

Business Studies

Year 9

with

Accounting

Years 10-12

Economics

Years 10-12

Samoa Secondary School Curriculum

Business Studies. Years 9-12
Samoa Secondary School Curriculum

Curriculum Design and Materials Division
Ministry of Education, Sports and Culture

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Introduction

Business Studies is one of the most international study subjects in the world, due to how broad the subject is. Business Studies opens the study field to a focus of specialties such as accountancy, finance, organisation, human resources management and marketing.

The Business Studies Curriculum in Secondary Education allows students to study and familiarize themselves with the skills that are required in the business environment and the impact these skills can have on their own lives and on society.

Business Studies Curriculum in Secondary also provides students with a new practical context for many subjects they have also studied including Maths and Social Studies where they are applied in the world of business that is helping our local

people with their needs, challenges and creating goods and services that help to improve quality of life. In fact, Business Studies is not independent but it is connected to various subjects.

This subject will build a strong foundation for those students who wish to move on to further study and training in specialised areas such as management, international business, marketing, accounting, information and communication technology, or entrepreneurship. It will also provide practical skills for those who wish to move directly into the workplace.

A focus on real life: economics is focused on learning from case studies. This makes it easy to understand how theory can tell you something about real life.

Structure of the Business Studies Curriculum

This curriculum statement is organized around the following.

General aims: general statements outlining the purposes of studying Business Studies for Year 9 and Economics and Accounting for Year 10 up to Year 12.

Strands: categories used to organize concepts into branches of learning.

Specific aims: statements relating to several key ideas that are foundational concepts for each strand and expected of students to understand and learn.

Major learning outcomes: descriptions of specific outcomes derived from specific aims that relate to the knowledge or skill that students are expected to understand and achieve.

Learning outcomes: statements of the learning students should be able to demonstrate as a result of a learning experience.

Approaches to teaching and learning: strategies to support the teaching and learning.

Assessment and evaluation: types of assessment and evaluation practices to gauge and measure students' progress as well as the success of teaching methodologies.

Essential skills: broad skills that are developed throughout the years of schooling.

Key principles: key principles from The National Curriculum Framework.

Values: the beliefs and attitudes of an individual or a group of individuals that are used to respond to everyday situations.

Language: the use and maintaining of Business Studies language as in contents.

Gender issues: the behaviours and attitudes that are culturally accepted and respected as the natural ways of being a female and of being a male.

Inclusive education: the curriculum needs to cater for all students of different calibers and abilities including physical abilities.

Time allocation: Minimum hours of teaching required for all levels.

Safety: importance of safety and implications in teaching and learning Business Studies.

Organisation

This Business Studies Curriculum Statement begins with Business Studies in Year 9 with specialisation in Economics and Accounting at Year

10 to Year 12. It provides information for teachers, students, parents, families and the wider community on what students are expected to be in each year of secondary schooling.

This curriculum statement is organised progressively to show the:

1. General Aim of the subject curriculum;
2. Organising Strands of the curriculum;
3. Major Learning Outcomes that organise the learning within the strands;
4. Key Learning Outcomes to be achieved at each year level.

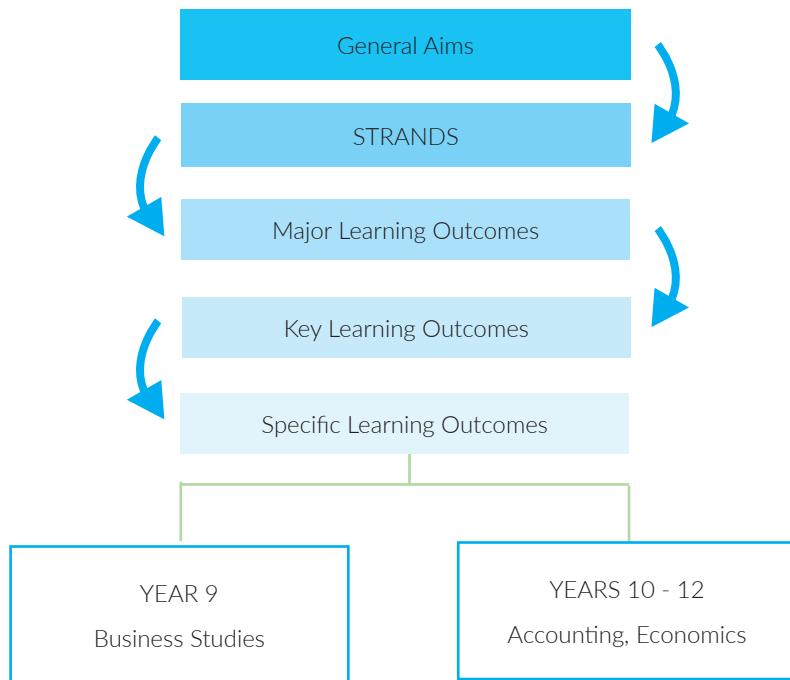


FIGURE 1

Structure of the Business Studies Curriculum

Key Principles

The key principles as listed in the National Curriculum Framework underpin all aspects of Samoan education. This includes the development of curriculums. The key principles are:

Equity

Equity requires that the system treats all individuals fairly and justly in the provision of educational services.

Quality

Educational quality is exemplified by high standards of academic achievement, cultural understanding and social behaviour and results from a complex interplay of professional and technical factors and social and cultural practices.

Relevance

A system that is meaningful, recognized, applicable, and useful to one's life. It should enhance individual and community well-being and ultimately national development.

Efficiency

Demonstrated by leadership and management practices that ensure optimum use of resources- human, financial and material- at all levels, efficient service delivery, effective communication and coordinated and transparent decision-making.

Sustainability

The wise use of human, financial and material resources to ensure balanced and continual developments in the system with necessary transparency and accountability in place at all levels.

Curriculum Principles

This Business Studies curriculum is based on the Principles of the Samoa Secondary School Curriculum stated in the Samoan Secondary School Curriculum Overview Document. The Principles are that the curriculum:

- provides a challenge for all students, reflects the need to be inclusive and allows for individual differences;
- fosters and enhances the self-concept of all learners, and encourages them to be self-directed in their learning;
- provides all learners with a broad and balanced general education;
- will be based on what is best in Samoan tradition: fa'asamoa;
- will be responsive to change so that it is relevant to the needs of the individual learner, to the well-being of the community, and ultimately to national development;
- provides for flexibility taking into account the context in which schools operate and the resources available to them;
- establishes a direction for learning and ensures each learner's school experience progresses in a systematic and coherent way;
- promotes the presentation of essential knowledge by means of a systematic bilingual methodology;
- promotes language learning in all areas of the curriculum; and
- encourages the use of good assessment practice.

