



**education**

Department:  
Education  
REPUBLIC OF SOUTH AFRICA

# **NATIONAL CERTIFICATES (VOCATIONAL)**

## **ASSESSMENT GUIDELINES**

### **FINANCIAL MANAGEMENT**

#### **NQF Level 3**

September 2007



# **FINANCIAL MANAGEMENT – LEVEL 3**

## **CONTENTS**

### **SECTION A: PURPOSE OF THE SUBJECT ASSESSMENT GUIDELINES**

### **SECTION B: ASSESSMENT IN THE NATIONAL CERTIFICATES (VOCATIONAL)**

- 1 Assessment in the National Certificates (Vocational)**
- 2 Assessment framework for vocational qualifications**
  - 2.1 Internal continuous assessment (ICASS)
  - 2.2 External summative assessment (ESASS)
- 3 Moderation of assessment**
  - 3.1 Internal moderation
  - 3.2 External moderation
- 4 Period of validity of internal continuous assessment (ICASS)**
- 5 Assessor requirements**
- 6 Types of assessment**
  - 6.1 Baseline assessment
  - 6.2 Diagnostic assessment
  - 6.3 Formative assessment
  - 6.4 Summative assessment
- 7 Planning assessment**
  - 7.1 Collecting evidence
  - 7.2 Recording
  - 7.3 Reporting
- 8 Methods of assessment**
- 9 Instruments and tools for collecting evidence**
- 10 Tools for assessing student performance**
- 11 Selecting and/or designing recording and reporting systems**
- 12 Competence descriptions**
- 13 Strategies for collecting evidence**
  - 13.1 Record sheets
  - 13.2 Checklists

### **SECTION C: ASSESSMENT IN FINANCIAL MANAGEMENT**

- 1 Schedule of assessment**
- 2 Recording and reporting**
- 3 Internal assessment of outcomes in Financial Management - Level 3**
- 4 Specifications for external assessment in Financial Management - Level 3**
  - 4.1 Integrated Summative Assessment Task (ISAT):
  - 4.2 National examination

## SECTION A: PURPOSE OF THE SUBJECT ASSESSMENT GUIDELINES

This document provides the lecturer with guidelines to develop and implement a coherent, integrated assessment system for Financial Management in the National Certificates (Vocational). It must be read with the *National Policy Regarding Further Education and Training Programmes: Approval of the Documents, Policy for the National Certificates (Vocational) Qualifications at Levels 2 to 4 on the National Qualifications Framework (NQF)*. This assessment guideline will be used for National Qualifications Framework Levels 2-4.

This document explains the requirements for the internal and external subject assessment. The lecturer must use this document with the *Subject Guidelines: Financial Management* to prepare for and deliver Financial Management. Lecturers should use a variety of resources and apply a range of assessment skills in the setting, marking and recording of assessment tasks.

## SECTION B: ASSESSMENT IN THE NATIONAL CERTIFICATES (VOCATIONAL)

### 1 ASSESSMENT IN THE NATIONAL CERTIFICATES (VOCATIONAL)

Assessment in the National Certificates (Vocational) is underpinned by the objectives of the National Qualifications Framework (NQF). These objectives are to:

- Create an integrated national framework for learning achievements.
- Facilitate access to and progression within education, training and career paths.
- Enhance the quality of education and training.
- Redress unfair discrimination and past imbalances and thereby accelerate employment opportunities.
- Contribute to the holistic development of the student by addressing:
  - social adjustment and responsibility;
  - moral accountability and ethical work orientation;
  - economic participation; and
  - nation-building.

The principles that drive these objectives are:

- **Integration**

To adopt a unified approach to education and training that will strengthen the human resources development capacity of the nation.

- **Relevance**

To be dynamic and responsive to national development needs.

- **Credibility**

To demonstrate national and international value and recognition of qualification and acquired competencies and skills.

- **Coherence**

To work within a consistent framework of principles and certification.

- **Flexibility**

To allow for creativity and resourcefulness when achieving Learning Outcomes, to cater for different learning styles and use a range of assessment methods, instruments and techniques.

- **Participation**

To enable stakeholders to participate in setting standards and co-ordinating the achievement of the qualification.

- **Access**

To address barriers to learning at each level to facilitate students' progress.

- **Progression**

To ensure that the qualification framework permits individuals to move through the levels of the national qualification via different, appropriate combinations of the components of the delivery system.

- **Portability**

To enable students to transfer credits of qualifications from one learning institution and/or employer to another institution or employer.

- **Articulation**

To allow for vertical and horizontal mobility in the education system when accredited pre-requisites have been successfully completed.

- **Recognition of Prior Learning**

To grant credits for a unit of learning following an assessment or if a student possesses the capabilities specified in the outcomes statement.

- **Validity of assessments**

To ensure assessment covers a broad range of knowledge, skills, values and attitudes (SKVAs) needed to demonstrate applied competency. This is achieved through:

- clearly stating the outcome to be assessed;
- selecting the appropriate or suitable evidence;
- matching the evidence with a compatible or appropriate method of assessment; and
- selecting and constructing an instrument(s) of assessment.

- **Reliability**

To assure assessment practices are consistent so that the same result or judgment is arrived at if the assessment is replicated in the same context. This demands consistency in the interpretation of evidence; therefore, careful monitoring of assessment is vital.

- **Fairness and transparency**

To verify that no assessment process or method(s) hinders or unfairly advantages any student. The following could constitute unfairness in assessment:

- Inequality of opportunities, resources or teaching and learning approaches
- Bias based on ethnicity, race, gender, age, disability or social class
- Lack of clarity regarding Learning Outcome being assessed
- Comparison of students' work with other students, based on learning styles and language

- **Practicability and cost-effectiveness**

To integrate assessment practices within an outcomes-based education and training system and strive for cost and time-effective assessment.

