing	15 – 20%
Section III	Accounting systems	25 – 30%
Section IV	Accounting Reports	25 – 30%
Section V	Analysis, interpretation and making decisions	10 – 12%

The examination will be made up of questions under the following headings based on the outcomes of the prescription:

Section I	Conceptual basis of Accounting
Section II	Processing
Section III	Accounting systems
Section IV	Accounting Reports
Section V	Analysis, interpretation and making decisions

### **The external examination will not include the following outcomes:**

Section IV	Outcome 2: Prepare a ten column worksheet incorporating the balance day adjustments
Section V	Part B: Analyse, interpret and make recommendations about a business financial performance, financial position and managerial effectiveness and present the financial information in a written report.

## Internal Assessment

Students will be required to complete two major internal assessment tasks. These tasks allow for some flexibility of approach but must follow the specified rules of structure and content. Teachers will assess student material resulting from these tasks using detailed marking schedules as provided in this prescription. The tasks, mark allocations and suggested class-time are as follows:

<b>Task</b>	<b>Final Mark Value (%)</b>	<b>Suggested Class-time</b>
Major Task 1 – Accounting cycle, processing to financial statements	20	12-14 hours
Major Task 2 Analysis, interpretation and reporting	20	12-14 hours

Schools that intend enrolling students in PSSC Accounting must submit for approval a completed “*PSSC Internal Assessment Summary Form*” by March 1<sup>st</sup> in the year of enrolment. These forms will be provided by the SPBEA.

A PSSC Accounting Internal Assessment Programme must include details of the assessment tasks and procedures and descriptions of within school moderation of internal assessments if there are more than one class and more than one school involved.

Clear records and documentation regarding the school’s approved PSSC Internal Assessment programme must be kept. All students’ work that has been assessed under this programme must be available for verification by moderators and SPBEA officers during any one school year.

Students who will be enrolled in PSSC Accounting must be given a copy of the school’s Internal Assessment programme for the subject. A copy of the marking scheme for each task should also be available so students know the standard of work required and how their work will be assessed. Each student must be informed of when assessment tasks are to be given, and be notified of the assessment result as soon as it is marked. Students should also be advised that such results are subject to further changes as a result of moderation.

Schools must submit a mark for each of the assessment components:

Major Task 1 – Accounting cycle, processing to financial statements            out of 80  
Major Task 2 – Analysis, interpretation and report                                    out of 80



# Moderation

Moderation is a process to ensure fair, valid and consistent assessment. It is to ensure assessment of students' performance in the same subject is comparable between classes (if there are more than one class in a school) and between schools.

The moderation process is subject to the requirements and procedures of the Board.

The Major Task 1 – *Accounting cycle, processing to financial statements* will be sample moderated by external subject moderators. The sample for moderation will be taken from a list of students covering a range of marks. SPBEA will provide the procedure for selecting the sample. This task is to be completed and marks are to be sent to SPBEA by the end of August.

The Major Task 2 – *Analysis, interpretation and reporting* will be statistically moderated against Major Task 1. This task is to be completed and marks sent to SPBEA by the end of September.

## **Internal Assessment Components**

### **Major Task 1 – Accounting cycle, processing to financial statements**

Students are required to prepare a full set of books through to the preparation of financial statements for a sole proprietor which is a trading business.

The purpose of this task is to assess the student's understanding of the accounting cycle and process as being made up of a series of stages and their ability to prepare the necessary accounting entries for each stage.

#### **The full set of books is to include:**

##### **Part A**

Collecting, analysing and preparation of source documents

##### **Part B**

Preparing the accounting entries for the business entity

1. Preparation of the Chart of Accounts
2. Preparation of the Journals
3. Posting to the Ledger
4. Prepare a Trial Balance
5. Prepare a Worksheet including Balance Day Adjustments
6. Prepare classified financial statements (Statement of Financial Performance and Statement of Financial Position).

Teachers will be required to prepare a task for a chosen entity which must follow the specific criteria as set out below including a description and nature of the business entity.

The task can be completed as a homework or classroom assignment.

#### **Students will be required to:**

##### **PART A**

#### **Collect, analyse and prepare source documents**

- (a) Students are to collect four different examples of prepared source documents from their own environment (from a business or their own household) which could include: invoices, receipts, statements, credit notes, etc.
- (b) Answer four questions related to source documents similar to the following:
  - (i) What details are common to all the source documents collected?
  - (ii) What transactions does each of the documents represent?
  - (iii) Which Journal would each of the documents be recorded?
  - (iv) Explain the importance of the documents' serial number.
- (c) Design two source documents from given data (teacher supplied) for an imaginary business showing the details of a transaction. The source documents must include all the necessary details that are required for internal control purposes.