General Aims

Business Studies aims to enable students to participate effectively in economic activities and cope with the complexities of modern financial resource management.

Strands

The Business Studies curriculum comprises seven strands. As students progress to Year 10 up to Year 12, the strands will still be maintained? The Seven Strands are:

1. Accounting Applications
2. Financial Accounting
3. The Accounting Process
4. Financial Studies
5. Production
6. Consumption
7. Market

Sub-strands

Each strand has sub-strands that develop the general aim of Business Studies.

The sub-strands of each strand establish a clear and structured progression of major learning outcomes that span Year 9 for Business Studies and Year 10 up to Year 12 for Economics and Accounting.

Major Learning Outcome and Learning Outcomes

Samoa's education curriculums are outcomes-based. An outcomes-based curriculum clearly identifies the knowledge, skills, attitudes and values that all students should be able to acquire and demonstrate at each year level in each subject of study. Teachers are able to teach and students are able to learn effectively when the learning outcomes are made explicit.

The learning outcomes are what students should be able to demonstrate they know and can do using the knowledge and understanding of the contents they learn, and ensure that students realize their individual capability as they progress from one level to the next.

The learning outcomes enable teachers to closely monitor the progress of students, so that appropriate counseling and interventions are provided whenever needed and report to parents accordingly.

The achievement objectives, relating to the specific aims, are outlined within each strand explicitly showing the knowledge and essential skills which students should develop and achieve as a result of their active engagement with the course contents through a variety of activities and experiences.

Approaches to Teaching and Learning

Teaching and Learning is a process by which new understandings are constructed. Students learn best when they take action themselves to generate and create meaning, and to apply the new knowledge in meaningful situations. Teaching practices must aim for effective learning. Students are more likely to be engaged in effective learning if teachers use activities such as discussion, investigation and reflection, problem solving, and peer work. These types of activities help students to think more deeply about the content they are learning.

There are also general approaches that are part and partial of everyday teaching and learning. These approaches include, but not limited to the following:

- discussing with students the achievement objectives and learning outcomes and success criteria to achieve them.
- recognizing that learning is demonstrated and communicated through oral and written academic language that should be explicit and articulate.
- adopt the three R's – Read, Research and React as a proactive strategy for studying ahead of schedule. Read the material before the teaching is delivered, research by finding out more about what has been read and then react by self-testing one's own understanding, and noting down what is not understood to discuss with teachers.
- allowing ample time to provide feedback and formulate responses and actions to eliminate obstacles to students' progress and/or enhance successful learning.

Assessment and Evaluation

The National Curriculum framework recognises the relationship between all aspects of a curriculum and methods of assessment because as-

essment is the cornerstone of outcomes-based learning in all subjects and it is an integral part of teaching and learning in every classroom. It is the process of collecting and evaluating evidence of students' learning in order to determine the progress of students, and to inform judgements and interventions to improve students' performances.

An outcomes-focused approach to assessment should involve, but not limited to the following:

- constructing a range of assessment practices to provide useful information on students' progress against the achievement objectives stated in the curriculum.
- encouraging the use of local resources and improvising by using what is available for projects, experiments and research.
- promoting and encouraging skills and knowledge internal assessments such as independent or individualized research/projects, oral presentations to test students' knowledge and understanding of the curriculum, practical experimenting with oral and written communication of findings etc.,
- keeping assessment and evaluation as an ongoing process where feedback comments are provided to the students on a timely basis and interventions and other support are provided wherever and whenever needed.
- timely reporting to parents or guardians of students' performances so that parental support is involved in the push to improve where needed.
- providing opportunities for students to be involved in the planning of the assessment of their own work.
- construction of written assignments, tests and examinations to include questions that test individual interpretations of a situation i.e. where there is no set right answer. Such assessments encourage the students

to think beyond just rote recalling of formulas, calculations and concepts.

- (add a relevant scenario for Business Studies – eg; providing opportunities for students to explore and experience application of accounting principles in response to the challenges in society etc.,

Assessment, learning and teaching as an ongoing process is illustrated by the following diagram:

There are three purposes for assessment:

Assessment for learning

These assessments should be diagnostic and feedback assessments (classroom activities/homeworks/assignments) so the teacher can improve the teaching and learning by diagnosing the learning strengths and weaknesses of students before the teaching and learning continues. The results of diagnosis should enable the teachers to give constructive feedback and formulate activities and responses to improve the learning where needed and ensuring the learning proceeds satisfactorily.

Assessment as learning

These assessments are learning outcomes based. Activities are constructed to test the students' understanding of the learning outcome expected of them. Constant and timely feedback must be provided so that students are aware of their responsibilities as learners.

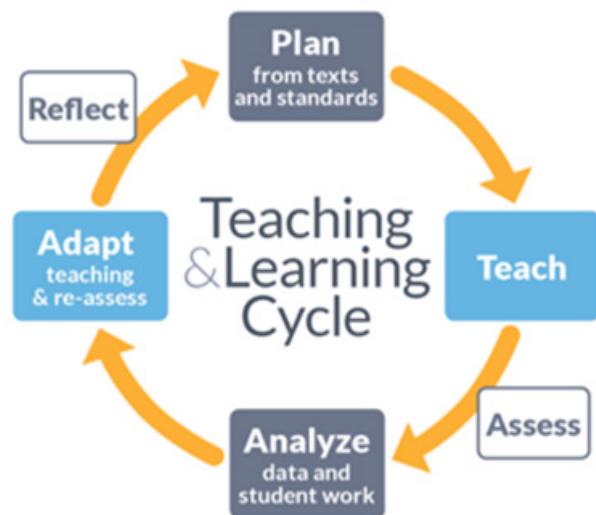


FIGURE 2.

Assessment, learning and teaching as an ongoing process

Assessment of learning

These assessments are summative tests and examinations that take place at the end of a unit or strand or end of a term. It is equally important as the other assessments above, that the feedback for students to be constant and timely so that ample opportunities and time for students to react and contribute to correcting or improving their own learning are provided.

Good assessment practices should be fair, valid, open, reliable and manageable.

Essential Business Studies Skills

Essential skills are the broad skills that should be developed and acquired throughout the years of schooling. Such skills involve, but not limited to the following:

- Communicating effectively and articulately
- Problem solving
- Using aesthetic judgement or visual aids or arts
- Social and cultural skills and attributes
- Work and study skills
- Integrating knowledge
- Using technology effectively

Business Studies Skills

The Business Studies curriculum sets out progressions of skills and knowledge for all secondary school students. This curriculum statement applies to:

- all secondary schools in Samoa;
- all students irrespective of gender, ethnicity, belief, ability, social or cultural background;
- Years 9-12 of secondary schooling.