## **2 ASSESSMENT FRAMEWORK FOR VOCATIONAL QUALIFICATIONS**

The assessment structure for the National Certificates (Vocational) qualification is as follows:

### **2.1 Internal continuous assessment (ICASS)**

Knowledge, skills values, and attitudes (SKVAs) are assessed throughout the year using assessment instruments such as projects, tests, assignments, investigations, role-play and case studies. The internal continuous assessment (ICASS) practical component is undertaken in a real workplace, a workshop or a "Structured Environment". This component is moderated internally and externally quality assured by Umalusi. All internal continuous assessment (ICASS) evidence is kept in a Portfolio of Evidence (PoE) and must be readily available for monitoring, moderation and verification purposes.

### **2.2 External summative assessment (ESASS)**

The external summative assessment is either a single or a set of written papers set to the requirements of the Subject Learning Outcomes. The Department of Education administers the theoretical component according to relevant assessment policies.

A compulsory component of external summative assessment (ESASS) is the **integrated summative assessment task (ISAT)**. This assessment task draws on the students' cumulative learning throughout the year. The task requires **integrated application of competence** and is executed under strict assessment conditions. The task should take place in a simulated or "Structured Environment". The integrated summative assessment task (ISAT) is the most significant test of students' ability to apply their acquired knowledge.

The integrated assessment approach allows students to be assessed in more than one subject with the same integrated summative assessment task (ISAT).

External summative assessments will be conducted annually between October and December, with provision made for supplementary sittings.

### 3 MODERATION OF ASSESSMENT

#### 3.1 Internal moderation

Assessment must be moderated according to the internal moderation policy of the Further Education and Training (FET) college. Internal college moderation is a continuous process. The moderator's involvement starts with the planning of assessment methods and instruments and follows with continuous collaboration with and support to the assessors. Internal moderation creates common understanding of Assessment Standards and maintains these across vocational programmes.

#### 3.2 External moderation

External moderation is conducted by the Department of Education, Umalusi and, where relevant, an Education and Training Quality Assurance (ETQA) body according to South African Qualifications Authority (SAQA) and Umalusi standards and requirements.

The external moderator:

- monitors and evaluates the standard of all summative assessments;
- maintains standards by exercising appropriate influence and control over assessors;
- ensures proper procedures are followed;
- ensures summative integrated assessments are correctly administered;
- observes a minimum sample of ten (10) to twenty-five (25) percent of summative assessments;
- gives written feedback to the relevant quality assessor; and
- moderates in case of a dispute between an assessor and a student.

Policy on inclusive education requires that assessment procedures for students who experience barriers to learning be customised and supported to enable these students to achieve their maximum potential.

### 4 PERIOD OF VALIDITY OF INTERNAL CONTINUOUS ASSESSMENT (ICASS)

The period of validity of the internal continuous assessment mark is determined by the *National Policy on the Conduct, Administration and Management of the Assessment of the National Certificates (Vocational)*.

The internal continuous assessment (ICASS) must be re-submitted with each examination enrolment for which it constitutes a component.

### 5 ASSESSOR REQUIREMENTS

Assessors must be subject specialists and should ideally be declared competent against the standards set by the ETDP SETA. If the lecturer conducting the assessments has not been declared a competent assessor, an assessor who has been declared competent may be appointed to oversee the assessment process to ensure the quality and integrity of assessments.

### 6 TYPES OF ASSESSMENT

Assessment benefits the student and the lecturer. It informs students about their progress and helps lecturers make informed decisions at different stages of the learning process. Depending on the intended purpose, different types of assessment can be used.

## 6.1 Baseline assessment

At the beginning of a level or learning experience, baseline assessment establishes the knowledge, skills, values and attitudes (SKVAs) that students bring to the classroom. This knowledge assists lecturers to plan learning programmes and learning activities.

## 6.2 Diagnostic assessment

This assessment diagnoses the nature and causes of learning barriers experienced by specific students. It is followed by guidance, appropriate support and intervention strategies. This type of assessment is useful to make referrals for students requiring specialist help.

## 6.3 Formative assessment

This assessment monitors and supports teaching and learning. It determines student strengths and weaknesses and provides feedback on progress. It determines if a student is ready for summative assessment.

## 6.4 Summative assessment

This type of assessment gives an overall picture of student progress at a given time. It determines whether the student is sufficiently competent to progress to the next level.

## 7 PLANNING ASSESSMENT

An assessment plan should cover three main processes:

### 7.1 Collecting evidence

The assessment plan indicates which Subject Outcomes and Assessment Standards will be assessed, what assessment method or activity will be used and when this assessment will be conducted.

### 7.2 Recording

Recording refers to the assessment instruments or tools with which the assessment will be captured or recorded. Therefore, appropriate assessment instruments must be developed or adapted.

### 7.3 Reporting

All the evidence is put together in a report to deliver a decision for the subject.

## 8 METHODS OF ASSESSMENT

Methods of assessment refer to who carries out the assessment and includes lecturer assessment, self-assessment, peer assessment and group assessment.

<b>LECTURER ASSESSMENT</b>	The lecturer assesses students' performance against given criteria in different contexts, such as individual work, group work, etc.
<b>SELF-ASSESSMENT</b>	Students assess their own performance against given criteria in different contexts, such as individual work, group work, etc.
<b>PEER ASSESSMENT</b>	Students assess another student's or group of students' performance against given criteria in different contexts, such as individual work, group work, etc.
<b>GROUP ASSESSMENT</b>	Students assess the individual performance of other students within a group or the overall performance of a group of students against given criteria.

## 9 INSTRUMENTS AND TOOLS FOR COLLECTING EVIDENCE

All evidence collected for assessment purposes is kept or recorded in the student's Portfolio of Evidence (PoE).

