

# The New Senior Secondary Curriculum for Sierra Leone

## Subject syllabus for Principles of Accounting

Subject stream: Economics, Business and Entrepreneurial Studies



This subject syllabus is based on the National Curriculum Framework for Senior Secondary Education. It was prepared by national curriculum specialists and subject experts.





## Curriculum elements for Principles of Accounting – a core subject

### Subject Description

Principles of Accounting looks at the very basics of accountancy. Accounting is the practice of recording and reporting on business transactions. The resulting information is an essential feedback loop for management, so that they can see how well a business is performing against expectations. The following discussion of accounting basics is needed to give you a firm grounding from which to understand how an accounting system works and how it is used to generate financial reports. It also involves the review of product costs, examining operating variances, engaging in profitability studies, bottleneck analysis, and many other operational topics.

### Rationale for the Inclusion of Principles of Accounting in the Senior Secondary School Curriculum

The subject Principles of Accounting facilitates basic comprehension of both financial and costing principles for career opportunities in accounting and also in managing small businesses accounts. It will enable learners to have a fundamental background to think outside the box and nurture unconventional talents and skills and it creates employment opportunities. Studying accounting will instil confidence, develop initiative and creativity among students.

### General Learning Outcomes

After completing 'Principles of Accounting' students will be able to:

1. Use accounting principles
2. Explain the role of accounting in recording business transactions
3. Appreciate and apply the rules and functions of accounting as they apply to organization
4. Assemble, analyse and ascertain the cost of producing and procuring goods and services
5. Develop skills for using Cost Accounting as a tool for assisting management with information needed for planning, control and decision-making
6. Show awareness of economic use of resources through costing techniques
7. Demonstrate knowledge of basic methods of presenting cost statements
8. Pursue further studies in accounting.



## Structure of the Syllabus Over the Three-Year Senior Secondary School Cycle

SSS 1	SSS 2	SSS 3
<b>First Term</b>		
Introduction to Principles of Accounting	End of Year Financial Statements	Partnership Formation
The Accounting Cycle	End of Year Adjustments	End of Year Financial Statement
Subsidiary Books	Control Accounts	
<b>Second Term</b>		
The Ledger	Single entry and Incomplete records	Company Accounts
Balance and Errors	Not for Profit Making Organisations (Non-Trading Concerns)	Costing Techniques
Accounting Concepts		
<b>Third Term</b>		
Introduction to Cost Accounting	Labour	Standard Costing
Elements of Cost	Overheads	



## Teaching Syllabus

### Senior Secondary Level 1

Topic/Theme/Unit	Expected learning outcomes	Recommended teaching methods	Suggested resources	Assessment of learning outcomes
<b>TERM 1</b>				
<p><b>Introduction to Principles of Accounting</b></p> <p>Definition of terms such as business, accounting, transaction, book-keeping, capital, assets, liabilities, income, expenses and profit.</p> <p>Types of business activities: trading, manufacturing and provision of services</p> <p>Types of business organisations: -sole proprietor such as vendors, small to medium enterprises - partnerships - limited companies.</p> <p>Importance of accounting.</p> <p>Users of accounting information such as households, managers, banks, proprietor</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• Define accounting terms</li> <li>• State the different types of business activities and organisations</li> <li>• Explain different types of business activities and organisations</li> <li>• Distinguish the different types of business organisations</li> <li>• Explain the importance of accounting</li> <li>• Identify the users of accounting information</li> </ul>	<p>Defining accounting terms.</p> <p>Explaining accounting terms.</p> <p>Identifying the different types of business activities and organisations.</p> <p>Discussing different types of business activities and organisations.</p> <p>Stating examples of different types of business activities and organisations in the local community.</p> <p>Discussing the differences in the types of business organisations.</p> <p>Explaining the importance of accounting.</p> <p>Listing users of accounting information.</p>	<p>Display of charts showing the different users of accounting information</p>	<p>Assignment</p> <p>Group presentations</p> <p>Response of the students</p>