Each school provides programmes of learning, which may be part of, or the entire national

curriculum in response to local needs, priorities, and resources. The Business Studies Curriculum Statement provides a basis for teachers to plan programmes for teaching Business Studies in secondary schools. The learning programmes

developed by schools must provide the experiences and opportunities for students to achieve the standards that are included in the National Curriculum.

Language Learning

The language associated with learning in subject areas is often abstract and demanding for any learner. Learning is even more complex for students who must learn through the medium of their second language English. Second language learners of English are required to develop their English language for school learning at the same time as learning the subject content. They are expected to use English to reason through to con-

clusions, read and understand expository texts, develop arguments, analyse, synthesise and evaluate ideas. Furthermore they are assessed in English on how well they express themselves either orally or in writing. Students who learn English as their second language may take at least 5 to 7 years to develop English language skills for academic learning compared to their peers for whom English is the first language.

Language Functions across Subject Areas

Language functions refer to the purposes for which language is being used. For example, language can be used to express and respond to greetings, give reasons, give instructions, ask for help and so on. There are a number of language functions necessary for understanding content across the curriculum. A lot of language functions are common to all subjects. For example, whether students are learning about soil erosion in Agricultural Science or food spoilage in Food and Textiles Technology, central to both topics is the concept of cause and effect, and the language function involved is Expressing Cause and Effect. The words and sentence structures used to express the same language in different subjects will be the same.

The production of these texts requires students to be able to use one or a number of lan-

guage functions as outlined in the table above. For example, to produce an explanation of a process such as Business Transaction or setting up an account, students will need to be able to use language to define, express cause and effect, describe change, and classify.

All students must develop the language associated with learning in Business Studies. Teachers in all subject areas are teachers of language. In practice, it requires Business Studies classroom programmes to have specific language objectives. The language that students will need in order to understand and talk about content and to participate effectively in learning activities in Business Studies should be identified and taught together with the appropriate content. In this way language is developed in relevant and meaningful contexts.

Language and Communication

The language and communication major learning outcomes highlighted in this curriculum statement are based on the types of texts students are required to understand and produce during a year's programme in Business Studies. Although the major learning outcomes are subject related, they are linked to language and communication skills being developed through the Samoan Lan-

guage Curriculum and English Language Curriculum. They are highlighted here because in addition to language being developed during Samoan and English classes, there is a very real need for subject teachers to give attention to the language requirements of their subjects. Guidelines for teaching the language of different types of texts are included in the teachers' manuals.

The major learning outcomes are organised under two broad strands: Oral Language Communication and Written Language Communication. The major learning outcomes for each year level

are determined by the content outcomes of all the other strands. Students should achieve these outcomes through the learning activities undertaken for the other strands in the year level.

Learning Programmes in Business Studies

Learning programmes, therefore, should have these features:

- a planned integration of content and language learning in interesting contexts;
- the provision of opportunities for students to use language for both social and academic purposes;
- a balanced use of listening and speaking, reading and writing, viewing and presenting through a range of activities that promote learning and the skills of communication;

- focused instruction on language structures found in Business Studies from word forms and meanings to sentence patterns, to the way information or ideas are grouped and connected into longer texts;
- opportunities in learning activities for students to interact with others in both Samoan and English;
- frequent opportunities for meaningful interaction between teachers and students;
- teachers providing good models of language use and a balanced use of Samoan and English separately.

Concept and Values

Health and well-being are an integral part of life. They impact on all aspects of a person's growth, development, relationship and communication with others. They impact on their socio-economic, emotional, and spiritual life.

Therefore it is recognized that there are underlying concepts which are basic to all the strands and cannot be contained in any one. The following ideas or concepts flow through the curriculum and have an impact on all aspects of health.

- Samoa is founded on God and Samoa is a Christian nation. Attending church, praying and other religious activities are part of the Samoan way of life.

- The Samoan Culture is based on fa'aaloalo (respect, reciprocity or

sharing and receiving), alofa (love and compassion), tautua (service), aganu'u tālimalō (hospitality) and fealofani (positive relationships).

- Samoans' strong sense of values (tulaga e fa'atāuaina), cultural practices (fa'asamoa) and beliefs (talitonuga) are exhibited in the loving and caring nature of the people.

- Samoan identity (faiā ma le fa'asinomaga) is based on the extended family ('āiga potopoto), with strong linkages to the land.

- Relationships (va feāloai) are significant in the family, village, district structure and in Communicating with others e.g. between brother - sister (feagaiga), parent - child, (mātua - fānau), elder - youth, (matua - la'iiti), eldest and youngest sibling, (ulumatua ma le ui'i) experienced versus knowledge, (mua mai - muli mai), husband - wife (tane - avä), matai and family (fa'amatai), matai in the village council and district level.

- Like other cultures, the Samoan culture goes through changes. The education of young people must uphold the critical traditions of education and religious beliefs while accommodating what is necessary in modernisation. The issues facing young people growing up in a changing Samoan society require opportunities for self-expression in an environment that enhances the holistic development of each individual whilst reinforcing the principle of co-operation and group effort that are the essence of fa'asamoa.

Gender

The Samoa Secondary School Curriculum requires education to be gender-inclusive. This means students should not be excluded from developing good self-esteem or from participating fully and successfully in learning because of narrow gender stereotypes.

Materials used with this curriculum must give learners the opportunities to understand how females and males can have a wide range of occupations, tasks and responsibilities. Materials must also use gender-neutral language where possible. School programmes and classroom learning tasks should reflect the diversity of roles available to women and men and girls and boys.

Teachers need to ensure that gender is not an obstacle to learning, success, or individual value. Business Studies programmes will ensure that:

- the interests, perspectives, and contributions of both females and males are included in programme content, resources and methods of teaching;
- ensure that both females and males take active and valued leadership roles in activities;
- ensure females and males have equitable access to resources (including teachers' time), learning assistance and technological equipment.

Inclusive Education

The Ministry of Education, Sports and Culture is committed to providing high-quality inclusive education to all Samoan students within a school culture based on respect and acceptance.

A key component of quality education is the provision of appropriate programmes for students with a disability or at risk because of social or economic circumstances. The principle that

'All students can be successful learners' recognises that all students can succeed when they are provided with sufficient time, support and effective teaching. This ensures that the aims of social justice and equity are seen in practice as all students irrespective of race, ethnicity, disability or socio-economic background can achieve quality educational outcomes.

Time Allocation

The following time allocation is based on the assumption that a school year consists of 40 teaching weeks and should only be taken as a guide. This breakdown is based on periods of 1 hour duration and 4 periods per week. Time for the internal assessment activities must be included within this allocation.

