



## Course Outline

# IGCSE ACCOUNTING

## Year 11

*Inspiring excellence, empowering global minds*

Please find the full specification link below

[Cambridge IGCSE Accounting syllabus.pdf](#)

### Syllabus overview Aims

The aims describe the purposes of a course based on this syllabus. The aims are to enable students to develop knowledge and understanding of the principles and purposes of accounting for individuals, businesses, non-trading organisations and society, an understanding of accounting concepts, principles, policies, techniques, procedures, and terminology. Students should acquire improved skills of numeracy, literacy, communication, enquiry, presentation, and interpretation, improved accuracy, orderliness, and the ability to think logically leading to an excellent foundation for further advanced study.

### Learning Outcomes

The IGCSE (International General Certificate of Secondary Education) accounting syllabus is designed to provide students with a foundational understanding of accounting principles and practices. This qualification is typically taken by students in the 14-16 age range, and it serves as a solid foundation for those who may wish to pursue further studies in accounting or related fields. The IGCSE accounting syllabus focuses on developing the skills and knowledge required to understand and apply accounting principles in various business contexts. Students may also be required to demonstrate problem-solving and analytical skills in practical accounting scenarios. Below is an overview of the IGCSE accounting syllabus:

- Introduction to Accounting
- The Accounting Equation
- Double Entry Bookkeeping
- Books of Original Entry
- Ledgers and the Trial Balance
- Financial Statements
- Cash Flow Statements
- Financial Analysis
- Control Accounts
- Final Accounts for Sole Traders

- Incomplete Records
- Partnerships
- Limited Companies
- Accounting for Non-profit Organizations

## Ongoing Objectives

The aims of the Physical Education Syllabus are to encourage and enable children,

- Understanding the purpose and importance of accounting.
- Differentiating between financial and management accounting.
- Understanding the fundamental accounting equation:  $\text{Assets} = \text{Liabilities} + \text{Equity}$ .
- Learning how to represent transactions using this equation.
- Introduction to the double-entry system and the concept of debits and credits.
- Recording and balancing transactions.
- Exploring the use of various books like the cash book, sales daybook, and purchases day book.
- Learning to record transactions in these books.
- Creating ledger accounts.
- Preparing a trial balance to check the accuracy of the ledger accounts.
- Preparing basic financial statements, including the income statement (profit and loss account) and the balance sheet.
- Analyzing these statements to assess the financial performance of a business.
- Introduction to cash flow statements and their importance in assessing liquidity.
- Preparing a simple cash flow statement.
- Basic financial ratios and how to interpret them.
- Understanding the purpose of control accounts and how to prepare them.
- Reconciling control accounts with subsidiary ledgers.
- Preparing final accounts for a sole trader, including adjustments for depreciation and bad debts.
- Handling accounting for businesses with incomplete records.
- Introduction to partnership accounting, including the preparation of partnership accounts.
- Understanding the basics of limited company accounting, including the preparation of a simple income statement and balance sheet.
- Overview of accounting for non-profit organizations, including the preparation of income and expenditure accounts.
- Internal controls and the importance of safeguarding assets.

## Unit Overview

Term 1

**Unit 1 - Other payables and other receivables weeks****Approximate length: 4 weeks**

In IGCSE accounting, "Other Payables" and "Other Receivables" refer to specific categories of accounts that are used to record transactions related to amounts owed or owing by a business that don't fit into more common categories like trade payables (creditors) or trade receivables (debtors).

**Specific National Curriculum Objectives Covered:**

- recognise the importance of matching costs and revenues.
- prepare ledger accounts and journal entries to record accrued and prepaid expenses.
- prepare ledger accounts and journal entries to record accrued and prepaid incomes.

**Unit 2 - Irrecoverable debts and provision for doubtful debts****Approximate length: 4 weeks**

In IGCSE Accounting, "Irrecoverable Debts" and the "Provision for Doubtful Debts" are concepts related to managing accounts receivable, which are amounts that a business is owed by its customers. These concepts are essential for proper financial reporting and management of bad debt. When it becomes evident that a customer's debt is unlikely to be collected, the business should write off the debt as an expense. This is done by debiting the "Provision for Doubtful Debts" (or "Bad Debt Expense") account and crediting the "Accounts Receivable" account for the specific customer. To create a provision for doubtful debts, the business estimates the amount of bad debt it expects to incur in the future. This is typically a percentage of the total accounts receivable. The business records this provision as an expense by debiting the "Provision for Doubtful Debts" account and crediting the "Accounts Receivable" account.

**Specific National Curriculum Objectives Covered:**

- understand the meaning of irrecoverable debts and recovery of debts written off.
- prepare ledger accounts and journal entries to record irrecoverable debts.
- prepare ledger accounts and journal entries to record recovery of debts written off.
- explain the reasons for maintaining a provision for doubtful debts.
- prepare ledger accounts and journal entries to record the creation of, and adjustments to, a provision for doubtful debts.