		Discussing uses of accounting information. Visiting local business organisation administrative aspect		
<b>Accounting cycle</b> Accounting cycle: <ul style="list-style-type: none"> <li>– transactions</li> <li>– source documents</li> <li>– subsidiary books</li> <li>– ledger</li> <li>– trial balance</li> <li>– financial statements</li> </ul>	Students will be able to: <ul style="list-style-type: none"> <li>• define the accounting cycle.</li> <li>• memorise the stages involved in the accounting cycle</li> <li>• illustrate the stages involved in the accounting cycle</li> <li>• explain the stages involved in the accounting cycle</li> <li>• reproduce the accounting cycle</li> </ul>	Explaining accounting cycle. Defining the accounting cycle. Memorising the stages involved in the accounting cycle. Illustrating the stages involved in the accounting cycle. Explaining the stages involved in the accounting cycle. Reproducing the accounting cycle.		Participation of students in class by answering questions Quiz
<b>Subsidiary Books</b> Subsidiary books <ul style="list-style-type: none"> <li>– two column cash book</li> <li>– sales journal</li> <li>– purchases journal</li> <li>– sales returns journal</li> <li>– purchase returns journal</li> </ul> Use of books of original entry: <ul style="list-style-type: none"> <li>– 3 column cash book</li> <li>– general journal</li> <li>– petty cash book</li> </ul>	Students will be able to: <ul style="list-style-type: none"> <li>• name the subsidiary books</li> <li>• describe the use of subsidiary books</li> <li>• label the columns of the subsidiary books</li> <li>• classify transactions</li> <li>• record transactions in subsidiary books</li> <li>• explain the entries in the subsidiary books</li> <li>• define trade and cash discount</li> </ul>	Labelling the columns of the subsidiary books. Classifying transactions. Illustrating the columns of subsidiary books. Matching transactions with subsidiary books. Entering transactions in subsidiary books. Interpreting entries in the subsidiary books.	Source documents Books of accounts	Participation of students in class by answering questions



Interpretation of entries in subsidiary books	<ul style="list-style-type: none"> <li>• calculate trade and cash discount</li> <li>• explain the purpose of the petty cash book</li> <li>• record transactions in appropriate books</li> <li>• interpret the entries in the subsidiary books</li> </ul>			
<b>TERM 2</b>				
<p><b>Ledger</b> Classification, posting and balancing ledger accounts</p> <p>Use of folio numbers</p> <p>Types of the ledgers and ledger accounts</p> <p>Interpretation of ledger accounts</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• define the ledger</li> <li>• post entries from subsidiary books to the ledger</li> <li>• balance ledger accounts</li> <li>• state the types of ledgers</li> <li>• classify ledger accounts</li> <li>• explain the entries in the ledger accounts</li> </ul>	<p>Defining the ledger. Posting entries to the ledger. Balancing ledger accounts. Naming the types of ledgers. Classifying ledger accounts. Interpreting ledger accounts. Explanation done by the teacher to the students.</p>		Individual participation Assignment/Assessment
<p><b>Accounting Concepts</b> Types (and their significance and limitations):</p> <ul style="list-style-type: none"> <li>– matching/ accrual</li> <li>– prudence</li> <li>– going concern</li> <li>– consistency</li> <li>– historical cost</li> <li>– double entry</li> </ul>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• explain the meaning of accounting concepts</li> <li>• explain the different concepts and apply them.</li> <li>• Explain the significance and limitations of the concepts.</li> </ul>	<p>Explanation by teacher and individual contribution by students. Group discussions with the help of charts and diagrams been displayed.</p>	<p>Class discussion Charts/ Diagrams Group presentation using a chart or diagram</p>	<p>Group presentations on the different types of concepts Question and answer session</p>



