



Kuwait National English School – Secondary Department

KS4 ACCOUNTING (Year 10 and 11)

ACCOUNTING

YEAR 10 ACCOUNTING TERM I	
Topic	Learning outcome and activities.
The need for Accounting The role of accounting. Its main functions.	<ul style="list-style-type: none"> • The functions of accounting. What purpose does accounting serve? • How accounting helps in business and the process of accounting. Definition and concepts. • Accounting role and how the accounting equation is applied. The accounting equation. Difference between accounting and book-keeping.
Accounting Terms and Principles: The rules of debit and credit Types of accounts (real, personal and nominal).	Students learn about the important terms that will be used throughout their accounting lessons. Various accounting terms include : <ul style="list-style-type: none"> • Debtors/creditors, Assets/liabilities • Capital: fixed and working capital • Sales/sales returns/purchases/purchase returns/stock, Gross profit, net profit, revenue/cost of sales • Principles of accounting entity, dual entity, going concern, matching, Prudence, consistency and revenue recognition • The importance of following these principles and how they are applied to accounting.
Double Entry Book-keeping. Journals.	Students will be introduced to the double entry method of accounting. What are journals and why are they prepared. Format and method of making entries in Journals. Narratives and why they need to be included while making journal entries.
Double Entry Book-keeping. Ledgers Business documents Trade discounts: cash and credit discounts and when they are used.	Students will be introduced to processing accounting data using the double entry system. Studying journal entries and then learning how to post these entries into appropriate Ledgers. The General Ledger (Nominal Ledger). Recognize the division of the ledger into the sales ledger, the purchases ledger and the nominal (general ledger). Students will learn about the different types of business documents and the need for preparing them, and what information and details are shown in them. Students recognize the following documents <ul style="list-style-type: none"> • Invoices • Credit notes • Debit notes

	<ul style="list-style-type: none"> • Statement of accounts
The Cash Book 2 columns and 3 column cash books. Cash book	Students will understand <ul style="list-style-type: none"> • What cash books are and prepare a 2 column cash book. • <u>Contra entries</u> and how they are recorded in the cash book. • Understand <u>cash discounts and trade discounts</u>. • The purpose of a 3 column cash book. Its preparation and balancing it. • <u>Dishonoured cheques</u> and <u>bank overdraft</u>
The Petty Cash Book	Students learn about the Petty cash book. <ul style="list-style-type: none"> • Why businesses maintain a Petty cash book • <u>The Imprest system</u> of Petty cash book keeping Preparing Petty cash books and bringing down balances.
Subsidiary Journals. (books of original entry) Sales and Sales returns Journal	The division of the general journal into subsidiary journals or books of prime entry. Students learn why such journals are maintained and how they help in the accounting process. Understand how to prepare these journals like: Sale and sales return journals, Students need to know how the balances in the journals are transferred into the respective ledger accounts. Purchases and purchase return journals. Students will learn the preparation of these journals and how the balances are transferred to the Ledgers at the end of each month. Preparation of journals.
Bank Reconciliation Statements.	Students will understand the Need for bank reconciliation statements. How to prepare BRS by updating cash book and the advantages of bank reconciliation statements.
Capital and Revenue expenditure/receipts.	Students will learn to define capital and revenue expenditure and the difference between them. What are capital and revenue receipts and how these are recorded. Effect of capital and revenue expenditure/receipts on net assets and net profits.
Revision & First Term Exams:	Comprehensive revision of term 1 curriculum. Students complete revision sheets and attempt revision quizzes. Exam papers will be modeled on IGCSE style questions. Questions selected from all the topics covered in term one. Multiple choice questions, definitions and problems to solve.

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YEAR 10 ACCOUNTING TERM II	
Topic	Learning outcome: Students will be able to
Capital and revenue expenditure and receipts. Other payables and other receivables (Accruals and Prepayments)	Students will learn to: <ul style="list-style-type: none"> • Distinguish between and account for capital expenditure and revenue expenditure • distinguish between and account for capital receipts and revenue receipts • calculate and comment on the effect on profit of incorrect treatment Students recognize the importance of matching costs and revenues <ul style="list-style-type: none"> • prepare ledger accounts and journal entries to record accrued and prepaid expenses • Prepaid expenses and incomes. Accrued expenses and incomes.