Safety

Safety should permeate all aspects of teaching Business Studies. Teachers and students should be aware of the safety implications of exploratory or investigatory work. Safety accessories and wear must be provided for practical activities where necessary. Students should be encouraged to observe safe and hygienic ways of working during practical activities.

Strands	Recommended Time Allocation (weeks)	Weighting (%)
Accounting Applications	5	13
Financial Accounting	5	13
Accounting Process	8	20
Financial Studies	4	10
Production	5	13
Consumption	5	13
Market	7	18



Strands, Sub-strands and Learning Outcomes

Progression for years 9-12

STRAND 1: ACCOUNTING APPLICATIONS

MAJOR LEARNING OUTCOME

From their study of ACCOUNTING APPLICATIONS students will be able to demonstrate understanding on how accounting concepts and principles can be used in making decisions.

YEAR 9	YEAR 10	YEAR 11	YEAR 12
<p>Key Learning Outcome: Students are able to demonstrate understanding of the principal concepts related to making economic choices in:</p> <p>How accounting serves their everyday life when they:</p> <ul style="list-style-type: none"> a. Define the term accounting and its purpose; b. Describe the relationship between accounting and economics; c. Identify various situations where a system of accounting would be useful in terms of managing and recording the use of resources. <p>The nature, purpose and functions of accounting when they:</p> <ul style="list-style-type: none"> a. Identify and recall the purpose of different financial documents that consumers use in everyday life; b. Identify ways to organise and store personal accounting documents; c. Recognise different areas of specialization in accounting as a career (cost accounting, management, taxation, auditing, financial accounting); d. Identify users of accounting information; e. Recognize the importance of non-financial information. <p>Establishing a small business in Samoa when they:</p> <ul style="list-style-type: none"> a. Describe different small business financing options such as small loans for businesses, micro-financing; b. Investigate the possibility of setting up a small business in a village e.g., costs, sources of capital, availability of products; c. Prepare a business plan for a small business; d. Establish a case for setting up a small business in an urban part of Samoa. <p>The role of accountants in society when they:</p> <ul style="list-style-type: none"> a. Identify the role of accountants in the business sector; b. Investigate the areas of specialization within accounting. <p>How accounting concepts and principles are applied by individuals and business and community organizations when they:</p> <ul style="list-style-type: none"> a. Collect, interpret and analyse household source documents; b. Review the importance and relevance of accounting concepts (accounting entity, monetary measurement, matching, accrual basis, historical cost, materiality, prudence (conservatism), consistency, disclosure); c. Identify and describe the qualitative characteristics of accounting information (relevance, reliability, understandability, comparability, timeliness, neutrality, verifiability, objectivity); d. Determine tertiary education opportunities and qualifications available in the area of accounting in the Pacific region. 			

STRAND 2: FINANCIAL ACCOUNTING

MAJOR LEARNING OUTCOME

From the study of FINANCIAL ACCOUNTING AND REPORTING BUSINESS ACTIVITY students will be able to demonstrate understanding on how accounting concepts and principles are used in reporting financial information.

YEAR 9	YEAR 10	YEAR 11	YEAR 12
Key Learning Outcome: Students are able to demonstrate understanding of how accounting concepts and principles are used in reporting financial information.	<p>The purpose of accounting when they:</p> <ul style="list-style-type: none"> a. Explain the concepts of the accounting entity; b. Identify the different organizations/entities (business ownership) which use accounting to record financial information; c. Identify community organizations (clubs & societies) which use accounting to record financial information. <p>The need to expand the Accounting Equation when they:</p> <ul style="list-style-type: none"> a. Define the different elements of the Accounting Equation ($A=L+O.E.R.E$); b. Classify the changes in the Accounting Equation; c. Define and understand the difference between revenue and capital transactions; d. Explain the significance of different revenue and expenditure items for different entities (e.g., trade and service business, clubs and other community organizations, farms). <p>The Accounting Equation when they:</p> <ul style="list-style-type: none"> a. Define the term transactions (cash & credit) and identify two accounts affected; b. Define the basic accounting equation ($A=L+P$); c. Define and identify examples for the three elements in the basic equation; d. Define and identify examples for the other two financial elements in the accounting equation $A=OE + L + (R-E)$; 	<p>The different types of business ownership entities when they:</p> <ul style="list-style-type: none"> a. Compare and contrast the different ownership characteristics – sole proprietorships, partnerships, limited liability companies and clubs and societies; b. Compare the alternative accounting methods and presentation (vertical, T-form and narrative) for different types of business organizations. <p>How financial information is reported for different accounting entities when they:</p> <ul style="list-style-type: none"> a. Recognise different components included in the Owner's Equity section of the Statement of Financial Position for different entities; b. Define accounting concepts. c. Identify and apply accounting concepts to determine financial statements for different entities; d. Draw up fully classified financial statements for sole proprietors; <p>The interpretation of financial transactions when they:</p> <ul style="list-style-type: none"> a. Identify and interpret the changes to the Accounting Equation after each transaction; b. Interpret the transactions that have occurred from the changes to the Accounting Equation; 	<p>The reporting requirements for the financial statements of business and community organizations when they:</p> <ul style="list-style-type: none"> a. Describe the features, functions and limitations of financial statements for business and community organizations; b. Prepare a columnar worksheet incorporating balance day adjustments; c. Prepare financial statements for business and community organisations incorporating balance day adjustments. <p>How financial and non-financial information of Sole Proprietors is used to make informed decisions when they:</p> <ul style="list-style-type: none"> a. Categorise relevant ratios and percentages into measures of profitability, financial stability, liquidity and management effectiveness. b. Analyse financial and non-financial data; c. interpret and explain the trends shown by the analysis of data (comparing ratios over at least 3 years);

<p>e. Classify each financial elements into their appropriate categories;</p> <p>f. Use the accounting equation to record cash and credit transactions which affect the five financial elements: Assets, Owner's Equity, Liabilities, Revenues, and Expenses.</p>	<p>c. Classify items into categories and show in a Statement of Financial Position;</p> <p>d. Draw up simple Financial Performance and Statement of Financial Position for sole proprietors.</p> <p>How financial information is reported for clubs and community groups when they:</p> <ul style="list-style-type: none"> a. Identify special/common activities done by clubs & societies e.g. bar, social, raffle, refreshments; b. Define and understand accounting for these special activities; c. Define and understand accounting for subscriptions accounts, subs in arrears and subs in advance. <p>Concepts in Clubs and Societies when they:</p> <ul style="list-style-type: none"> a. Prepare simple financial statements for clubs and societies; b. Analyse and interpret simple accounting data for clubs and societies. <p>e. Analyse and interpret simple accounting data from the Statements of Financial Position for sole proprietors and other entities.</p> <p>d. Make recommendations appropriate for different interested parties;</p> <p>e. Report on trends identified under the different categories in (a) above.</p>
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STRAND 3: THE ACCOUNTING PROCESS