<b>TERM 3</b>				
<p><b>Introduction to Cost Accounting</b> Definition and objectives of Cost Accounting.</p> <p>Functions and importance of Cost Accounting</p> <p>Differences among Cost Accounting, Management Accounting and Financial Accounting.</p> <p>Basic Costing terminologies e.g., cost centre, cost unit, unit cost etc.</p> <p>Characteristics of a good Costing System e.g., simple, relevant, accurate, cost-effective etc.</p> <p>Qualities of good Cost information e.g., brief, timely, comparable, objective etc.</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• Explain or describe the various objectives of Cost Accounting and their importance in any business</li> <li>• Identify and explain the costing terminologies</li> <li>• Identify all the qualities of good Cost information and costing system</li> </ul>	<p>Group discussions</p>		<p>Demonstration of group presentation Response from students</p>
<p><b>Elements of Cost</b> Basis of cost classification: Classification of cost according to behaviour, function, nature etc.</p> <p>Types of cost under various Classifications e.g., direct cost, indirect cost, period cost, historical cost, sunk cost, etc.</p> <p>Components of cost build-up for ascertaining the cost/profit of a product</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• Define motivation</li> <li>• Identify and explain the basic factors of motivation discussed in class</li> <li>• Use charts or diagram to illustrate Maslow's hierarchy of needs</li> <li>• Discuss or explain the characteristics</li> </ul>	<p>Explanation Illustration Class work</p>	<p>Charts/Diagram</p>	<p>Responses from students Interpretation of the Maslow's Hierarchy need pyramid</p>



<p>or an activity e.g., prime cost, overheads, factory cost, cost of production, cost of sales, total cost.</p> <p>Explanation of elements of cost i.e., material, labour and expenses.</p> <p>Identification and grouping of elements of cost into direct and indirect costs e.g., direct material cost direct, labour cost, direct expenses and overheads such as factory, administration, selling and distribution.</p>				
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### Senior Secondary Level 2

Topic/Theme/Unit	Expected learning outcomes	Recommended teaching methods	Suggested resources	Assessment of learning outcomes
<b>Term 1</b>				
<p><b>End of Year Financial Statements</b></p> <p>Purpose of income statements.</p> <p>Preparing income statements.</p> <p>Explaining what statements of financial position are.</p> <p>Drawing up a statement of financial position</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• define income statements</li> <li>• explain the need for income statements</li> <li>• draw up income statements</li> <li>• define statements of financial position</li> <li>• prepare statements of financial position</li> </ul>	<p>Explanation by teacher.</p> <p>Class discussion.</p> <p>Class work.</p> <p>To direct the minds of the students to key areas as of each lesson, give notes and other reading materials.</p> <p>Practical examples of concepts.</p> <p>Encourage students to watch videos or listen to audios relating to the topic.</p>	<p>Flipcharts and markers</p> <p>Projector</p>	<p>Response from students on the class work</p> <p>Assignments on all topics</p> <p>Tests on topics covered</p> <p>Group discussions and presentations</p>





<p><b>End of year adjustments</b> Prepayments and accruals for income and expenses (ledger accounts not required).</p> <p>Depreciation:</p> <ul style="list-style-type: none"> <li>– causes and methods</li> <li>– reducing balance method</li> <li>– straight line method</li> </ul>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• define accruals and prepayments</li> <li>• show adjustments for accruals and prepayments in end of year financial statements.</li> <li>• define depreciation</li> <li>• state causes of depreciation</li> <li>• calculate depreciation using the given methods</li> </ul>	<p>Explanation by teacher. Class discussion. Class work. To direct the minds of the students to key areas as of each lesson, give notes and other reading materials. Practical examples of concepts. Encourage students to watch videos or listen to audios relating to the topic.</p>		<p>Presentation on the topic by selected students Explanation done by students on what they understand from the topic</p>
<p><b>Control accounts</b> Types, purposes and preparation</p> <p>Sources of information</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• define control accounts</li> <li>• state the purposes of control accounts</li> <li>• name the types of control accounts</li> <li>• identify sources of information for control accounts</li> <li>• prepare control accounts</li> </ul>	<p>Explanation by teacher. Class discussion. Class work. To direct the minds of the students to key areas as of each lesson, give notes and other reading materials. Practical examples of concepts. Encourage students to watch videos or listen to audios relating to the topic. Constructing control accounts.</p>		<p>Assignment Response from students on questions.</p>