The following table summarises a variety of methods and instruments for collecting evidence. A method and instrument is chosen to give students ample opportunity to demonstrate the Subject Outcome has been attained. This will only be possible if the chosen methods and instruments are appropriate for the target group and the Specific Outcome being assessed.

	METHODS FOR COLLECTING EVIDENCE		
	Observation-based (Less structured)	Task-based (Structured)	Test-based (More structured)
<b>Assessment instruments</b>	<ul style="list-style-type: none"> <li>• Observation</li> <li>• Class questions</li> <li>• Lecturer, student, parent discussions</li> </ul>	<ul style="list-style-type: none"> <li>• Assignments or tasks</li> <li>• Projects</li> <li>• Investigations or research</li> <li>• Case studies</li> <li>• Practical exercises</li> <li>• Demonstrations</li> <li>• Role-play</li> <li>• Interviews</li> </ul>	<ul style="list-style-type: none"> <li>• Examinations</li> <li>• Class tests</li> <li>• Practical examinations</li> <li>• Oral tests</li> <li>• Open-book tests</li> </ul>
<b>Assessment tools</b>	<ul style="list-style-type: none"> <li>• Observation sheets</li> <li>• Lecturer's notes</li> <li>• Comments</li> </ul>	<ul style="list-style-type: none"> <li>• Checklists</li> <li>• Rating scales</li> <li>• Rubrics</li> </ul>	<ul style="list-style-type: none"> <li>• Marks (e.g. %)</li> <li>• Rating scales (1-7)</li> </ul>
<b>Evidence</b>	<ul style="list-style-type: none"> <li>• Focus on individual students</li> <li>• Subjective evidence based on lecturer observations and impressions</li> </ul>	<p><b>Open middle:</b> Students produce the same evidence but in different ways.</p> <p><b>Open end:</b> Students use same process to achieve different results.</p>	Students answer the same questions in the same way, within the same time.

## 10 TOOLS FOR ASSESSING STUDENT PERFORMANCE

**Rating scales** are marking systems where a symbol (such as 1 to 7) or a mark (such as 5/10 or 50%) is defined in detail. The detail is as important as the coded score. Traditional marking, assessment and evaluation mostly used rating scales without details such as what was right or wrong, weak or strong, etc.

**Task lists** and **checklists** show the student what needs to be done. They consist of short statements describing the expected performance in a particular task. The statements on the checklist can be ticked off when the student has adequately achieved the criterion. Checklists and task lists are useful in peer or group assessment activities.

**Rubrics** are a hierarchy (graded levels) of criteria with benchmarks that describe the minimum level of acceptable performance or achievement for each criterion. It is a different way of assessment and cannot be compared to tests. Each criterion described in the rubric must be assessed separately. Mainly, two types of rubrics, namely holistic and analytical, are used.

## 11 SELECTING AND/OR DESIGNING RECORDING AND REPORTING SYSTEMS

The selection or design of recording and reporting systems depends on the purpose of recording and reporting student achievement. **Why** particular information is recorded and **how** it is recorded determine which instrument will be used.

Computer-based systems, for example spreadsheets, are cost and time effective. The recording system should be user-friendly and information should be easily accessed and retrieved.

## 12 COMPETENCE DESCRIPTIONS

All assessment should award marks to evaluate specific assessment tasks. However, marks should be awarded against rubrics and not simply be a total of ticks for right answers. Rubrics should explain the competence level descriptors for the skills, knowledge, values and attitudes (SKVAs) a student must demonstrate to achieve each level of the rating scale.

When lecturers or assessors prepare an assessment task or question, they must ensure that the task or question addresses an aspect of a Subject Outcome. The relevant Assessment Standard must be used to create the rubric to assess the task or question. The descriptions must clearly indicate the minimum level of attainment for each category on the rating scale.



### 13 STRATEGIES FOR COLLECTING EVIDENCE

A number of different assessment instruments may be used to collect and record evidence. Examples of instruments that can be (adapted and) used in the classroom include:

#### 13.1 Record sheets

The lecturer observes students working in a group. These observations are recorded in a summary table at the end of each project. The lecturer can design a record sheet to observe students' interactive and problem-solving skills, attitudes towards group work and involvement in a group activity.

#### 13.2 Checklists

Checklists should have clear categories to ensure that the objectives are effectively met. The categories should describe how the activities are evaluated and against what criteria they are evaluated. Space for comments is essential.

## SECTION C: ASSESSMENT IN FINANCIAL MANAGEMENT

### 1 SCHEDULE OF ASSESSMENT

At NQF levels 2, 3 and 4, lecturers will conduct assessments as well as develop a schedule of formal assessments that will be undertaken in the year. All three levels also have an external examination that accounts for 50 percent of the total mark. The marks allocated to assessment tasks completed during the year, kept or recorded in a Portfolio of Evidence (PoE) account for the other 50 percent.

The Portfolio of Evidence (PoE) and the external assessment include practical and written components. The practical assessment in Financial Management must, where necessary, be subjected to external moderation by Umalusi or an appropriate Education and Training Quality Assurance (ETQA) body, appointed by the Umalusi Council in terms of Section 28(2) of the *General and Further Education and Training Quality Assurance Act, 2001 (Act No. 58 of 2001)*.

### 2 RECORDING AND REPORTING

Financial Management, as is the case for all the other Vocational subjects, is assessed according to five levels of competence. The level descriptions are explained in the following table.

#### *Scale of Achievement for the Vocational component*

RATING CODE	RATING	MARKS %
5	Outstanding	80-100
4	Highly competent	70-79
3	Competent	50-69
2	Not yet competent	40-49
1	Not achieved	0-39

The programme of assessment should be recorded in the Lecturer's Portfolio of Assessment for each subject. The following should at least be included in the Lecturer's Assessment Portfolio:

- A contents page
- The formal schedule of assessment
- The requirements for each assessment task
- The tools used for each assessment task
- Recording instrument(s) for each assessment task
- A mark sheet and report for each assessment task

The college must standardise these documents.