**Unit 3 - Valuation of inventory****Approximate length: 1 weeks**

The valuation of inventory is a critical aspect of financial accounting. It involves determining the value of goods and materials that a business holds for the purpose of resale or production. Accurate inventory valuation is crucial for calculating the cost of goods sold and assessing a company's financial performance.

**Specific National Curriculum Objectives Covered:**

- understand the basis of the valuation of inventory at the lower of cost and net realisable value.
- prepare simple inventory valuation statements.
- recognise the importance of valuation of inventory and the effect of an incorrect valuation of inventory on
- gross profit, profit for the year, equity, and asset valuation.

#### **Unit 4 - Partnerships**

**Approximate length: 4 weeks**

The concept of partnerships is an important topic that involves understanding how businesses with multiple owners or partners operate, how they are structured, and how financial transactions and accounting are managed within such entities. Understanding partnerships is important for IGCSE Accounting students, as it provides insight into a common form of business organization and the associated accounting principles and practices. It's essential to comprehend how partnerships operate, including the sharing of profits and losses among partners, capital contributions, and the preparation of financial statements.

#### **Specific National Curriculum Objectives Covered:**

- explain the advantages and disadvantages of forming a partnership.
- outline the importance and contents of a partnership agreement.
- explain the purpose of an appropriation account.
- prepare income statements, appropriation accounts and statements of financial position.
- record interest on partners' loans, interest on capital, interest on drawings, partners' salaries, and the division of the balance of profit or loss
- adjust financial statements as detailed in 5.1 (sole traders)
- explain the uses of and differences between capital and current accounts.
- draw up partners' cap.

#### **Unit 5 - Limited companies**

**Approximate length: 4 weeks**

Understanding limited companies is a fundamental aspect of IGCSE Accounting. It is essential for students to comprehend how these companies are structured, how they raise capital through shares, and the associated accounting principles and practices. Additionally, students should be aware of the importance of compliance, auditing, and financial reporting for limited companies.

#### **Specific National Curriculum Objectives Covered:**

- explain the advantages and disadvantages of operating as a limited company.
- understand the meaning of the term limited liability.
- understand the meaning of the term equity.
- understand the capital structure of a limited company comprising preference share capital, ordinary share capital, general reserve and retained earnings.
- understand and distinguish between issued, called-up and paid-up share capital.
- understand and distinguish between share capital (preference shares and ordinary shares) and loan capital (debentures)

- prepare income statements, statements of changes in equity and statements of financial position.

**Unit 6 - Clubs and societies****Approximate length: 4 weeks**

Understanding the accounting practices for clubs and societies is important for IGCSE Accounting students, especially those involved in or interested in accounting for non-profit organizations or community groups. It involves handling financial transactions, preparing financial statements, and ensuring transparency in financial reporting to meet the organization's objectives and responsibilities. In IGCSE Accounting, "Clubs and Societies" typically refer to non-profit organizations or entities, such as student clubs, community organizations, or similar groups that engage in activities for a specific purpose or interest. Accounting for clubs and societies involves handling their financial transactions and reporting, which is distinct from the accounting of for-profit businesses.

**Specific National Curriculum Objectives Covered:**

- distinguish between receipts and payments accounts and income and expenditure accounts.
- prepare receipts and payments accounts.
- prepare accounts for revenue-generating activities, e.g., refreshments, subscriptions.
- prepare income and expenditure accounts and statements of financial position.
- adjust financial statements as detailed in 5.1 (sole traders)
- define and calculate the accumulated fund.

**Term 2****Unit 7 - Manufacturing accounts****Approximate length: 4 weeks**

Understanding manufacturing accounts is critical for IGCSE Accounting students who are studying businesses involved in manufacturing or production. It allows them to accurately calculate the cost of production, track inventory values, and prepare financial statements that reflect the company's financial performance and position.

**Specific National Curriculum Objectives Covered:**

- distinguish between direct and indirect costs.
- understand direct material, direct labour, prime cost, and factory overheads.
- understand and adjust for work in progress.
- calculate factory cost of production.
- prepare manufacturing accounts, income statements and statements of financial position.
- adjust financial statements as detailed in 5.1 (sole traders).

**Unit 8 - Incomplete records****Approximate length: 4 weeks**

Understanding how to deal with incomplete records is valuable for accountants and business owners because it allows them to estimate their financial performance and position, make informed decisions, and meet regulatory and tax requirements. IGCSE Accounting students learn the skills

needed to analyze, interpret, and reconstruct financial information from incomplete records, a valuable skill for assessing the financial health of businesses that do not maintain a formal double-entry bookkeeping system.

**Specific National Curriculum Objectives Covered:**

- explain the disadvantages of not maintaining a full set of accounting records.
- prepare opening and closing statements of affairs.
- calculate profit or loss for the year from changes in capital over time.
- calculate sales, purchases, gross profit, trade receivables and trade payables and other figures from incomplete information.
- prepare income statements and statements of financial position from incomplete records.
- adjust financial statements as detailed in 5.1 (sole traders)
- apply the techniques of mark-up, margin, and inventory turnover to arrive at missing figures.