MAJOR LEARNING OUTCOME		From the study of ACCOUNTING PROCESS, students will be able to demonstrate understanding of the function of books of first entry in the Accounting Process.		
YEAR 9	YEAR 10	YEAR 11	YEAR 12	
<p>Key Learning Outcome: Students are able to demonstrate understanding of the function of books of first entry in the Accounting Process such as:</p> <p>The process of using double entry system and analysing cash transactions when they:</p> <ol style="list-style-type: none"> Describe the term transactions and the function of source documents; Define the concept of double entry system in cash transactions; Analyse cash transactions (two accounts involved and their nature); Give examples of cash transactions. <p>The process of recording entries to commence business when they:</p> <ol style="list-style-type: none"> Describe the function of Journals and their role within the Accounting Process; Record entries in the General Journal to describe commencement of business for a Sole Proprietor (opening balances of Assets and Liabilities); Calculate opening capital by using the basic accounting equation $A=L+OE$. 	<p>The process of recording more complex cash transactions when they:</p> <ol style="list-style-type: none"> Describe the different stages of the Accounting Process to identify the need for Financial Statements; Recall the role and use of Cash Journals, including Petty Cash; Record complex transactions into the Cash Journals; Describe the purpose of bank reconciliation; Compare bank records and business records; Prepare bank reconciliation using methods - BLU and OUL. <p>The process of recording entries to commence business when they:</p> <ol style="list-style-type: none"> Describe the function of Journals and their role within the Accounting Process; Record entries in the General Journal to describe commencement of business for a Sole Proprietor (opening balances of Assets and Liabilities); Calculate opening capital by using the basic accounting equation $A=L+OE$. 	<p>The function of Journal within the Accounting Process when they:</p> <ol style="list-style-type: none"> Identify entries and relevant sources required on balance date to record Revenue and Expenditure relating to different accounting periods; Identify and describe the straight line and diminishing value methods of accounting for depreciation; Describe the different methods of accounting for and recording of VAGST; Record VAGST for Cash Journal entries only (VAGST outlays + Collections); Classify information from various source documents and record accurately into the appropriate journals; Prepare journals for posting to the relevant General Ledger accounts. E.g., post transactions direct to the General Ledger (Omission of Journals); <p>The process of recording credit purchase or sale and returns and allowances of goods for a Sole Proprietor when they:</p> <ol style="list-style-type: none"> Describe the function of the four Goods Journals; Identify and describe the source documents for the purchase, sale and returns and allowances of goods and credit; 	<p>The significance of the input and recording stage of the Accounting Process when they:</p> <ol style="list-style-type: none"> Identify source documents that are used to record transactions in the financial records; Design source documents with necessary features; Review the function of the different journals and categorise the types of transactions recorded in each. <p>Necessary journal entries at balance day to meet requirements of the matching concept when they:</p> <ol style="list-style-type: none"> Identify and record closing journal entries as required to prepare final statements; Identify and record reversal entries as required for the start of the new accounting period; Identify, calculate and record balance day adjustments as required for the matching concept. 	

<p>The function of the General Journal when they:</p> <ul style="list-style-type: none"> a. Recall the role and use of Cash and Goods Journals; b. Identify and describe the transactions which cannot be recorded in cash or the goods and returns allowances journals; c. Describe the function of the General Journal (including how it can be the only journal used); d. Differentiate between posting all the transactions in the General Journal only and to appropriate Journals. <p>The process of recording cash transactions for a sole proprietor when they:</p> <ul style="list-style-type: none"> a. Identify and describe the source documents for cash transactions (receipts, CRR, sales docket and cheque book); b. Record relevant information recorded in the Cash Journals from source documents; c. Interpret transactions recorded in the different Cash Journals; d. Prepare Cash Journals for posting to the relevant ledger accounts (CRJ-sales, debtors, sundry; CPJ – purchases, creditors, sundry); e. Describe the purpose of Petty Cash; f. Record petty cash transactions from source documents in the appropriate manner and transfer to the Payments Journal. 	<p>The significance of recording and processing information through Ledgers when they:</p> <ul style="list-style-type: none"> c. Record information in the Goods Journals from the relevant source documents; d. Prepare Cash and Goods Journals for posting to relevant General Ledger Accounts. <p>The procedures to post Goods Journal to the General Ledger Accounts when they:</p> <ul style="list-style-type: none"> a. Describe the different stages of the Accounting Process; b. Identify and describe the source documents for transactions in the General Journal; c. Record information in the General Journal and other journals from relevant source documents; d. Interpret transactions recorded in the General Journal; e. Describe the function of the Ledger with the accounting process; f. Accurately post the relevant information from the Goods and Cash Journals to the General Ledger (T-form); g. Explain the need for a Trial Balance and its function; h. Draw up a Trial Balance form the details recorded in the General Ledger for cash transactions. 	<p>Recording transactions for clubs and other community organizations when they:</p> <ul style="list-style-type: none"> g. Compare and contrast the different methods of recording information in the Ledger and use accordingly (T-form and columnar) to process accounting information; h. Recall the function of the Chart of Accounts; i. Develop a Chart of Accounts. <p>The development and use of Accounting Sub-systems ad appropriate control measures by business organisation when they:</p> <ul style="list-style-type: none"> g. Compare and contrast manual and computer processing methods used in the accounting process. 	<p>The significance of recording and processing information through Ledgers when they:</p> <ul style="list-style-type: none"> a. Review the recording of financial information in the General Ledger, Accounts Receivable Ledger and Accounts Payable Ledger and balancing these at balance date; b. Utilise a worksheet to assist in the preparation of final statements from ledger account balances including balance day adjustments; c. Review the use of a Chart of Accounts by business organisations; d. Compare and contrast manual and computer processing methods used in the accounting process. <p>The development and use of Accounting Sub-systems ad appropriate control measures by business organisation when they:</p> <ul style="list-style-type: none"> a. Identify and explain the principles and procedures of internal control for business organisations; b. Describe essential features for internal control systems for cash receipts and payments, inventory, accounts receivable, accounts payable, fixed assets and payroll systems; c. Describe the different stages of the Accounting Process to identify its application to non-profit entities and small businesses; d. Discuss the function of the Subsidiary Ledger within the accounting process.
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STRAND 3: THE ACCOUNTING PROCESS (continued)