The student's Portfolio of Evidence (PoE) must at least include:

- A contents page
- The assessment tasks according to the assessment schedule

- The assessment tools or instruments for the task
- A record of the marks (and comments) achieved for each task

Where a task cannot be contained as evidence in the Portfolio of Evidence (PoE), its exact location must be recorded and it must be readily available for moderation purposes.

The following units guide internal assessment in Financial Management Level 3:

<b>NUMBER OF UNITS</b>	<b>ASSESSMENT</b>	<b>COVERAGE</b>
2	Formal written tests	One or more completed topics
1	Internal written exam	All completed topics
3	Practical assessments	Must cover the related Subject Outcomes:

**ASSESSMENT OF FINANCIAL MANAGEMENT  
LEVEL 3**

### 3 INTERNAL ASSESSMENT OF OUTCOMES IN FINANCIAL MANAGEMENT - LEVEL 3

#### Topic 1: Calculate and record value added tax transactions

SUBJECT OUTCOME	
<b>1.1 Define and identify Value Added Tax (VAT) concepts.</b>	
ASSESSMENT STANDARD	LEARNING OUTCOME
<ul style="list-style-type: none"> <li>Value Added Tax (VAT) is defined</li> <li>Input and output taxes are defined</li> <li>Various VAT rates identified.</li> <li>Range: current rate, zero rate and exempt</li> <li>VAT registration requirements explained</li> </ul>	<ul style="list-style-type: none"> <li>Define Value Added Tax (VAT)</li> <li>Define Input Tax</li> <li>Define Output Tax</li> <li>Identify various VAT rates. <i>Range: current rate, zero rate, exempt rate</i></li> <li>Explain VAT registration requirements,</li> <li>VAT periods (monthly, bi-monthly, 6 months, yearly) <i>Range: according to the current Value Added Tax (VAT) legal requirements by the South African Revenue Services (SARS).</i></li> </ul>
ASSESSMENT TASKS OR ACTIVITIES	
<ul style="list-style-type: none"> <li>Provide real examples (e.g. bread, bottle of tomato sauce, etc.) evaluate student on various VAT rates.</li> <li>Question-answer competition, dividing students into groups and making it fun to assess understanding of students' understanding of learning outcomes.</li> <li>Class test</li> </ul>	

SUBJECT OUTCOME	
<b>1.2 &amp; 1.3 Calculate and record VAT on basic transactions.</b>	
<i>Range: purchase and sale of goods, petrol, stationery, refreshments, telephone, general operating transactions.</i>	
ASSESSMENT STANDARD	LEARNING OUTCOME
<ul style="list-style-type: none"> <li>VAT calculations are correctly applied for basic transactions which are inclusive and exclusive of VAT. <i>Range: not zero rate or exempt.</i></li> <li>Calculate VAT correctly taking trade discounts into account.</li> <li>VAT on basic transactions is recorded in appropriate journals</li> </ul>	<ul style="list-style-type: none"> <li>Apply VAT calculations correctly to basic transactions, <u>inclusive and exclusive</u> of VAT. <i>Range: Not zero rate or exempt.</i></li> <li>Explain the terms inclusive and exclusive VAT</li> <li>Calculate VAT correctly and accurately, taking trade discounts into account.</li> </ul>
<ul style="list-style-type: none"> <li>VAT received and paid is recorded in the appropriate journals and books. <i>Range: Cash receipts and cash payments journals/cash book, Petty cash Journal/ petty cash book, debtors/sales and creditor/purchases journals, debtors allowances/sales returns and creditors allowance/purchases returns journals.</i></li> <li>Totals are posted to the VAT control account.</li> <li>VAT control account is balanced to determine the VAT payable/receivable amount.</li> <li>Discrepancies are investigated and rectified</li> </ul>	<ul style="list-style-type: none"> <li>Record VAT on basic transactions in appropriate journals.</li> <li><i>Range of journals: Cash receipts and Cash payments / Cash Book, Petty Cash Journals / Petty Cash Book, Debtor/Sales, Creditor/Purchases, Debtors Allowance/Sales Returns, Creditors Allowance/ Purchases Returns.</i></li> <li>Post totals to VAT control account in General Ledger.</li> <li>Balance VAT control account to determine discrepancies</li> <li>Investigate and correct discrepancies</li> </ul>
ASSESSMENT TASKS OR ACTIVITIES	
<ul style="list-style-type: none"> <li>Evaluate organising, analysing and accuracy skills of students through daily practical exercises.</li> <li>Feedback discussions</li> <li>Class questions</li> <li>Class test</li> <li>Assignment: provide necessary VAT amount information for student to organise VAT to basic transactions, complete journal entries, post to VAT control account in General Ledger and solve discrepancies</li> </ul>	

<b>SUBJECT OUTCOME</b>	
<b>1.4 Complete relevant documentation for the Receiver of Revenue.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• SARS return form for VAT is correctly identified and completed according to SARS requirements.</li> <li>• Requisition for total payment due to SARS is completed and authorised if applicable.</li> <li>• Completed form and payment (if applicable) is forwarded to SARS by due date.</li> <li>• Documents are filed according to business policy and accounting practice.</li> </ul>	<ul style="list-style-type: none"> <li>• Identify and complete SARS VAT return form correctly</li> <li>• Explain and apply procedures to deliver form and VAT payment to SARS <i>Range: Procedures include: authorisation for payment, due date of payments at SARS and filing of documents according to SARS, business and accounting policy</i></li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>▪ Evaluate organising, analysing and accuracy skills of students through daily practical exercises.</li> <li>• Feedback discussions, especially perhaps after guest speaker's visit.</li> <li>• Simulated office to evaluate filing of SARS documents, organisational skills and ability of student to organise him/her self.</li> <li>• Topic test before advancing to next topic.</li> </ul>	