## **PART B**

### **Prepare accounting entries for the business entity**

#### **1. Prepare a Chart of Account for the entity**

The Chart of Accounts must include the following coded ledger accounts:

Assets:	Bank, Inventory, Accounts Receivable (Individuals), Fixed Assets appropriate to the business
Liabilities:	Accounts Payable (Individual), Loan
Owner's Equity:	Capital, Drawings
Revenue:	Sales, Sales Returns, Discount Received, Other revenue appropriate to the business
Expenses:	Purchases, Purchase Returns, Discount Allowed, five expenses appropriate to the business

NOTE: Students will be given a jumble of ledger account names without labelling them assets, liabilities, etc to prepare the Chart of Accounts.

#### **2. Prepare Journals, Ledgers and Trial Balance from a list of transactions**

The list of transactions must include:

- setting up the business with the introduction of capital in the form of cash and other assets and the purchase of fixed assets and taking out a loan
- one month's transactions (minimum 25) covering a range of business activities including:
  - sales of goods for cash and on credit
  - purchase of goods for cash and on credit
  - sales and purchase returns
  - other receipts
  - cash expenses including interest
  - purchase of further Fixed Assets
  - further capital introduced by the owner
  - drawings of cash and goods for the owner's own use
  - writing off Bad Debts

- (a) Prepare the following Journals: Sales, Sales Returns, Purchases, Purchase Returns, Cash Receipts, Cash Payments, General
- (b) Post to the Ledger accounts as set out in the Chart of Accounts

The teacher should mark the Journals before the students attempt the postings to the ledger. The students should use a correct version of the Journals to avoid continuing errors.

- (c) Prepare a Trial Balance

#### **3. Prepare a ten column worksheet from the prepared Trial Balance**

The student should use a correct version of the Trial Balance to avoid continuing errors.

The worksheet must include:

- columns for Trial Balance, Balance Day Adjustments, Adjusted Trial Balance, Profit and Loss, Balance Sheet
- Balance Day Adjustments for: Accrued Expenses, Prepayments, Accrued Income, Income in Advance, Closing Inventory.

#### 4. Prepare classified financial statements from the work sheet

The student should use a correct version of the work sheet to avoid continuing errors.

- Statement of Financial Performance
- Statement of Financial Position

#### Teachers need to:

- Prepare details for PART A for students to prepare source documents
- Prepare a jumbled list of ledger accounts for the Chart of Accounts
- Prepare a list of transactions for the full set of books
- Prepare a correct Trial Balance for the preparation of the Worksheet
- Prepare a template for the preparation of the Worksheet
- Prepare a correct worksheet for the preparation of the financial statements
- Mark the student work at the end of each part
- Prepare a time-line for the completion of the task.

#### Mark Allocation

##### PART A

Collecting, analysing and preparing source documents 10 marks

##### PART B

Preparing a Chart of Accounts 10 marks

Preparing Journals 12 marks

Posting to the ledger 12 marks

Preparing a Trial Balance 5 marks

Preparing a Worksheet 10 marks

Preparing the financial statements 16 marks

Overall presentation 5 marks

Total 80 marks

#### Mark Scheme for the Full Set of Books

<b>a. Collecting, analysing and preparing source documents (10 marks)</b>
---

##### Collecting source documents (2 marks)

- |         |           |  |
|---------|-----------|--|
| 2 marks | Excellent | - 3-4 appropriate source documents are collected |
| 1 mark  | Adequate  | - at least 2 source documents are collected      |
| 0 mark  | None      | - less than 2 source documents are collected     |

##### Analysing source documents (4 marks)

- |         |           |   |
|---------|-----------|---|
| 4 marks | Excellent | - all questions for four source documents are answered correctly with minor errors accepted |
| 2 marks | Good      | - most questions for at least two source documents answered correctly with minor errors     |

1 mark	Limited	- some questions have been answered correctly
0 mark	None	- little effort made

***Preparing source documents (4 marks)***

4 marks	Excellent	- two source documents have been prepared with most required details correctly shown
2 marks	Good	- two source documents have been prepared with some required details correctly shown
1 mark	Limited	- only one source document prepared
0 mark	Poor	- little effort made

***b. Preparing a chart of accounts (10 marks)***

***Classifying accounts (5 marks)***

5 marks	Excellent	- all required classification is done correctly (no more than two errors)
3 marks	Good	- some required classification is done correctly (no more than five errors)
1 mark	Adequate	- few classifications done correctly
0 mark	None	- no classification

***Coding of ledger accounts (5 marks)***

5 marks	Excellent	- an ordered numbering system used with allowance for new accounts
3 marks	Good	- an ordered numbering system used with no allowance for new accounts
1 mark	Adequate	- any indication of an ordered numbering system used
0 mark	None	- no indication of an ordered numbering system used