<b>Term 2</b>				
<p><b>Single Entry and Incomplete Records</b> Statements of affairs</p> <p>Opening and closing capital.</p> <p>Missing figures: sales, purchases, expenses, gross profit, net profit, drawings, income</p> <p>Financial statements</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• define terms</li> <li>• calculate opening and closing capital using statements of affairs</li> <li>• calculate missing figures</li> <li>• draw up end of year financial statements</li> </ul>	<p>Explanation by teacher. Class discussion. Class work. To direct the minds of the students to key areas as of each lesson, give notes and other reading materials. Practical examples of concepts. Encourage students to watch videos or listen to audios relating to the topic.</p>	<p>Charts/Diagrams</p>	<p>Assignment Response from students on questions.</p>
<p><b>Not for Profit Making Organisations</b> Key terms: surplus, deficit, accumulated fund, subscriptions</p> <p>Describing the purpose of not for profit making organisations.</p> <p>Receipts and payments accounts</p> <p>Income and expenditure accounts</p> <p>Statements of financial position</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• define key terms</li> <li>• describe the purpose of not for profit making organisations.</li> <li>• describe receipts and payments accounts</li> <li>• draw up receipts and payments accounts</li> <li>• prepare simple income and expenditure accounts</li> <li>• draft statements of financial position</li> </ul>	<p>Explanation by teacher. Class discussion. Class work. To direct the minds of the students to key areas as of each lesson, give notes and other reading materials. Practical examples of concepts. Encourage students to watch videos or listen to audios relating to the topic.</p>	<p>Charts/Diagrams</p>	<p>Assignment Response from students on questions.</p>



<b>Term 3</b>				
<p><b>Labour</b> Meaning and types of labour and labour cost:</p> <ul style="list-style-type: none"> <li>– skilled and unskilled.</li> <li>– direct and indirect.</li> </ul> <p>Methods of labour remuneration:</p> <ul style="list-style-type: none"> <li>– Time rate</li> <li>– Piece rate: straight piece rate, differential piece rate, price rate with guaranteed time rate.</li> <li>– Incentive schemes: premium bonus, overtime premium.</li> </ul> <p>Methods of time keeping and concept of idle time.</p> <p>Payroll procedures:</p> <ul style="list-style-type: none"> <li>– Preparation of wages analysis sheet</li> <li>– Statutory and non-statutory deductions</li> </ul> <p>Labour Turnover: Meaning, causes and cost.</p> <p>Labour turnover ratio.</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• explain the meaning and types of labour and labour cost</li> <li>• explain and apply the methods of labour remuneration</li> <li>• explain the methods of time keeping and concept of idle time.</li> <li>• prepare a payroll</li> <li>• explain the meaning, causes and cost of labour turnover and calculate labour turnover ratio</li> </ul>	<p>Explanation by teacher. Class discussion. Class work. To direct the minds of the students to key areas as of each lesson, give notes and other reading materials. Practical examples of concepts. Encourage students to watch videos or listen to audios relating to the topic.</p>	<p>Charts/Diagrams</p>	<p>Assignment Response from students on Class presentations</p>
<p><b>Overheads</b> Definition of overheads.  Types of overheads.</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• define overheads.</li> <li>• explain the types of overheads.</li> </ul>	<p>Explanation by teacher Class discussion Class work</p>	<p>Charts/Diagrams</p>	<p>Assignment Response from students</p>



<p>Overhead analysis, collection, classification, allocation, apportionment and redistribution</p> <p>Overhead Absorption: Calculation of Overhead Absorption Rates (OAR) e.g., Direct Wages Percentage, Direct Material Cost Percentage, Machine Hour Rate, Prime Cost percentage.</p> <p>Application of Overhead Absorption Rates.</p> <p>Calculation of under/over absorption of overheads.</p>	<ul style="list-style-type: none"> <li>• understand overhead analysis, collection, classification, allocation, apportionment and redistribution</li> <li>• understand and calculate overhead Absorption Rates (OAR) e.g Direct Wages Percentage, Direct Material Cost Percentage, Machine Hour Rate, Prime Cost percentage, etc.</li> <li>• apply Overhead Absorption Rates.</li> <li>• calculate under/over absorption of overheads.</li> </ul>	<p>To direct the minds of the students to key areas as of each lesson</p> <p>Give notes and other reading materials</p> <p>Practical examples of concepts</p> <p>Encourage students to watch videos or listen to audios relating to the topic.</p>		
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### Senior Secondary Level 3