### Topic 2: Prepare salaries: an introduction

<b>SUBJECT OUTCOMES</b>	
<b>2.1, 2.2 and 2.3: Calculate gross salaries, net salaries, employee deductions and employer's contributions</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• Gross salaries for normal time are calculated and recorded. <i>Range: Practical exercises – in salaries journal</i></li> <li>• Gross salaries for overtime are calculated and recorded. <i>Range: Practical exercises – in salaries journal</i></li> <li>• Deductions are explained and accurately calculated for individual employees. <i>Range: Practical exercises. Deductions to include medical-, pension-, unemployment insurance fund (UIF), membership fees, pay as you earn (PAYE) and standard income tax on employees (SITE) deductions.</i></li> <li>• Deductions are recorded for individual employees. <i>Range: Practical exercises – in salaries journal</i></li> <li>• Net salaries are correctly calculated and recorded. <i>Range: practical exercises – in salaries journal</i></li> <li>• The concept of employer's contribution is explained. <i>Range: In salaries context</i></li> <li>• Employer's contribution is calculated and recorded. <i>Range: Practical exercises – in salaries journal. Employer's contribution to include, but not limited to, medical-, pension and UIF contributions</i></li> </ul>	<p>Explain and accurately calculate and record the following in the salaries journal according to GAAP (General Accepted Accounting Procedures):</p> <ul style="list-style-type: none"> <li>• gross salaries for normal time and overtime</li> <li>• deductions for individual employees. <i>Range: medical fund, pension fund, unemployment insurance fund (UIF), pay as you earn (PAYE), standard income tax on employees (SITE), staff association</i></li> <li>• net salaries</li> <li>• employer's contribution <i>Range: medical fund, pension fund, unemployment insurance fund (UIF)</i></li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Evaluation of daily practical exercises in which knowledge of learning outcomes is assessed</li> <li>• Competitive, fun team work to test student ability to calculate gross and net salaries, deductions and employer's contributions and the understanding of these terms.</li> <li>• Students must be evaluated on two formats of salaries journal: display of individual employer's contributions and display only summary of employer's contribution.</li> <li>• Class test</li> </ul>	

<b>SUBJECT OUTCOMES</b>	
<b>2.4. Demonstrate month end procedures in salaries journal.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• Closing off of salaries journals is demonstrated. <i>Range: Practical exercises – in salaries journal</i></li> <li>• Salaries journal is posted to general ledger. <i>Range: Practical exercises – from salaries journal to general ledger</i></li> </ul>	<ul style="list-style-type: none"> <li>• Demonstrate closing off of salaries journal</li> <li>• Demonstrate posting of columns in salaries journal to general ledger accounts and balancing of general ledger accounts according to GAAP (General Accepted Accounting Procedures).</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Evaluation of daily practical exercises in which knowledge of learning outcomes is assessed</li> <li>• Students must be evaluated on two formats of salaries journal:               <ul style="list-style-type: none"> <li>▪ display of individual employer's contributions and</li> <li>▪ display only summary of employer's contribution</li> </ul> </li> </ul>	

<b>SUBJECT OUTCOMES</b>	
<b>2.5. Calculate payments to different stakeholders.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• Payments to employees, different funds and South African Revenue Services (SARS) is calculated and recorded. <i>Range: Practical exercises – in cash payments journal.</i></li> <li>• Cash Payments Journal is posted to the general ledger. <i>Range: Practical exercises – from cash payments journal to general ledger.</i></li> <li>• Close off general ledger accounts. <i>Range: practical exercises – in general ledger</i></li> </ul>	<ul style="list-style-type: none"> <li>• Calculate and record payments of salaries, deductions and employer's contribution to employees, funds and SARS in the Cash Payments Journal (CPJ). Explain due dates of payments.</li> <li>• Post Cash Payments Journal to general ledger accounts</li> <li>• Close off general ledger accounts according to GAAP (General Accepted Accounting Procedures).</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Evaluation of daily practical exercises in which knowledge of learning outcomes is assessed.</li> <li>• Feedback discussions if a guest speaker was invited.</li> <li>• Class test</li> <li>• Topic test before advancing to next topic.</li> </ul>	

**Topic 3: Prepare wages: an introduction**

<b>SUBJECT OUTCOME</b>	
<b>3.1, 3.2 &amp; 3.3: Calculate gross wages, net wages, employee deductions and employer's contributions</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• Gross wages for normal time are explained, calculated and recorded. <i>Range: Practical exercises – in wages journal.</i></li> <li>• Gross wages for overtime are explained, calculated and recorded. <i>Range: Practical exercises – in wages journal</i></li> <li>• Deductions are explained and accurately calculated for individual employees. <i>Range: Practical exercises. Deductions to include medical-, pension-, unemployment insurance fund (UIF), membership fees, pay as you earn (PAYE) and standard income tax on employees (SITE) deductions.</i></li> <li>• Deductions are recorded for individual employees. <i>Range: Practical exercises – in wages journal.</i></li> <li>• Net wages are correctly calculated and recorded. <i>Range: practical exercises – in wages journal.</i></li> <li>• The concept of employer's contribution is explained. <i>Range: In wages context.</i></li> <li>• Employer's contribution is calculated and recorded. <i>Range: Practical exercises – in wages journal. Employer's contribution to include, but not limited to, medical-, pension and UIF contributions.</i></li> </ul>	<p>Explain and accurately <u>calculate and record</u> in the wages journal</p> <ul style="list-style-type: none"> <li>• gross wages for normal time and overtime</li> <li>• deductions for individual employees. <i>Range: medical fund, pension fund, unemployment insurance fund (UIF), pay as you earn (PAYE), standard income tax on employees (SITE), staff association.</i></li> <li>• net wages</li> <li>• employer's contribution <i>Range: medical fund, pension fund, unemployment insurance fund (UIF),</i> according to GAAP (General Accepted Accounting Procedures).</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Evaluation of daily practical exercises in which knowledge of learning outcomes is assessed</li> <li>• Competitive, fun team work to test student understanding and ability to calculate gross and net wages, deductions and employer's contributions.</li> <li>• Students must be evaluated on two formats of wages journal:               <ul style="list-style-type: none"> <li>▪ display of individual employer's contributions and</li> <li>▪ display only summary of employer's contribution</li> </ul> </li> <li>• Class test</li> </ul>	