***c. Preparing Journals (12 marks)***

***Designing Journals (2 marks)***

2 marks	Excellent	- appropriate journals designed, including all required details
0 mark	None	- journals are not properly designed

***Using folio numbers (2 marks)***

2 marks	Excellent	- correct use of most folio numbers linked to the chart of accounts
0 mark	None	- no use of folio numbers

***Entries into the Journals (8 marks)***

8 marks	Excellent	- most transactions were entered correctly in the journals and totalled
5 marks	Good	- many transactions were entered correctly in the journals and totalled
3 marks	Average	- few transactions were entered correctly in the journals and totalled
1 mark	Adequate	- at least three correct transactions entered in the journals and totalled
0 mark	None	- no correct entries

***d. Posting to the Ledgers (12 marks)***

***Using Folio Numbers and Codes (2 marks)***

2 marks	Excellent	- most entries have folio numbers with correct codes
1 mark	Good	- few entries have folio numbers with codes
0 mark	None	- no indication of using folio numbers/codes

**Preparing entries (7 marks)**

7 marks	Excellent	- most entries are entered correctly (no more than 2 errors)
5 marks	Good	- some entries are entered correctly (no more than 4 errors)
2 marks	Adequate	- few entries are entered correctly (no more than 6 errors)
0 mark	None	- no entries are entered correctly

**Formating ledger accounts (1 mark)**

1 mark	Excellent	- all ledgers in 3 column format
0 mark	None	- 3 column format not used

**Balancing ledger accounts (2 marks)**

2 marks	Excellent	- most accounts are correctly balanced
1 mark	Good	- few accounts are correctly balanced

**e. Preparing a Trial Balance (5 marks)**

5 marks	Excellent	- Trial Balance prepared correctly with correct figures
2 marks	Good	- Trial Balance prepared correctly with minor errors
1 mark	Adequate	- Trial Balance prepared with significant errors
0 mark	None	- little effort made

**f. Preparing a Worksheet (10 marks)**

**Entering Balance Day Adjustments (4 marks)**

4 marks	Excellent	- all Balance Day Adjustments entered correctly with no more than one error
2 marks	Good	- Balance Day Adjustments entered correctly with no more than four errors
1 mark	Adequate	- some Balance Day Adjustments entered
0 mark	None	- no adjustments entered

**Completing the Profit and Loss and Balance Sheet Columns (4 marks)**

4 marks	Excellent	- all entries correctly made with no more than one error
2 marks	Good	- entries correctly made with no more than six errors
1 mark	Adequate	- few entries correctly made
0 mark	None	- little effort made

**Balancing the Worksheet (2 marks)**

2 marks	Excellent	- balancing of worksheet correct
1 mark	Adequate	- balancing of worksheet with errors
0 mark	None	- no balancing attempted

**g. Preparing financial statements (16 marks)**

**Preparing the Statement of Financial Performance (8 marks)**

8 marks	Excellent	- all entries (including classification) correctly made with no more than two errors
5 marks	Good	- most entries (including classification) correctly made with no more than four errors
3 marks	Adequate	- some entries are correct
1 mark		- some effort made
0 mark	None	- little/no effort made

***Preparing the Statement of Financial Position (8 marks)***

8 marks	Excellent	- all entries (including classification) correctly made with no more than two errors
5 marks	Good	- most entries (including classification) correctly made with no more than four errors
3 marks	Adequate	- some entries are correct
1 mark		- some effort made
0 mark	None	- little/no effort made

***h. Overall Presentation of the Assignment (5 marks)***

5 marks	Excellent	- excellent presentation of work with clear headings and understanding, dates and folio numbers correct
3 marks	Good	- good presentation of work with most dates and folio numbers correct
1 mark	Adequate	- some effort has been made to present work neatly
0 mark	None	- little effort made.

## **Major Task 2 – Analysis, Interpretation and Reporting**

Students are required to carry out a financial investigation of a trading business which is owned by a sole proprietor.

The investigation is to include the following stages:

- planning
- sorting and processing of data
- analysis, interpretation and evaluation of data
- recommendations and consequences in the form of a written report.

The purpose of this task is to assess the student's understanding of the analysis, interpretation and evaluation of financial information and being able to draw conclusions and make reasoned recommendations.

### **Students will be provided with the following information:**

1. A set of financial statements for a trading entity including:
  - Statement of Accounting Policies
  - Statement of Changes in Cash Flow
  - Statement of Financial Performance
  - Statement of Financial Position
2. The financial statements are for three consecutive years with the calculations of the ratios and percentages made for the first year of the three.
3. Industry averages for appropriate ratios and percentages.
4. Other information (at least four items) about the business that will assist in the investigation.