**Unit 9 - Analysis and interpretation**

**Approximate length: 4 weeks**

analysis and interpretation are essential skills that help students understand financial information and draw meaningful insights from financial statements and other accounting data. Analyzing and interpreting financial information is critical for making informed business decisions, assessing the financial health of a company, and providing relevant information to stakeholders. Overall, analysis and interpretation in IGCSE Accounting are critical skills that enable individuals to make informed financial decisions, evaluate a company's financial performance, and communicate financial information effectively to various stakeholders.

**Specific National Curriculum Objectives Covered:**

- Gross margin
- Profit margin
- Return on capital employed (ROCE)
- Current ratio
- Liquid (acid test) ratio
- Rate of inventory turnover (times)
- Trade receivables turnover (days)
- Trade payables turnover (days)

**Unit 10 - Interpretation of accounting ratios**

**Approximate length: 4 weeks**

In IGCSE Accounting, the interpretation of accounting ratios is a crucial skill that allows students to assess a company's financial health, performance, and position by examining various financial ratios. These ratios are derived from the company's financial statements and provide valuable insights into its operations. Interpreting accounting ratios is a fundamental skill in IGCSE Accounting, as it enables individuals to make informed judgments about a company's financial condition. Understanding and applying ratio analysis is valuable for investors, creditors, management, and anyone involved in financial decision-making.

**Specific National Curriculum Objectives Covered:**

- prepare and comment on simple statements showing comparison of results for different years!
- make recommendations and suggestions for improving profitability and working capital.
- understand the significance of the difference between the gross margin and the profit margin as an indicator of a business's efficiency.
- explain the relationship of gross profit and profit for the year to the valuation of inventory, rate of inventory turnover, revenue, expenses, and equity.

**Assessment**

**Formative:** Formative assessments in IGCSE Business Studies are designed to monitor student learning continuously, providing ongoing feedback to both students and instructors about their progress. These assessments help educators adjust teaching methods in real-time to better suit students' needs and allow students to understand their strengths and areas for improvement. Formative assessments in IGCSE Business Studies continuously monitor student learning, offering feedback to students and educators on progress and helping adapt teaching methods to individual needs. Engaging in-class discussions, Q&A sessions, and group debates on current business events allow students to relate theoretical concepts to real-world scenarios. Frequent short quizzes and worksheets, post key topics, test understanding and application. Peer assessments offer diverse perspectives, while business simulations and role-plays immerse students in practical scenarios. Homework assignments extend learning beyond the classroom, and group tasks encourage collaboration and presentation skills. Students' reflective journals capture their insights, challenges, and learning trajectory. Regular feedback sessions foster a two-way communication between students and teachers, while mind maps post-lessons consolidate and visualize key concepts. These strategies ensure prompt identification and rectification of learning gaps in the curriculum.

Throughout each episode, lesson and within the IGCSE syllabus, feedback is maximized to focus children on exam technique and applying their learning coherently. Formative written feedback, in the copybooks and oral comments given immediately after learning, steer children to more formal examination-based answers and mark schemes. High quality peer feedback is scaffolded and developed, so that children are analytical in their feedback. This can be further reflected on for self-assessment. Children are empowered to make decisions on the direction of their learning. They evaluate and analyse their performance in both practical and theory lessons and activities. The course also provides many opportunities to kinesthetically assess the theory work as well as the practical work. The standard of performance is assessed against the past paper mark schemes and success criteria from the IGCSE specification. This helps children improve on their performances as they progress across the course. They are also given the opportunity to use mechanical and technological sports apparatus, which provide a constant stream of immediate feedback for the tracking of assessment. Alongside assessed pieces of work, teachers will carry out ongoing formative assessments and give children regular formative feedback to help them improve.

**Summative:** Due to the nature of the subject and course, feedback is given at the end of each chapter and unit. As the IGCSE in Accounting is split into theory (100 marks) and multiple-Choice questions (35 marks), the children are assessed on activities from the different categories in the syllabus guidelines. The department internally assesses two tests throughout the term and one as an end of year examination. Summative assessments in IGCSE Business Studies evaluate students' mastery at the end of an instructional phase, ensuring alignment with educational objectives. These evaluations, crucial for gauging comprehension, often mirror the format of the final exam. Key summative assessments for IGCSE Business Studies include end-of-unit tests on major topics, mock exams replicating the actual IGCSE exam experience, in-depth research projects where students investigate business topics, and detailed case study analyses that require application of theoretical concepts to real-world scenarios. Additionally, students might be tasked with presentations on subjects like business ethics, extended essays exploring in-depth topics, collaborative group projects like business plan creation, and practical tasks such as devising marketing strategies. These assessments not only prepare students for the IGCSE examinations but also furnish invaluable feedback, spotlighting strengths and areas needing improvement.