<p>Stock valuation The Trial Balance and first step to preparing the Financial statements.</p>	<ul style="list-style-type: none"> • Students understand the basis on which stock (inventory) is valued. Net realizable value .Prepare stock valuation statements. • What is trial balance? Why is it prepared? Students prepare the Trial balance and make suspense accounts.
<p>The Final Accounts (Financial Statements). The trading account and the Profit and Loss account.(Income Statement)</p>	<p>Students will learn the importance of preparing final accounts</p> <ul style="list-style-type: none"> • What final accounts say about the position of the business? • Users of final accounts • The three types of final accounts • Introduction to trading and profit and loss accounts. • How to prepare the trading account.
<p>Final Accounts: The Profit and Loss Account.</p>	<p>Students learn,</p> <ul style="list-style-type: none"> • The income statement formula. How to prepare the Income statement clearly showing the gross profit and Net profit. Horizontal and vertical formats of Income statements.
<p>The Final Accounts: The Balance Sheet.</p>	<p>Students learn the balance sheet equation. Assets = capital + liabilities.</p> <ul style="list-style-type: none"> • Students learn the vertical format of balance sheet preparation. • Showing the working capital in the balance sheet. • Net assets and capital employed.
<p>The Final accounts: Making adjustments to final accounts.</p>	<p>What are adjustments? Students will learn why a business will have to make adjustments to the final accounts once they are prepared. Students will learn how to apply adjustments with regard to</p> <ul style="list-style-type: none"> • accruals, prepayments • bad debts, bad debts recovered and • Provision for bad debts.
<p>Bad debts and bad debts recovered.</p>	<p>Bad debts and bad debts recovered. Understand the nature of bad debts and bad debts recovered. How the double entry is made with regard to these to transactions.. Why do businesses prepare a provision for doubtful debts. Making entries to record and create a provision for doubtful debts.</p>
<p>Provision for doubtful debts Increasing and decreasing a provision for doubtful debts.</p>	<p>Provision for doubtful debts. Students will be given final accounts with adjustment information. Review them and accordingly make the provision. State whether and income is made or an expense is incurred. Where is provision for doubtful debts recorded in the final accounts</p>
<p>Depreciation and disposal of Non-current assets.</p>	<p>Students will be introduced to depreciation and why it is important to record depreciation.</p> <ul style="list-style-type: none"> • Understand the nature and causes of depreciation. • Understand the main methods of calculating depreciation. • Make entries to record depreciation in the ledger. • Make entries to record disposal of non-current assets.
<p>Revision and Second Term Exams</p>	<p>Exam paper will focus on entire year 10 curriculum as students will soon be entering IGCSE year. Exam paper will be modeled on IGCSE system.</p>

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YEAR 10 ACCOUNTING TERM III	
Topic	Learning outcome: Students will be able to
Control Accounts	Students will understand the nature and purpose of control accounts Identify and use the books of Prime entry as sources of information. Prepare sales/purchases ledger control accounts.
Sole traders and Partnership Businesses	Students will learn about types of businesses and how the final accounts of businesses differ based on their structure. <ul style="list-style-type: none"> • The features of partnerships • Partnership agreements • Appropriation accounts and their preparation.
Partnership Accounts	What are partnerships and their advantages and disadvantages? Understand the entries necessary in connection with a loan/drawings/capital of partnerships. Students will prepare a profit and loss appropriation account. Prepare the capital and current accounts.
Partnership Accounts.	What are partnerships and their advantages and disadvantages? Understand the entries necessary in connection with a loan/drawings/capital of partnerships. Students will prepare a profit and loss appropriation account. Prepare the capital and current accounts.
Limited Company Accounts	Students will understand the nature of as limited company. Understand the terms issued share capital, and paid up share capital. Understand the difference between ordinary shares and preference shares
Limited Company Accounts	Prepare the financial accounts of limited companies. Prepare a profit and loss appropriation account of a limited company. Understand the capital structure of a limited company.
Incomplete records	Prepare the opening and closing statements of affairs. Calculate net profit and net loss from changes in capital, Calculate sales purchases, bank balance and gross profit from incomplete records.
General review of Partnership and Limited company Accounts	Students will undertake a variety of activity sheets to strengthen and consolidate their understanding of Financial statements.
Analysis and Interpretation of accounts. Profitability Ratios	Analyze and understand the ratios that measure profitability ROCE, Gross and Net profit margins Comment on the ratios and what they say about the business.
Analysis and Interpretation of accounts Liquidity Ratios	Analyze and understand the ratios that measure Liquidity. Current ratios and Acid test ratios. Comment on the ratios and what they say about the business. Limitations of accounting ratios.
Revision & End of year Exams:	Comprehensive revision of term 2 curriculum. Students complete revision sheets and attempt revision quizzes. Term 1 curriculum will also be reviewed. Exam papers will be modeled on IGCSE style questions. Questions selected from all the topics covered in term one and two. Multiple choice questions, definitions and problems to solve