Examples: to be an increase in staff, a major advertising campaign, expansion of the business, increase in interest rates, etc.

### **Students are required to present the investigation in the form of a written report**

#### **PART A**

1. Describe the entity and the nature of the business as an opening page.
2. Calculate **all** the ratios and percentages (as listed in the prescription) for the second and third years including percentage changes where appropriate. The ratios and percentages cover financial performance (profitability), financial position (liquidity and financial stability) and management effectiveness.

This is to be in the form of a table showing the 3 years of business activities.



## **PART B**

Analyse, interpret and evaluate the results covering financial performance (profitability), financial position (liquidity and financial stability), management effectiveness and the cash flow position of the entity by commenting on the three years of business activity including the other information.

The analysis, interpretation and evaluation is to include:

- commenting on the money values of items in the financial statements
- explaining the purpose of the ratios and percentages
- explaining the results of the ratios and percentages
- comparing the three years business activities and with industry averages
- commenting on the cash flow position
- identifying the trends and changes with possible reasons over the three years.

This is to be in the form of a written report with data appropriately provided such as pie charts, graphs and other forms of non-written material.

## **PART C**

Make recommendations to improve the financial performance, financial position, managerial effectiveness and cash position of the business and comment on the consequences of these recommendations on the future of the business.

This is to be in the form of a written report with any other form of non-written material which may be appropriate.

### **Teachers need to:**

- Prepare a set of financial statements as specified for three consecutive years of trading including other information
- Mark PART A before the students write the report for PARTS B and C
- PART A in to be completed as an in-class task. PARTS B and C to be completed as an unsupervised assignment
- Sight and sign off the student work at the end of each part
- Prepare a time-line for the completion of the task

### ***Mark Allocation***

(a)	Describing the entity and nature of the business	4 marks
(b)	Calculating the ratios and percentages	20 marks
(c)	Analysing, interpreting and evaluating the results	28 marks
(d)	Making possible recommendations and commenting on the consequences	23 marks
(e)	Overall presentation	<u>5 marks</u>
	Total :	<u>80 marks</u>

**PART A: (18 marks)      Mark Scheme – Analysis, Interpretation and Report**

***a. Describing the entity and the nature of the business (4 marks)***

4 marks	Excellent	- entity and nature clearly described
1 mark	Limited	- some description of the nature of the entity made
0 mark	None	- entity and nature not described appropriately

***b. Calculating the ratios and percentages (20 marks)***

20 marks	Excellent	- all ratios and percentages calculated with only minor errors, and with formulas clearly stated
15 marks	Very Good	- all ratios and percentages calculated with less than five errors, and with formulas clearly stated
12 marks	Good	- most ratios and percentages calculated with less than eight errors, some formulas not given
8 marks	Adequate	- ratios and percentages calculated with less than twelve errors, some formulas not given
6 marks		- ratios and percentages calculated with less than fourteen errors, some formulas not given
3 marks	Limited	- some ratios and percentages calculated
0 mark	None	- little effort made

**PART B: (28 marks)**

***c. Analysing, interpreting and evaluating the results (28 marks)***

***Analysing Financial Performance (8 marks)***

8 marks	Excellent	- analysis clearly explains the financial performance over the three years, with comparisons clearly made. Trends and changes clearly stated.
5 marks	Good	- analysis explains the financial performance over the three years with some comparisons made. Trends and changes not stated.
3 marks	Adequate	- analysis explains the financial performance over the three years with few comparisons made
1 mark	Limited	- some analysis made
0 mark	Poor	- no effort made

***Analysing Financial Position (8 marks)***

8 marks	Excellent	- analysis clearly explains the financial position over the three years, with comparisons clearly made. Trends and changes clearly stated.
5 marks	Good	- analysis explains the financial position over the three years with some comparisons made. Trends and changes not stated.
3 marks	Adequate	- analysis explains the financial position over the three years with few comparisons made
1 mark	Limited	- some analysis made
0 mark	Poor	- no effort made

***Analysing Managerial effectiveness (4 marks)***

4 marks	Excellent	- analysis clearly explains managerial effectiveness over the three years, with comparisons clearly made. Trends and changes clearly stated.
---------	-----------	--

2 marks	Good	- analysis explains managerial effectiveness over the three years with some comparisons made. Trends and changes not stated.
0 mark	None	- little effort made

***Analysing Cash Flow Position (4 marks)***

4 marks	Excellent	- analysis clearly explains the cash flow position over the three years, with comparisons clearly made. Trends and changes clearly stated.
2 marks	Good	- analysis explains the cash flow position over the three years with some comparisons made. Trends and changes not stated.
0 mark	None	- little effort made