YEAR 9	YEAR 10	YEAR 11	YEAR 12
	<p>Students are able to demonstrate skills and understanding of:</p> <p>Recording appropriate transactions in the General Journal (other than balance day adjustments) when they:</p> <ul style="list-style-type: none"> a. Journalise all transactions (cash and credit) in the General Journal with correct narrations; b. Classify ledger accounts into different accounting equation categories (A,L,O,E,R,E) in preparation for drawing up the financial statements; c. Identify the functions of a Chart of Accounts; d. Develop a Chart of Accounts useful at this information processing stage. <p>The preparation and interpretation of Financial Statements of different business organizations when they:</p> <ul style="list-style-type: none"> a. Identify information from the ledgers and use to accurately draw up financial statements for service industries, trading firms and community organizations; b. Analyse and interpret final accounts for Sole Proprietorship entities; c. Identify and explain general procedures for internal control as a means for managing financial resources of organisations; d. Describe the features of internal control systems for cash receipts and payments. 	<p>c. Record information for Accounts Receivable and Accounts Payable in the appropriate Subsidiary Ledgers;</p> <p>d. Post relevant information from the journals to the General Ledger and Subsidiary Ledgers;</p> <p>e. Compare manual and computer processing methods that can be used for recording, processing and reporting financial information.</p>	<p>c. Identify the accounting concepts and principles relevant to each sub-system described in (b) above;</p> <p>d. Describe and record the necessary accounting entries required for each of the sub-systems.</p>

STRAND 4: FINANCIAL STUDIES

MAJOR LEARNING OUTCOMES

From the study of FINANCIAL STUDIES, students will be able to demonstrate understanding on **income and money management, risk management and financial planning in the Financial Studies.**

YEAR 10

YEAR 11

YEAR 12

Development and functions of money when they: <ul style="list-style-type: none"> a. Describe the development of money including different forms of money (cheques, EFTPOS, credit card payments); b. Describe the qualities of money; c. Apply the qualities of money to the Samoan talā; d. Describe the purchasing power of money and its relationship to inflation in simple terms. 	Managing finances related to individual and family events when they: <ul style="list-style-type: none"> a. Classify the different expenditure relevant to different events which affect individuals living in Samoa; b. Prioritize needs and aspirations within the boundaries of a finite income; c. Recognize and discuss the conflict between the between the principles of good financial management, values and ethical factors upon which decisions are made; 	The need for financial protection when they: <ul style="list-style-type: none"> a. Research the probability of personal and household insurance risks; b. Describe the principles of insurance as an example of a formal contract and the different forms of insurance available in Samoa; c. Investigate which insurance types are the most popular in Samoa; d. Investigate a range of providers of insurance; e. Investigate changing risk management needs at various life stages and in relation to income and wealth. 	Risk and return in relation to popular financial products when they: <ul style="list-style-type: none"> a. Explore ways in which needs and aspirations may be financed; b. Identify ways of maximizing income for and individual and a family; c. Evaluate the benefits and costs of a non-financial nature which influence decision-making for such events; d. Compare and contrast different methods used for payment of expenses such as EFTPOS, credit card; e. Describe the features of electronic banking (e-Bank).
<p>Students will be able to investigate and develop their skills and understanding of:</p>			

STRAND 4: FINANCIAL STUDIES (continued)

YEAR 10	YEAR 11	YEAR 12
<p>How consumers earn their income when they:</p> <ul style="list-style-type: none"> a. Describe the different sources of income (earned and unearned) for individuals and households; b. Interpret documents related to sources of income (incl. Tax) (Documents to include pays slips, remittance receipts, bank statement entries); c. Explain the importance that remittances from overseas have on household incomes. <p>How to manage personal finances when they:</p> <ul style="list-style-type: none"> a. Describe the different parts which make up a personal/family budget; b. Identify the source documents which are evidence of income and expenditure items of a budget; c. Interpret documents related to the spending of income (incl. VAGST) (Documents to include invoices for household expenses such as telephone, electricity, water meter, shopping dockets, receipts for other payments); d. Prepare a budget for an individual and a family; e. Prepare a Statement of Affairs for an individual; f. Identify possible sources of budgetary advice. <p>The benefits of spending income wisely when they:</p> <ul style="list-style-type: none"> a. Construct a budget for spending income wisely; b. Evaluate different alternatives of spending using the decision making process; c. Identify opportunity costs related to making specific decisions; d. Identify the factors which influence decision making such as income levels, personal values, beliefs and priorities; e. Demonstrate what records are useful in order to develop money management capability; f. Identify and explain methods for spending income wisely such as buying in bulk, conserving and recycling; g. Utilise budgets to control and manage individual/family spending; h. Investigate the impact of unplanned spending. <p>How money is managed over time when they:</p> <ul style="list-style-type: none"> a. Identify personal expenses for different living situations and at different life stages; b. Explain the role of budgets in managing spending and saving in the short and medium term; c. Demonstrate the impact of inflation on income. 	<p>Managing credit when they:</p> <ul style="list-style-type: none"> a. Identify the advantages and disadvantages of borrowing; b. Compare and contrast the costs of buying on credit and buying with cash; c. Understand the need to plan and manage debt; Show the impact of increasing debt on current and future spending options; d. Compare costs, obligations and time frames of different forms of credit arrangements; e. Describe rights and responsibilities of consumers; f. Describe what is meant by credit worthiness and the implications of a credit history. <p>Factors which influence choice of financial products when they:</p> <ul style="list-style-type: none"> a. Investigate how life styles and life stages influence choices of financial products; b. Determine factors that influence individuals' decisions (include values, beliefs and attitudes). 	<p>Financial planning for the future when they:</p> <ul style="list-style-type: none"> a. Investigate life stage related financial events; b. Demonstrate the longer term financial consequences of decision making; c. Show various savings commitments for different sorts of items and how decisions for these differ; d. Compare long term savings goals and tradeoffs with short term goals; e. Develop a simple financial plan. <p>Why and how people invest income when they:</p> <ul style="list-style-type: none"> a. Investigate different ways of investing income to create wealth; b. Investigate and compare interest rates and terms over time; c. Employ a tool to demonstrate the benefits of compound interest; d. Demonstrate the impact of inflation on wealth.

STRAND 5: PRODUCTION

MAJOR LEARNING OUTCOMES

From the study of PRODUCTION, students will be able to demonstrate understanding of **diversity and goals of producers and key concepts that are related to making economic choices**.