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YEAR 11 ACCOUNTING TERM I	
Topic	Learning outcome and activities.
The Trial Balance, Ledgers, Cash Book.	Students will prepare journal entries and then post these in to specific ledgers. Balance the ledgers and clearly show the balance brought down each month. Make sure to give appropriate narratives for each transaction.
Introduction to Final accounts Final accounts: The Trading Account of Trading businesses.	Students learn the preparation of the trading account and how trading businesses differ from service businesses. The concept of revenue and Gross profit. Students calculate Gross and net profit. Preparing trading accounts in horizontal and vertical format.
Final accounts The profit and Loss Account of Trading Businesses.	Students work on calculating the Gross and Net profit. The importance of making P/L accounts and Preparing the P/L account from a trial balance. Preparing both forms of P/L account (Vertical and Horizontal).
Final Accounts The Balance sheet of trading businesses.	Students should be able to: recognize that they are statements of balances of assets and liabilities on a specified date. Recognize and define fixed assets, intangible assets, current assets, current liabilities , long-term liabilities, working capital, capital employed and capital owned.
Types of Business organisations: Sole Traders and Partnerships. Partnerships Appropriation accounts	Explain the advantages and disadvantages of forming a partnership and the partnership agreement. Explain the purpose of an appropriation account. Prepare income statements, appropriation accounts and balance sheets in either horizontal or vertical form Draw up partners' capital and current accounts in ledger account form and as part of a balance sheet presentation.
Types of Business Organizations: Limited Liability businesses Types of shares: preference and equities, debentures, retained profits, general reserves.	Students learn and understand the meaning of the term limited liability <ul style="list-style-type: none"> • understand and distinguish between authorized, paid-up share capital • understand and distinguish between share capital (preference shares and ordinary shares) and loan • Understand preference share capital, ordinary share capital, general reserve and retained profits.
<u>Clubs and societies</u> Receipts and payments account Income and expenditure account.	Students learn about the unique nature of a club or society and how they differ vastly from other forms of business organization. Also learn to distinguish between receipts and payments accounts and income and expenditure accounts prepare receipts and payments accounts prepare income and expenditure accounts and balance sheets

Subscription accounts & Trading account of clubs and societies.	Preparing the subscriptions accounts (T-format)
Calculate Accumulated Fund Statement of affairs (balance sheet) Income and expenditure account	Students will learn about calculating the accumulated fund and how it differs from capital of other businesses. Also learn to make adjustments as appropriate and calculate the accumulated fund. The Income and Expenditure account and the Statement of affairs.
Other payables and Other receivables Capital and revenue expenditure and receipts. The effect of errors on net profit.	recognize the importance of matching costs and revenues distinguish between and account for capital expenditure and revenue expenditure and capital receipts and revenue receipts
Revision and Term Exams	Complete revision of term 1 and parts of work completed in year 10 will be reviewed. Exam will be modeled on IGCSE. Past papers. All curriculum covered in year 10 as well as term 1 of year 11 will be included in the examination.