***Presentation of the analysis (4 marks)***

4 marks	Excellent	- the presentation is well organized with good use of graphs and other non-written material
3 marks	Good	- the presentation is organized with some use of graphs and other non-written material
1 mark	Limited	- the presentation is organized with no use of graphs and other non-written material
0 mark	None	- little effort made

**PART C: (28 marks)**

***d. Making recommendations and commenting on their consequences (23 marks)***

***Making recommendations (9 marks)***

9 marks	Excellent	- appropriate alternative recommendations made, related to the results of the analysis
7 marks	Very Good	- appropriate recommendations made with no alternatives given, related to the results of the analysis
5 marks	Good	- some recommendations made with some alternatives
2 marks	Limited	- some recommendations made
0 mark	Poor	- little effort made

***Commenting on consequences (8 marks)***

8 marks	Excellent	- consequences of recommendations are clearly explained.
5 marks	Very Good	- consequences of some recommendations are clearly explained
3 marks	Good	- some consequences of some recommendations are explained
1 mark	Limited	- few consequences given
0 mark	None	- little effort made

***Presenting the recommendations and consequences (6 marks)***

6 marks	Excellent	- well presented
3 marks	Good	- soundly presented
1 mark	Adequate	- adequately presented.
0 mark	None	- little effort made

***e. Overall Presentation of Investigation (5 marks)***

5 marks	Excellent	- the overall presentation is very well organized and presented showing clear and logical structure, very good use of non-written material and a proper list of contents
3 marks	Good	- the overall presentation is adequately organized and presented with good use of non-written material and a proper list of contents
0 - 2 marks	Limited	- adequate to limited overall presentation

## APPENDIX A: Teaching Notes

### Accounting terms

- **Users of accounting information can include:**

- The entities
- Other entities
- Owners
- Managers
- Investors
- Creditors
- Government
- Customers
- Unions

- **Functions of accounting can include:**

- Communication
- Aids decision-making
- Accountability
- Control devices
- Aid to interested parties

- **Accounting Elements**

- **Assets** are service potential or future economic benefits controlled by the entity as a result of a past transaction e.g. Delivery Van
- **Liabilities** are the future sacrifices of assets that the entity is presently obliged to make as a result of a past transaction e.g. Mortgage
- **Owner's Equity** is assets minus liabilities
- **Revenues** are increases in assets or reductions in liabilities, other than contributions by the owner, which increase owner's equity
- **Expenses** are reductions in assets or increase in liabilities, other than drawings, which decrease owner's equity.

- **Accounting Cycles include:**

- Cash based business: receipt of cash, payment of cash
- Credit based business: purchase of goods, sale of goods, receipt of cash, payment of cash

- **Debit/Credit (Double Entry) analysis is applied by:**

- A + E (Increase Debit, Decrease Credit)
- L + OE + R (Increase Credit, Decrease Debit)

- **Features of a good accounting system:**

- Provides useful information
- Allows planned objectives to be achieved
- Adheres to established procedures
- Institutes adequate controls
- Allows accurate and complete records to be kept
- Allows delegation of duties
- Allows for sharing of workload

- **The major objectives of each sub-system to be in terms of:**

- The importance of sub-systems within the entity
- The consequences of not having an adequate sub-system in place

- **Financial documents used for sub-systems:**

- Cash receipts: bank deposit slips, register tape, cash sales docket, receipt, bank statement, credit cards
- Cash payments: cheque butt, bank statement, direct credits, payment vouchers
- Payroll: employment contracts, tax tables, details of deductions, time records
- Sales/accounts receivable: sales order, packing slip, invoice, credit note, receipt, customer statement
- Purchase/accounts payable: purchase requisition, purchase order, packing slip, invoice, credit note, cheque, receiving report, suppliers statement
- Fixed Assets: invoice, ownership papers

- **Document essential information:**

- pre-numbered, date, business name/address, customer name/address, details of transactions, amount, sales tax, copies

- **The objectives of internal control are to:**

- Provide accurate and reliable accounting data
- Encourage efficiency
- Safeguard assets
- Ensure management policies are followed

- **The principles of internal control include:**

- Reliable personnel
- Verification
- Authorisation
- Responsibility
- Separation of duties
- Serialisation of documents

- **Features of financial statements include:**

- Clear headings, accuracy, simplicity, consistency, clear presentation, compliance with law and financial reporting standards and concepts

- **Limitations of financial statements:**

- Use of historical cost, estimations in the calculation of depreciation and doubtful debts, valuation of inventory, not accounting for price-level changes

- **Purpose of analysing financial statements include:**

- Communication
- Comparison
- Decision making
- Control

## **APPENDIX B: Financial Statements Templates**

### **Financial Statements Templates**

#### **For a Sole Proprietor**

- 1 Statement of Accounting Policies
- 2 Statement of Financial Performance for a Service Business
- 3 Statement of Financial Performance for a Trading Business
- 4 Statement of Financial Position
- 5 Statement of Changes in Cash Position

