



Province of the
EASTERN CAPE
EDUCATION

DIRECTORATE: CURRICULUM FET PROGRAMMES

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CURRICULUM INSTRUCTION F04/2018

TO:

**DEPUTY DIRECTORS-GENERAL
CHIEF DIRECTORS
HEAD OFFICE DIRECTORS AND DISTRICT DIRECTORS
CHIEF EDUCATION SPECIALISTS
EDUCATION DEVELOPMENT OFFICERS
DEPUTY CHIEF/SENIOR EDUCATION SPECIALISTS
PRINCIPALS OF PUBLIC AND INDEPENDENT SCHOOLS
OFFERING ACCOUNTING
TEACHER UNIONS
SCHOOL GOVERNING BODIES**

DATE: 09 JANUARY 2018

THE SPLITTING OF THE ACCOUNTING QUESTION PAPER FROM ONE PAPER TO TWO PAPERS AND THE PROVISION OF A FORMULA SHEET FOR GRADES 10-12

1. The Curriculum Assessment Policy Statement (CAPS) for Accounting stipulates that the examination for the subject should consist of **ONE 3 hour** paper of 300 marks.
2. The Council of Education Ministers has approved the splitting of the current Accounting paper into two papers.
3. The Accounting question paper has been split into two papers of 2 hours totalling 150 marks each.
4. The content for the two question papers will be split as follows:
 - **Paper 1:** Recording, Reporting, Corporate Governance & Interpretation of Financial Information (Financial Accounting integrated with Managing Resources), and
 - **Paper 2:** Manufacturing, Budgeting/Forecasting & Internal Auditing and Control (Managerial Accounting integrated with Managing Resources).



5. The CAPS for Accounting stipulates that Managing Resources must be integrated into the teaching and assessment of the other two main topics. This principle will be maintained.
6. Learners will also be provided with a formulae sheet. This will allow learners to focus on the application of the formulae which is the skill being assessed in the examination.
7. Implementation dates are as follows:
 - i. 2018: Grade 10
 - ii. 2019: Grade 11
 - iii. 2020: Grade 12
8. **The New Grade 10 - 12 structure** to be implemented incrementally from **2018 in Grade 10** is attached as **Annexure A**.
9. You are kindly requested to bring the contents of this Curriculum Instruction to the attention of District officials, Principals and teachers of FET schools offering Accounting in grades 10 -12, parents and learners.
10. Subject Advisors of Accounting must mediate this Curriculum Instruction to all Grade 10 – 12 Accounting teachers before the 31 January 2018.



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MS. P. VINJEVOLD
DDG: EPEM

2018-01-11

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DATE



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ANNEXURE A

F04/2018

Structure: Accounting Question Paper

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





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ANNEXURE A

F04/2018

FORMULA SHEET GRADE 10

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



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ANNEXURE A

F04/2018

FORMULA SHEET GRADE 11

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





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ANNEXURE A

F04/2018

FORMULA SHEET GRADE 12

$\frac{\text{Gross Profit}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Gross Profit}}{\text{Cost of sales}} \times \frac{100}{1}$	$\frac{\text{Net profit}}{\text{Sales}} \times \frac{100}{1}$
$\frac{\text{Operating expenses}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Operating profit}}{\text{Sales}} \times \frac{100}{1}$	
$\frac{\text{Net profit after tax}}{\text{Average shareholders' equity}} \times \frac{100}{1}$	$\frac{\text{Net profit before tax + interest expense}}{\text{Average capital employed}} \times \frac{100}{1}$	
Current assets : Current liabilities	(Current assets – inventories) : Current liabilities	
$\frac{\text{Average debtors}}{\text{Credit sales}} \times \frac{365 \text{ or } 12}{1}$	$\frac{\text{Average creditors}}{\text{Credit purchases}} \times \frac{365 \text{ or } 12}{1}$	$\frac{\text{Cost of sales}}{\text{Average inventories}}$
$\frac{\text{Average inventories}}{\text{Cost of sales}} \times \frac{365 \text{ or } 12}{1}$	$\frac{\text{Closing inventories}}{\text{Cost of sales}} \times \frac{365 \text{ or } 12}{1}$	Current assets – Current liabilities
Non-current liabilities : Shareholders' equity	Total assets : Total liabilities	$\frac{\text{Dividends per share}}{\text{Earnings per share}}$
$\frac{\text{Profit after tax}}{\text{No. of shares in issue}}$	$\frac{\text{Ordinary share dividends}}{\text{No. of shares in issue}}$	
$\frac{\text{Fixed costs}}{\text{Selling price per unit – variable cost per unit}}$	$\frac{\text{Total ordinary shareholders' equity}}{\text{No. of shares in issue}}$	