<b>SUBJECT OUTCOME</b>	
<b>3.4. Demonstrate month end procedures in wages journal.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• Closing off of wages journals is demonstrated. <i>Range: Practical exercises – in wages journal.</i></li> <li>• Wages journal is posted to general ledger. <i>Range: Practical exercises – from wages journal to general ledger</i></li> </ul>	<ul style="list-style-type: none"> <li>• Demonstrate closing off of wages journal</li> <li>• Demonstrate posting of columns in wages journal to general ledger accounts and balancing of general ledger accounts according to GAAP (General Accepted Accounting Procedures).</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Evaluation of daily practical exercises in which knowledge of learning outcomes is assessed</li> <li>• Students must be evaluated on two formats of wages journal:               <ul style="list-style-type: none"> <li>▪ display of individual employer's contributions and</li> <li>▪ display only summary of employer's contribution</li> </ul> </li> </ul>	

<b>SUBJECT OUTCOME</b>	
<b>3.5 Calculate payments to different stakeholders.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• Payments to employees, different funds and South African Revenue Services (SARS) are calculated and recorded. <i>Range: Practical exercises – in cash payments journal</i></li> <li>• Cash Payments Journal is posted to the general ledger. <i>Range: Practical exercises – from cash payments journal to general ledger</i></li> <li>• Close off general ledger accounts. <i>Range: practical exercises – in general ledger</i></li> </ul>	<ul style="list-style-type: none"> <li>• Calculate and record payments of wages, deductions and employer's contribution to employees, funds and SARS in the Cash Payments Journal (CPJ). Explain due dates of payments.</li> <li>• Posting of Cash Payments Journal to general ledger accounts</li> <li>• Close off general ledger accounts according to GAAP (General Accepted Accounting Procedures).</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Evaluation of daily practical exercises in which knowledge of learning outcomes is assessed.</li> <li>• Feedback discussions if a guest speaker was invited.</li> <li>• Class test</li> <li>• Topic test before advancing to next topic.</li> </ul>	

#### Topic 4: The petty cash system

<b>SUBJECT OUTCOME</b>	
<b>4.1 Disburse money for petty cash transactions.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• Source documents are identified correctly</li> <li>• Request for petty cash is received, validated and authorised according to company policy.</li> <li>• Cash is issued as per authorised request.</li> <li>• Cash slip and change received is reconciled accurately.</li> <li>• Petty cash voucher is completed and till slip is attached in accordance with purchases made.</li> </ul>	<ul style="list-style-type: none"> <li>• Identify source documents correctly</li> <li>• Explain and demonstrate: <ul style="list-style-type: none"> <li>▪ request for petty cash</li> <li>▪ issuing of cash</li> <li>▪ reconciliation of change received and cash slip</li> <li>▪ completion of petty cash voucher and attaching of till slip</li> </ul> </li> </ul> <p>as per company policy and authorisation policy</p>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Evaluating of daily practical exercises to assess knowledge, organising, problem solving and accuracy skills.</li> <li>• Provide necessary case study to assess learning outcomes in a simulated office environment (practical) or handing in of an assignment (theory)</li> <li>• Lecturer-student discussions</li> </ul>	

<b>SUBJECT OUTCOME</b>	
<b>4.2 Record petty cash transactions.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• The petty cash vouchers are numbered in sequence according to company policy.</li> <li>• Petty cash vouchers are correctly recorded in the petty cash book or petty cash journal.</li> <li>• Petty cash analysis columns are totalled accurately.</li> <li>• Petty cash vouchers are correctly filed according to company policy.</li> </ul>	<ul style="list-style-type: none"> <li>• Explain and demonstrate numbering of petty cash vouchers in correct sequence according to company policy</li> <li>• Record petty cash vouchers in petty cash journal or petty cash book</li> <li>• Total petty cash analysis columns accurately and post to accounts in general ledger</li> <li>• Explain and demonstrate filing of petty cash vouchers according to company policy</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Evaluating of daily practical exercises to assess knowledge, organising, problem solving and accuracy skills.</li> <li>• Provide necessary case study to assess learning outcomes in a simulated office environment (practical) or handing in of an assignment (theory)</li> <li>• Lecturer-student discussions</li> <li>• Class test (recording of entries in and total of petty cash journal / petty cash book)</li> </ul>	