#### **For Community Organisation**

- 6 Statement of Accounting Policies
- 7 Statement of Changes in Cash Position
- 8 Statement of Activity
- 9 Statement of Trading Activities
- 10 Statement of Financial Performance
- 11 Statement of Financial Position
- 12 Stock Ledger Card
- 13 Fixed Asset Register

### **Financial Statements for a Sole Proprietor**

#### **1 Statement of Accounting Policies**

A Statement of Accounting Policies to include:

- identification of the entity reporting by name and nature
- the measurement system adopted (to be historical cost)
- reliance on going concern and use of accrual basis
- policies for the measurement of depreciation, accounts receivable and inventory
- a statement of changes (or no changes) in accounting policy

2 **Statement of Financial Performance for a Service Business**

<b>BUSINESS NAME</b> <b>STATEMENT OF FINANCIAL PERFORMANCE</b> <b>for year ended .....</b>		
<i>Income</i>		
Service Income		xx
Less Expenses		
' <i>Group One</i> ' Expenses		
List these	xx	
	xx	
	xx	0
	-----	
<i>Administration Expenses</i>		
List	xx	
	xx	
	xx	0
	-----	
<i>Financial Expenses</i>		
List	xx	
	xx	
	xx	0
	-----	
<b>Total Expenses</b>		0
		-----
<b>NET PROFIT</b>		<b>\$0</b>
		-----

Note:

- The 'Group One' expenses will be appropriate to the service firm, for example a courier might have Vehicle Expenses, a plumber might have Plumbing and Vehicle Expenses, a hairdresser might have Cutting and Styling Expenses.



**3 Statement of Financial Performance for a Trading Business**

<b>BUSINESS NAME</b> <b>STATEMENT OF FINANCIAL PERFORMANCE</b> <b>for year ended .....</b>			
Sales			xx
Less Sales Returns			xx
			-----
Net Sales			0
Less Cost of Goods Sold			
Inventory at .....		xx	
Plus Purchases	xx		
Less Purchases Returns	xx		
Net Purchases		0	
Freight In and Customs Duty		xx	
		-----	
Good Available for Sale		0	
Less Inventory at .....		xx	
		-----	
Cost of Goods Sold			0
			-----
Gross Profit			0
Add Other Revenue			
List		xx	
		xx	0
		-----	
Less Expenses			
<i>Selling and Distribution Expenses</i>			
List	xx		
	xx		
	xx	0	
	-----		
<i>Administration Expenses</i>			
List	xx		
	xx		
	xx	0	
	-----		
<i>Financial Expenses</i>			
List	xx		
	xx	0	
	-----		
<i>Other Expenses</i>			
List	xx	0	
	-----		
Total Expenses			0
			-----
Net Profit			\$0
			-----

**BUSINESS NAME**  
**STATEMENT OF FINANCIAL POSITION**  
as at .....

<i>Owner's Equity</i>			
Capital			xx
Add Net Profit			<u>xx</u>
			xx
Less Drawings			xx
			-----
			\$0
			-----
This is represented by			
<i>Current Assets</i>			
List	xx		
	xx		
	xx		
	xx	0	
	-----		
<i>Less Current Liabilities</i>			
List	xx		
	xx	0	
	-----		
Working Capital			
<i>Add Non-Current Assets</i>			
<i>Investments</i>			
List			xx
			-----
			0
<i>Fixed Assets</i>			
Asset Name	xx		
Less Accumulated Depreciation	xx	0	
Asset Name	xx		
Less Accumulated Depreciation	xx	0	0
	-----		0
<i>Intangible Assets</i>			
List			xx
			-----
			0
<i>Less Non Current Liability</i>			
List			xx
			-----
			\$0
			-----

5

<b>BUSINESS NAME</b>		
<b>STATEMENT OF CHANGES IN CASH POSITION</b>		
<b>for the year ended .....</b>		
<i>Cash was received from:</i>		
List Receipts	x x x	0
	-----	
<i>Cash was applied to:</i>		
List Payments	x x x x	0
	-----	
Net Increase/decrease in cash		0
Add Bank balance at .....		x
		-----
Bank balance at .....		\$0
		-----

## 6 Financial Statements for Community Organisation

### STATEMENT OF ACCOUNTING POLICIES

Statement of Accounting Policies to include:

- identification of the entity reporting by name and nature
- the measurement system adopted (to be historical cost)
- reliance on going concern and use of accrual basis
- a policy for depreciation (to be straight-line)