Topic/Theme/Unit	Expected learning outcomes	Recommended teaching methods	Suggested resources	Assessment of learning outcomes
<b>Term 1</b>				
<p><b>Partnerships</b></p> <p>Formation of partnerships</p> <p>Advantages and disadvantages of partnerships</p> <p>Income statements</p> <p>Appropriation accounts</p> <p>Statements of financial position</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• define a partnership.</li> <li>• state reasons for the formation of partnerships</li> <li>• outline the importance and contents of a partnership agreement</li> <li>• prepare appropriation accounts</li> <li>• prepare current accounts and capital accounts</li> </ul>	<p>Explanation by teacher.</p> <p>Class discussion.</p> <p>Class work.</p> <p>To direct the minds of the students to key areas as of each lesson, give notes and other reading materials.</p> <p>Practical examples of concepts</p> <p>Encourage students to watch.</p>		<p>Response from the questions asked by the teacher</p> <p>Assignment</p>



Current accounts	<ul style="list-style-type: none"> <li>draw up statements of financial position showing current accounts within or outside the statement</li> </ul>	Videos or listen to audios relating to the topic.			
Capital accounts					
<b>Term 2</b>					
<b>Company Accounts</b> Definition of terms: <ul style="list-style-type: none"> <li>shares</li> <li>debentures</li> <li>authorised share capital</li> <li>issued share capital</li> <li>called up share capital</li> <li>paid up share capital</li> <li>shareholders' funds</li> <li>dividends</li> <li>general reserves</li> <li>retained profits</li> <li>statement of changes in equity</li> </ul> Differences between ordinary and preference shares, share capital and loan capital  Statements of changes in equity.  Statements of financial position(extracts)  The components of the capital structure of a company	Students will be able to: <ul style="list-style-type: none"> <li>define terms used in company accounts</li> <li>outline components of the capital structure of a company</li> <li>state advantages of forming a company</li> <li>prepare statements of changes in equity</li> <li>draft statements of financial position (capital structure extract)</li> </ul>	Explanation by teacher. Class discussion. Class work. To direct the minds of the students to key areas as of each lesson, give notes and other reading materials. Practical examples of concepts. Encourage students to watch. Videos or listen to audios relating to the topic. Conducting educational tours.			Assignment Response from students on questions asked by teacher





<p><b>Costing Techniques</b> Job/Batch Costing</p> <p>Contract Costing</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• Describe the purpose and circumstances under which Job/Batch Costing is applied.</li> <li>• Ascertain cost of a job or batch.</li> <li>• Explain the meaning and characteristics of contract costing</li> <li>• Prepare Contract Accounts and Contractee's Account.</li> </ul>	<p>Explanation by teacher Class discussion Class work To direct the minds of the students to key areas as of each lesson, give notes and other reading materials Practical examples of concepts Encourage students to watch videos or listen to audios relating to the topic Conducting educational tours</p>		<p>Class discussion Assignment Response from students on questions asked by teacher</p>
<b>Term 3</b>				
<p><b>Standard Costing</b></p> <p>Meaning and importance of Standard Costing</p> <p>Types of Standards.</p> <ul style="list-style-type: none"> <li>– Computation of variances: Material (price and usage)</li> <li>– Labour (rate and efficiency)</li> </ul>	<p>Students will be able to:</p> <ul style="list-style-type: none"> <li>• Explain the meaning and importance of Standard Costing</li> <li>• Explain the types of Standards.</li> <li>• Compute variances: <ul style="list-style-type: none"> <li>– Material (price and usage)</li> <li>– Labour (rate and efficiency)</li> </ul> </li> </ul>	<p>Class discussions. Questions on the topic. Using research materials on entrepreneurship. Guiding students on how to draw a business plan and how to secure finance for the business.</p>		