<b>SUBJECT OUTCOME</b>	
<b>4.3 Restore imprest amount.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• The amount of the petty cash float is indicated as required by company.</li> <li>• Amount required to restore imprest amount is calculated correctly.</li> <li>• Money in cash box is reconciled with petty cash book balance.</li> <li>• Amount required is requested according to required coins and notes.</li> <li>• Coins and notes received are counted and placed in cash box.</li> </ul>	<ul style="list-style-type: none"> <li>• Indicate petty cash float amount</li> <li>• Calculate imprest amount correctly in petty cash account in General Ledger or petty cash book</li> <li>• Explain and demonstrate how to reconcile money in cash box with petty cash book balance</li> <li>• Explain and demonstrate how to request and receive required imprest amount in required coins and notes according to company policy</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Evaluating of daily practical exercises to assess knowledge, organising, problem solving and accuracy skills.</li> <li>• Provide necessary case study to assess learning outcomes in a simulated office environment (practical) or handing in of an assignment (theory)</li> <li>• Lecturer-student discussions</li> <li>• Class test (recording of entries in and total of petty cash journal / petty cash book)</li> <li>• Provide necessary case study to assess learning outcomes in a simulated office environment (practical) or handing in of an assignment (theory)</li> <li>• Lecturer-student discussions</li> <li>• Class test (calculating of imprest amount)</li> </ul>	

<b>SUBJECT OUTCOME</b>	
<b>4.4 Control procedures for petty cash are adhered to.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• Petty cash float is secured according to company policy.</li> <li>• The petty cash float is regularly reconciled with petty cash book.</li> <li>• Discrepancies are investigated and corrected with a reasonable period of time.</li> <li>• Discrepancies arising from the reconciliation of petty cash are either resolved or referred to the appropriate person.</li> </ul>	<ul style="list-style-type: none"> <li>• Explain and/or demonstrate: <ul style="list-style-type: none"> <li>▪ Securing of petty cash float</li> <li>▪ Regular reconciliation of petty cash float with petty cash book</li> <li>▪ Investigation and correction.</li> </ul> </li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Evaluating of daily practical exercises to assess knowledge, organising, problem solving and accuracy skills.</li> <li>• Provide necessary case study to assess learning outcomes by handing in of an assignment</li> <li>• Lecturer-student discussions</li> <li>• Topic test before advancing to next topic.</li> </ul>	

**Topic 5: Compile reconciliation statements**

<b>SUBJECT OUTCOME</b>	
<b>5. 1. Compare receipts and payments to the bank statement.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• The credits on the bank statement are compared with the bank column of the cash receipts journal or cash book and the differences identified and recorded in the cash receipts journal or cash book.</li> <li>• The debits on the bank statement are compared with the bank column of the cash payments journal or cash book and the differences identified and recorded in the cash payments journal or cash book.</li> <li>• The journals are posted to the bank account and balanced, or balance the cash book.</li> <li>• The cash book is balanced or the journals are posted to the bank account and balanced.</li> </ul>	<ul style="list-style-type: none"> <li>• Compare credits on bank statement with bank column in cash receipts journal and correctly identify differences</li> <li>• Compare debits on bank statement with bank column in cash payments journal and correctly identify differences</li> <li>• Record differences in cash receipts journal and cash payments journal / cash book</li> <li>• Balance journals and post journals to bank account in general ledger and balance off accounts or balance off cash book</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Assignments</li> <li>• Evaluating of students during lecturer-student discussions to determine level of understanding and competency in organising of information, evaluating and problem solving and accuracy skills.</li> </ul>	

<b>SUBJECT OUTCOME</b>	
<b>5. 2. Compile the bank reconciliation statement.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• The closing balance on the current month's bank statement is correctly entered in the current month's bank reconciliation statement.</li> <li>• The outstanding or reconciling items appearing on the previous month's reconciliation statement are cleared or carried forward to the current month's reconciliation statement.</li> <li>• Amounts in the cash receipts journal or cash book that do not appear on the bank statement are entered in the bank reconciliation statement.</li> <li>• Amounts in the cash payments journal or cash book that do not appear on the bank statement are entered in the bank reconciliation statement.</li> <li>• The total of the bank reconciliation statement is in agreement with the bank balance in the books of the business.</li> <li>• The monthly reconciliation statement is interpreted and outstanding items are investigated in order to highlight potential penalties or unresolved issues.</li> </ul>	<ul style="list-style-type: none"> <li>• Enter the closing balance of the current month's bank statement correctly in the current month's bank reconciliation statement</li> <li>• Clear the outstanding or reconciling items on the previous month's bank reconciliation statement and carry it forward to the current month's bank reconciliation statement</li> <li>• Record amounts in the cash payments journal and cash receipts journal, which are not on the bank statement, in the bank reconciliation statement</li> <li>• Carry forward the balance of the bank account to the bank reconciliation statement</li> <li>• Interpret outstanding items on the monthly bank reconciliation statement to highlight potential penalties or unresolved issues.</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Evaluating of daily exercises</li> <li>• Assignments</li> <li>• Evaluating of students during lecturer-student discussions</li> <li>• Class test for Subject Outcomes 1 and 2 to determine level of understanding and competency in organising of information, analysing, problem solving and accuracy skills.</li> </ul>	

<b>SUBJECT OUTCOME</b>	
<b>5.3 Compile a basic Debtors and Creditors Reconciliation Statement.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• A list of balances of outstanding debtors is compiled from the debtors ledger.</li> <li>• The debtors list is compared to the debtors control account in the general ledger.</li> <li>• Discrepancies identified are to be resolved or referred to the appropriate person.</li> <li>• A list of balances of outstanding creditors is compiled from the creditors ledger.</li> <li>• The creditors list is compared to the creditors control account in the general ledger.</li> <li>• Discrepancies identified are resolved or referred to the appropriate person</li> </ul>	<ul style="list-style-type: none"> <li>• Compile a list of balances of outstanding debtors and creditors for debtors and creditors ledger</li> <li>• Compare the debtors and creditors lists to the debtors control and creditors control accounts respectively in the general ledger</li> <li>• Identify and resolve discrepancies or refer to appropriate person</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Evaluating of daily exercises</li> <li>• Assignments</li> <li>• Evaluating of students during lecturer-student discussions to determine level of understanding and competency in organising of information, evaluation, problem solving and accuracy skills.</li> </ul>	