7

<b>COMMUNITY ORGANISATION NAME</b>		
<b>STATEMENT OF CHANGES IN CASH POSITION (Receipts and Payments)</b>		
<b>for the year ended .....</b>		
<i>Cash was received from:</i>		
List Receipts	x x x	0
	-----	
<i>Cash was applied to:</i>		
List Payments	x x x x	0
	-----	
Net Increase/decrease in cash		0
Add Bank balance at .....		x
		-----
Bank balance at .....		\$0
		-----

**8 Statement of Activities such as socials, raffles**

<b>COMMUNITY ORGANISATION NAME</b> <b>RAFFLE ACTIVITY STATEMENT</b> <b>for the year ended .....</b>		
Ticket Sales		xx
<i>Less Expenses</i>		
Printing Tickets	xx	
Prizes	xx	0
<b>Surplus/Deficit on raffles</b>		<b>\$0</b>

**9 Statement of Trading Activities such as refreshments, restaurant**

<b>COMMUNITY ORGANISATION NAME</b> <b>REFRESHMENT TRADING STATEMENT</b> <b>for the year ended .....</b>		
Refreshment Sales		xx
<i>Less Cost of Goods Sold</i>		
Opening Inventory	xx	
Plus Refreshment Purchases	xx	
	-----	
	0	
Less Closing Inventory	xx	
	-----	
Cost of Refreshments Sold		0
		-----
Gross Surplus		0
Less Other Expenses		
Refreshment Wages	xx	
Refreshment Expenses	xx	0
	-----	
Surplus/Deficit		\$0
		-----

**10**

<b>COMMUNITY ORGANISATION NAME</b> <b>STATEMENT OF FINANCIAL PERFORMANCE (Income and Expenditure)</b> <b>for the year ended .....</b>		
<i>Income</i>		
Subscriptions	xx	
Surplus on raffle	xx	
Surplus on refreshments	xx	
Donations	xx	0
	-----	
	0	
<i>Less Expenditure</i>		
Affiliation Fees	xx	
Secretary's Honorarium	xx	
Deficit on social	xx	
etc	xx	0
	-----	
Surplus/Deficit		\$0

**COMMUNITY ORGANISATION NAME**  
**STATEMENT OF FINANCIAL POSITION**  
as at .....

<i>Accumulated Fund</i>			
Balance		xx	
Add Surplus/Deficit		xx	0
			-----
			\$0
			-----
Represented by			
<i>Current Assets</i>			
Bank		xx	
Subscriptions in Arrears		xx	0
			-----
<i>Less Current Liabilities</i>			
Subscriptions in Advance		xx	
Accrued Expenses		xx	0
			-----
			0
<i>Add Non-Current Assets</i>			
Fixed Assets			
Club Equipment	xx		
Less Accumulated Depreciation	xx	0	
			-----
Other Assets	xx		
Less Accumulated Depreciation	xx	0	0
			-----
			0
<i>Less Non Current Liabilities</i>			
Debentures/Loan			xx
			-----
			\$0
			-----

12

<b>Stock Ledger Card</b>										
<b>Description</b>						<b>Code no. ....</b>				
<b>Maximum Quantity .....</b>						<b>Reorder Point .....</b>				
<b>Minimum Quantity .....</b>						<b>Reorder Quantity .....</b>				
Date	Particulars	In			Out			Balance		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost

13

<b>Fixed Asset Register</b>					
<b>Description Fixed Assets</b>					
<b>Type:</b>		<b>Manufacturer:</b>		<b>Folio:</b>	
<b>Location:</b>		<b>Supplier:</b>		<b>Estimated residual value:</b>	
<b>Date of Purchase:</b>		<b>Estimated Life:</b>		<b>Depreciation Rate:</b>	
<b>Depreciate method:</b>		<b>Estimated Life:</b>		<b>Depreciation Rate:</b>	
Date	Particulars	Cost	Annual Depreciation	Accumulated Depreciation	Book Value

## APPENDIX C: Formulae for Ratio Analysis

### FORMULAE FOR ANALYSIS OF FINANCIAL INFORMATION

#### For Sole Proprietors

• Mark Up Percentage	$\frac{\text{Gross Profit}}{\text{Cost of Sales}} \times \frac{100}{1}$
• Gross Profit Percentage	$\frac{\text{Gross Profit}}{\text{Net Sales}} \times \frac{100}{1}$
• Expenses Percentage	$\frac{\text{Expenses}}{\text{Net Sales}} \times \frac{100}{1}$
• Net Profit Percentage	$\frac{\text{Net Profit}}{\text{Net Sales}} \times \frac{100}{1}$
• Return on Owners Equity	$\frac{\text{Net Profit}}{\text{Average Owners Equity}} \times \frac{100}{1}$
• Return on Average Total Assets	$\frac{\text{Net Profit}}{\text{Average Total Assets}} \times \frac{100}{1}$
• Working Capital Amount	Current Assets – Current Liabilities
• Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
• Liquid Ratio	$\frac{\text{Current Assets – (Inventories \& Prepayments)}}{\text{Current Liabilities – (Secured Bank Overdraft)}}$
• Equity Ratio	$\frac{\text{Owners Equity}}{\text{Total Assets}}$
• Debt Ratio	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
• Inventory Turnover	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories}}$
• Accounts Receivable Collection Period	$\frac{\text{Average Accounts Receivable}}{\text{Net Credit Sales}} \times \frac{365}{1}$