YEAR 9	YEAR 10	YEAR 11	YEAR 12
		<p>Students are able to demonstrate understanding of the principal concepts related to making economic choices</p> <p>1. Types of organisations in the Samoa Economy (Identify producer organisations “Private, government, non-profit”)</p> <p>a. Distinguish and compare producer types under three producer organizations in (a) above;</p> <p>b. Describe features of the three producer organisations;</p> <p>c. Describe the different ownerships, financial and management structures of private organisations;</p> <p>d. Describe the role that government organizations play in satisfying the needs and wants of consumers;</p> <p>e. Explain the role of non-profit organisations in satisfying the needs and wants of consumers;</p> <p>f. Debate on Samoa’s economy will be better off if controlled mainly by the government or better off determined by free enterprise economy.</p>	<p>1. Introduction to Economics and different systems of Economics</p> <p>a. Define Economics;</p> <p>b. Describe the nature and function of economics which deals with the economic problem of scarcity for individuals, households, producers and government;</p> <p>c. Distinguish between micro-economics and macro-economics;</p> <p>d. Describe how different economic systems deals with the problem of scarcity (traditional, planned, mixed, free enterprise);</p> <p>e. Compare and contrast the mixed and free enterprise (laissez faire) economic systems in relation to the three production goals: what to produce; how to produce; whom to produce for; (use Samoa, NZ, USA, and Japan).</p> <p>1. Introduction to economics and the economic problem: Scarcity and Allocation</p> <p>a. Define Economics;</p> <p>b. Distinguish between micro-economics and macro-economics;</p> <p>c. Describe and apply in context these basic economic concepts:</p> <ul style="list-style-type: none"> • Needs and wants • Scarcity • Opportunity Cost • Production and related terms – primary, secondary, tertiary, factors of production, specialization, division of labour, interdependence, exchange, goods and services, markets • Economies of scale and diseconomies of scale • Increasing returns, diminishing, constant returns • Labour intensive and capital intensive <p>d. Describe the shape of the PPC (i.e. straight line and concave to the origin) and distinguish between PPC with constant costs and PPC with increasing costs;</p> <p>2. How producers have organized in different structures</p> <p>a. Compare and contrast ownership structures of producers (i.e. sole proprietorship structure, partnership structure and company structure);</p>

STRAND 5: PRODUCTION (continued)

YEAR 9	YEAR 10	YEAR 11	YEAR 12
<p>1. Roles of producers in the economy</p> <p>a. Define producers in the economy;</p> <p>b. Explain how a result of scarcity, choices have to be made by producers which incur an opportunity cost ;</p> <p>c. Describe how we are all affected by the producers in the economy;</p> <p>d. Define production, and factors of production or resources;</p> <p>e. Describe the producers in relation to production and factors of production;</p> <p>f. Explore and discussed the role of producers in the economy;</p> <p>g. Identify and describe individuals/ groups who participate in the production of goods and services;</p> <p>h. Define goods and services;</p> <p>i. Describe types of goods;</p> <p>j. Investigate, discuss and present what and why goods and services are produced overseas are available in Samoa;</p>	<p>2. Structure and goals of community organisations</p> <p>a. Describe the nature and goals of community organisations;</p> <p>b. Compare community organisations to other types of producers (e.g., <i>profit organisations – sole trader, partnership, company</i>);</p> <p>c. Distinguish between an incorporated and unincorporated community organization;</p> <p>d. Identify community organisations in Samoa and group them as cultural, social, sports, health, educational, and religion (e.g., <i>Siva Afì, Taupou Mania, Teine ole Maa Soana, Samoa Victim Support, Faatau Le Ola, Red Cross, Rotary, Netball Association, Samoa Rugby Union, SCOPA, Marist Brothers Sports Club, Motutuifua Youth Choir, Youth For Christ, TPT, Mafutaga Aoao Tina EFKS, School PTAs, etc.</i>);</p> <p>e. Describe the roles of Samoa community organisations they participated in to satisfy the needs and wants of consumers;</p>	<p>2. Structure and goals of community organisations</p> <p>a. Describe the nature and goals of community organisations;</p> <p>b. Compare and contrast management structures of producers (i.e., centralised control structure and decentralised control structure);</p> <p>c. Compare and contrast financial structures of producers (i.e., from the owner(s), from borrowing, from profits);</p> <p>d. Explain the relationship between individual firms and the service sector (i.e., transportation, communication, finance and banking, accounting, marketing and insurance).</p>	<p>2. Role of government in the economy</p> <p>a. Define and construct the structure of the Government of Samoa under official categories – executive (<i>Prime Minister, Cabinet, Opposition</i>), legislative (Parliament) and judiciary (Supreme Court, district court, etc.);</p> <p>b. Identify and explain the government's major non-economic functions (i.e. social responsibilities, security and defense, education and health as well as its economic functions (i.e. trade, employment, growth, inflation, inequality);</p> <p>c. Explain the four main roles of government (e.g., <i>allocative, regulatory, distributive, stabilisation</i>);</p> <p>d. Explore and present examples or evidences of Samoa government's allocative role, distributive role and stabilization role;</p>

<p>k. Plan, prepare and present for a field trip to a selected range of producers to establish the importance of their role in the Samoan economy;</p> <p>l. Categorize types of producers in one's village or district, show the percentage of each category and interpret or analyse the results;</p> <p>m. Design creatively visual art activities to illustrate the roles of producers in the Samoa economy.</p>	<p>f. Describe the organisational structure of community organisations – official responsibilities, positions and procedures (e.g., management, meetings, activities, etc.);</p> <p>g. Demonstrate the use of appropriate procedures to chair various types of meetings;</p> <p>h. Role play any community organisation (e.g., club) to appoint working officers; conduct and record meeting procedures to discuss on any innovative project that will improve economic growth and the livelihoods of the club.</p>	<p>d. Illustrate, calculate and analyzed increasing returns, diminishing returns and constant returns;</p> <p>e. Describe how increasing returns, diminishing returns and constant returns affect productivity.</p>	
	<p>2. Combination of Four Factors of Production</p> <p>a. Identify and describe the four factors of production (at home, school, small store, church, village or any places) familiar to students;</p> <p>b. Describe the features of factors of production for Samoa; (provide some statistical data from a source to support given descriptions);</p> <p>c. Describe and show illustrations of the combination of factors of production required to produce goods and services;</p> <p>d. Define innovation;</p> <p>e. Describe the relationship between business management and innovations;</p> <p>f. Prepare a timeline of any notable business innovations impacting on local businesses and Samoa's economy;</p> <p>g. Distinguish between renewable and non-renewable resources used in production with particular focus on village and national resources;</p>	<p>3. Business Management</p> <p>a. Define management;</p> <p>b. Describe types or styles of management in relation to businesses;</p> <p>c. Explain the different goals for businesses;</p> <p>d. Describe the strategies used by businesses to maximize profits;</p> <p>e. Explain the reasons why businesses fail or succeed;</p> <p>f. Compare and contrast structures and procedures of different enterprises;</p> <p>g. Define innovation;</p> <p>h. Describe the relationship between business management and innovations;</p> <p>i. Prepare a timeline of any notable business innovations impacting on local businesses and Samoa's economy;</p>	