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YEAR 11 ACCOUNTING TERM II	
Topic	Learning outcome: Students will be able to
<u>Control accounts</u> Sales and sales returns control journals	Understand the nature and purpose of control accounts Identify and use the books of prime entry as sources of information for control accounts. Prepare sales ledger control accounts
<u>Control accounts</u> Purchases and purchases returns control accounts.	Prepare purchases ledger control accounts. How control accounts help in locating errors Control accounts as a proof of arithmetical accuracy.
<u>Bank reconciliation statements</u>	Understand the purpose of B.R statements. Understand why discrepancies may arise between the bank account and the bank statement. Understand the stages in the preparation of bank reconciliation statements and their preparation.
<u>Journal Entries and Correction of errors.</u>	Understand the journal as a book of prime entry. Prepare journal entries. Correct errors using journal entries and suspense accounts.
Limited Company Accounts	Students will understand the nature of a limited company. Understand the terms issued share capital, and paid up share capital. Understand the difference between ordinary shares and preference shares Students learn what is authorized and paid-up capital. differentiate between the types of shares
Limited Company Accounts	Prepare the financial accounts of limited companies. Prepare a profit and loss appropriation account of a limited company. Understand the capital structure of a limited company.

<p><u>The Manufacturing Account- 1</u> Direct expenses, direct labour and direct material.</p>	<p>What is a manufacturing business and how the accounts differ from other businesses. The purpose of preparing the manufacturing account and the key elements of a manufacturing account. The elements of cost Calculating the Prime cost. Calculate the cost of production of finished goods.</p>
<p><u>The Manufacturing Account-2</u></p>	<p>Calculating the cost of production What are royalties? Preparing the trading, profit and loss account of manufacturing businesses. Prepare a balance sheet of a manufacturing business.</p>
<p>Analysis and Interpretation of accounts. Profitability Ratios</p>	<p>Analyze and understand the ratios that measure profitability ROCE, Gross and Net profit margins Comment on the ratios and what they say about the business. Calculate profitability between 2 businesses</p>
<p>Analysis and Interpretation of accounts Liquidity Ratios</p>	<p>Analyze and understand the ratios that measure Liquidity. Current ratios and Acid test ratios. Comment on the ratios and what they say about the business. Limitations of accounting ratios.</p>
<p>Revision & Second Term Exam</p>	<p>Complete revision of term 1 and 2. Exam will be modeled on IGCSE. Past papers. All curriculums covered in year 10 as well as term 1 and 2 of year 11 will be included in the examination.</p>

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YEAR 11 ACCOUNTING TERM III	
Topic	Learning outcome: Students will be able to
<p>Revision tests and quizzes IGCSE past papers Mock exams (Term three exam)</p>	<ul style="list-style-type: none"> • To prepare students for the external examination. • Test papers and assignments that test student for analytical skills will be assigned on a weekly basis. • Students will attend after school club. • Year 10 and 11 curriculum will be reviewed in its entirety and this offers students to brush up in areas that they have missed or not understood.

Dr. Raouf Khodabocus, September 2019

IGCSE Examination: 2 Compulsory papers. Paper 1 and Paper 2 with eligible grades A* to G. Starting 2020 the IGCSE accounting exam has been updated. All candidates will take paper 1 and paper 2.

Paper 1: 1 hour 15 minutes (35 marks). A set of 35 multiple choice questions. (30% Total)
Paper 2: 1 hour 45 minutes. (100 Marks). Structured written paper. (70%)
Paper 1 – Multiple Choice

Assessment Criteria (IGCSE).

Multiple choice paper, 1 hour 15 minutes, 35 marks

Candidates answer all 35 multiple-choice questions and indicate their answers on the answer sheet provided. This paper assesses content drawn from the entire syllabus. The questions may include calculations. Calculators may be used in the examination. The paper assesses the following assessment objectives: Knowledge and understanding & Analysis

Paper 2 – Structured Written Paper Written paper, 1 hour 45 minutes, 100 marks

This is a structured written paper made up of five questions worth 20 marks each and assesses content drawn from the entire syllabus. Candidates answer all questions and write their answers on the question paper. Candidates should be aware of the marks for each part question. These are printed on the question paper. Candidates should use them as a guide to the amount of detail and length of response expected and to help them manage their time effectively. Calculators may be used in the examination. The paper assesses the following assessment objectives: Knowledge and understanding, Analysis and Evaluation