## APPENDIX D: Suggested Teaching Programme

### Suggested Teaching Programme

This is an example of a teaching programme (timeline) showing the time that needs to be spent on different learning outcomes on which teachers can base their schemes of work. With countries/schools in the region having a variety of term times, teachers will need to plan their own programmes using this as a guide.

### Pacific Islands High School Teaching Programme – PSSC Accounting

Week	Learning Outcomes	Prescription Reference	Assessment
	<b>Section I The Conceptual Basis of Accounting</b>	Learning Outcomes	
1	Introduction to Accounting Review of the whole accounting cycle Qualitative Characteristics	1-4	
2	Accounting concepts Definition and application of the concepts	5-6	Assignment 1 on Conceptual Basis
3	Accounting Equation (Basic/extended equation) Transactions analysis	7-8	
4	Movement in Owner's Equity (effect of net profit, drawings and additional capital) Capital, Revenue Transactions analysis	9-10	Test 1 on Accounting Equation
	<b>Section II Processing</b>	Learning Outcomes	
5	Introduction to accounting processing (input/process/output)	1-4	
6	Source documents/Journals	5-8	Start Major Task 1
7	Posting to Ledgers/Trial Balance	8	
8	Balance day Adjustments	9	Test 2 on Balance Day Adjustments
9	Closing and Reversing entries	10	Complete IA Major Task Part A/B (1-5)
10	Review work of the section II		
	<b>Section III Accounting Systems</b>	Learning Outcomes	
11	Internal controls principles and concepts Case Studies	1-8	
12	Cash Subsystem	1-4	Test 3 on Internal Control case studies



13	Inventory Subsystem	1-7	
14	Inventory Subsystem/Stock ledger card	8-9	
15	Accounts Receivable/Sales	1-7	Assignment 2 on Inventory Subsystem
16	Accounts Payable/Purchases	1-5	
17	Revision work for the exam		Reviews past years exam papers
	<b>Half year EXAM TIME – 2<sup>nd</sup> week of June</b>		
18	Fixed Assets	1-6	
19	Fixed Assets Register/Disposal	7-9	
20	Accounting for Payroll	1-7	Test 4 on Fixed Assets Subsystem
	<b>Section IV Accounting Reports</b>	Learning Outcomes	
21	Business organisations Functions/features/limitations of financial reports Worksheet/Statement of Financial Performance (including adjustments)	1-2	
22	Preparation of Statement of Financial Position incorporating balance day adjustments/Preparation of Statement of Cash Position/Statement of Accounting Policies	3	
23	Community Organisations Functions/features/limitations of financial reports/ Receipts and Payments/Subscription and Trading account	3	Test 5 on Business Organisations – reports preparation
24	Income and Expenditure Statement incorporating balance day adjustments/Statement of assets and Liabilities incorporating balance day adjustments	3	
25	Preparation of Statement of Cash Position/Statement of Accounting Policies Review of the topic	3	Complete Major Task 1 Part B (6-8) Worksheet/ reports August -2 <sup>nd</sup> week
	<b>Section V Analysis, Interpretation and Making Decisions</b>	Learning Outcomes	
26	Introduction to ratio analysis/Calculations of ratios /percentages	Part A : 1-2	
27	Analysis of ratios and percentages/comments on the results/Interpretation	Part B : 1-5	Start Major Task 2
28	Recommendations and Consequences of the recommendations	Part B : 6-7	

29	Written Reports	Part B : 8	
30	Review of Section V		Complete Major Task 2 End of September
31	Revision for the Examination		
32	<b>End of Year Exam</b>		
33	Go over Exam		
34	Revision and preparation for external exam		
35	Revision and preparation for external exam		
36	Revision and preparation for external exam		
	EXTERNAL EXAM – 1 <sup>st</sup> week November		

## PSSC Internal Assessment Summary Form

### ACCOUNTING

Country .....

School .....

Task	Start Date	Completion Date	Brief Description	Task Weight %
Major Task 1		15 August		20%
Major Task 2		30 September		20%

Teacher .....

Date .....

**Note:** The completion dates for the tasks above are only for purpose of examples. The correct completion dates are in the IA Approval Summary Form in the CD information Pack sent to school yearly or in SPBEA website.