<b>SUBJECT OUTCOME</b>	
<b>5.4 Compile a basic general ledger reconciliation statement.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• General ledger control accounts and balances are analysed and the transactions verified according to accounting policy.</li> <li>• Discrepancies, misappropriations and errors are identified in the analysis process and resolved with reference to incorrect double entries, misallocations, missing entries or incorrect calculations</li> </ul>	<ul style="list-style-type: none"> <li>• Analyse general ledger control accounts and balances</li> <li>• Verify applicable transactions</li> <li>• Identify and correct discrepancies, errors, incorrect double entries, misallocations, missing entries or incorrect calculations according to accounting policy.</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Evaluating of day-to-day practical exercises – identify problem areas and provide individual attention to student.</li> <li>• Question-answer conversations when explaining topic and evaluating previous day's work</li> <li>• Assignment: provide information to draw up debtors/creditors reconciliation statement</li> <li>• Topic test before advancing to next topic.</li> </ul>	

### **Topic 6: Basic administration of non-current assets manually (by hand)**

<b>SUBJECT OUTCOME</b>	
<b>6.1 Explain basic concepts of non-current assets.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>• The concept of non-current assets is explained.</li> <li>• The importance of non-current assets in the business is explained.</li> <li>• The impact of changes in non-current assets on the financial position of the business is explained</li> </ul>	<ul style="list-style-type: none"> <li>• Explain the concept and importance of non-current assets in a business</li> <li>• Explain the financial impact of changes in non-current assets on the business</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>• Lecturer-student discussion</li> <li>• Class test</li> </ul>	

<b>SUBJECT OUTCOME</b>	
<b>6 2. Calculate depreciation on non-current assets</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>The concept of depreciation is explained.</li> <li>Methods of calculating depreciation on non-current assets are demonstrated. <i>Range: Practical exercises – in cost price (straight line) and diminished balance (carrying amount) methods</i></li> </ul>	<ul style="list-style-type: none"> <li>Explain concept of depreciation</li> <li>Demonstrate methods to calculate depreciation for a financial year period or shorter. <i>Range of methods: cost price (straight line) method and diminished balance (carrying amount) method.</i></li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>Evaluating of daily practical exercises</li> <li>Assignment: Provide necessary information to enable students to calculate depreciation correctly, using different methods as specified.</li> <li>Class test</li> </ul>	

<b>SUBJECT OUTCOME</b>	
<b>6 3. Complete the asset register</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>The format of the asset register is explained.</li> <li>The details of each non-current asset are completed in the asset register. <i>Range: Practical exercises.</i></li> <li>Depreciation for each non-current asset is completed on asset register. <i>Range: Practical exercises – complete depreciation columns for more than one financial year</i></li> </ul>	<ul style="list-style-type: none"> <li>Understand the format of an asset register</li> <li>Complete details of non-current asset on asset register</li> <li>Complete date of depreciation, depreciation and accumulated depreciation in asset register</li> <li>According to company policy</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>Evaluating of daily practical exercises completed by students.</li> <li>Assignment / Case study with necessary information provided to complete the asset register.</li> <li>Class test</li> </ul>	

<b>SUBJECT OUTCOME</b>	
<b>6 4. Explain asset disposal.</b>	
<b>ASSESSMENT STANDARD</b>	<b>LEARNING OUTCOME</b>
<ul style="list-style-type: none"> <li>The concept of asset disposal is explained.</li> <li>Depreciation is calculated until date of sale. <i>Range: Practical exercises.</i></li> <li>Details of the asset disposal transaction are completed in the asset register. <i>Range: Practical exercises – in asset register.</i></li> <li>The profit or loss calculation on the asset disposal transaction is demonstrated. <i>Range: Practical exercises</i></li> </ul>	<ul style="list-style-type: none"> <li>Explain the concept of asset disposal</li> <li>Demonstrate accurate calculating of depreciation until date of sale</li> <li>Complete details of asset disposal in the asset register</li> <li>Demonstrate calculation of profit or loss on asset disposal</li> </ul>
<b>ASSESSMENT TASKS OR ACTIVITIES</b>	
<ul style="list-style-type: none"> <li>Demonstrate and explain Learning Outcomes using practical exercises with provided information.</li> <li>It is advised to make use of T-accounts to calculate profit or loss on asset disposal accurately.</li> <li>Evaluating of daily practical exercises completed by students.</li> <li>Assignment / case study with necessary information provided to complete the asset register.</li> <li>Topic test before advancing.</li> </ul>	

#### 4 SPECIFICATIONS FOR EXTERNAL ASSESSMENT IN FINANCIAL MANAGEMENT - LEVEL 3

##### 4.1 Integrated Summative Assessment Task (ISAT):

A compulsory component of ESASS is the **Integrated Summative Assessment Task (ISAT)**, which is a major assessment task that draws on the students' cumulative learning achieved throughout the full year. The task requires ***integrated application of competence*** and is executed and recorded in compliance with assessment conditions.

ISAT should be applied as follows:

- The students will have achieved the competencies through the year, but the competencies will be assessed cumulatively in a single assessment/exam session at the end of the year
- The ISAT will be set by the externally appointed examiner and be conveyed to colleges within the first quarter of each year.
- The integrated assessment approach allows for the student to be assessed in more than one subject within the same ISAT.

##### 4.2 National examination

A national examination is conducted annually in October or November by means of a paper set externally, and marked and moderated externally. The following distribution of cognitive application is suggested:

<b>LEVEL 3</b>	<b>KNOWLEDGE AND COMPREHENSION</b>	<b>APPLICATION</b>	<b>ANALYSIS, SYNTHESIS AND EVALUATION</b>
	40%	40%	20%