STRAND 5: PRODUCTION (continued)

YEAR 9	YEAR 10	YEAR 11	YEAR 12
<p>Students are able to demonstrate understanding of the principal concepts related to making economic choices</p> <p>f. Define the cost of factors of production;</p> <p>g. Discuss how/why factor costs affect producers decision making;</p> <p>h. Identify and describe the four factors of production used in the production of any overseas-made product currently available in the Samoa economy;</p> <p>i. Create any simple production project (e.g., pork-burger production) and explain the project using the concepts of factors of production (resources), renewable/non-renewable resources, scarcity, choices, opportunity costs, producers and factor costs.</p>	<p>j. Define economic growth;</p> <p>k. Describe and give simple examples of how innovations affect economic growth in an economy;</p> <p>l. Explain how producers bring about economic growth through enterprise and innovation;</p> <p>m. Plan, prepare and display group/class innovative projects using local resources to achieve any goal for economic growth; either to maximize profit, or to improve health/education services; or to improve quality of a product, or an innovation for a new product/idea that will improve people's lives, and so forth.</p>	<p>5. Supply of goods and services for individual producers</p> <p>a. Define the concepts of supply and law of supply;</p> <p>b. Construct a supply schedule for a firm;</p> <p>c. Draw a supply curve for a firm;</p> <p>d. Predict and illustrate how change in price affects quantity supplied;</p> <p>e. Identify the causes or factors (determinants of supply and other influences) which affect the supply of goods and services;</p> <p>f. Demonstrate using graphs when producers will respond to internal factors (such as, changes in the price of the good/service itself, changes in the price of other goods/services produced by the firm, changes in production costs, changes in technology and productivity);</p> <p>g. Demonstrate using graphs when producers will respond to external factors (such as, environmental issues - for example, acts of nature, sustainability; political decisions - for example, subsidies, sales taxes; trade restrictions - for example, quotas, tariffs; cultural obligations - for example, resource ownership);</p>	<p>4. Supply of goods and services</p> <p>a. Define supply and Law of supply;</p> <p>b. Identify factors that affect supply of goods and services;</p> <p>c. Construct a supply schedule and graph a supply a supply curve for an individual;</p> <p>d. Predict and illustrate how changes in price affect quantity supplied;</p> <p>e. Define and describe situations of shortage and excess supplies in the market and the producers reactions to such situations.</p> <p>3. Different Types of Producers</p> <p>a. Individuals/groups who participate in the primary, secondary and tertiary production of goods and services in the Samoa economy;</p> <p>b. Describe and distinguish the three stages of production (primary, secondary and tertiary);</p> <p>c. Describe the characteristics of primary, secondary and tertiary sectors;</p> <p>4 Government Intervention</p> <p>a. Explore to analyse a government intervention which requires knowledge of government policies relating to any two contemporary economic issues;</p>

<p>d. Explain and illustrate the chain of production – raw materials, manufacturing, wholesaling, retailing and consumer;</p> <p>e. Identify and describe different ownership structures of producers – sole trader, partnership, company, clubs and society; state owned enterprises and government;</p> <p>f. Compare and contrast local producers to foreign producers;</p> <p>g. Describe the benefits and/or harms that individuals experienced from local producers and foreign producers;</p> <p>h. Define export and import and explain the relevance of these concepts to producers in the Samoa economy;</p> <p>i. Explore to find out and present findings that distinguish between different types of producers in manufacturing, wholesaling and retailing;</p> <p>j. Explore to find out and present findings which compare and contrast the nature of production of different ownership structures of producers as sole traders, partnerships, companies, clubs and societies, state-owned enterprises and the government in the Samoa economy.</p>	<p>h. Illustrate a change in price as a movement along a supply curve (that is, a change in quantity supplied) and using this to support explanations of producer responses;</p> <p>i. Illustrate a change in a non-price (internal or external) factor as a shift of a supply curve (that is, a change in supply) and using this to support explanations of producer responses;</p> <p>j. Explain how a producer will respond to a change in price of a good/service in a market and the flow on effects of this response for the producer;</p> <p>k. Explain how a producer will respond to a change in a non-price (internal or external) factor affecting supply and the flow on effects of this response for the producer;</p> <p>l. Visit a local firm to investigate the effect of price and non-price factors affecting that firm's supply.</p> <p>(i) If possible, follow up the trip using newspaper articles or TV current events as a motivating factor to identify non-price (internal and external) factors affecting this firm's supply;</p> <p>(ii) Also, if possible, get the firm owner to say how he/she would respond to these events so the student can see the theory working in the real world.</p>	<p>b. Investigate and describe government policies that will achieve specific policy objectives related to one contemporary economic issue, for example, economic growth policies that will achieve significant and sustainable results;</p> <p>c. Use an economic model or models intended to provide detailed explanations of the flow-on effects of government policy objectives in relation to one economic issue in relation to two other contemporary economic issues, for example, the impact of policies designed to achieve sustainable growth on international trade and the distribution of Samoa's income.</p> <p>5. Economic Concepts applicable to International Trade</p> <p>a. Explain and apply the concepts of opportunity cost, comparative advantage, specialisation, exchange, markets and gains from trade to international trade (i.e., in open economy context);</p> <p>b. Describe and distinguish between absolute and comparative advantage; terms of trade and gains from trade;</p> <p>c. Use simple mathematical examples to illustrate comparative advantage by calculating opportunity cost and gains from trade following specialisation.</p>
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STRAND 5: PRODUCTION (continued)		YEAR 9	YEAR 10	YEAR 11	YEAR 12
Students are able to demonstrate understanding of the principal concepts related to making economic choices					
4. Decision making in production					
a. Describe and illustrate in relation to Samoa's economy how the decision is made as to:					
<ul style="list-style-type: none"> • What to produce • How to produce • Whom to produce for; 					
b. Apply the three decision-making questions in (a) to the three stages of production that refers to primary, secondary, and tertiary;					
c. Apply the three decision-making questions in (a) to the chain of production that refers to raw materials, manufacturing, wholesaling, retailing and consumer;					
d. Investigate, discuss and use the percentages of Samoa's production from primary, secondary and tertiary in the last 3 years to provide comments to the Government on: what is produced, how to produce, and whom to produce for;					
e. Investigate and discuss the percentage and/or value in Tala (\$) of Samoa's production being sold to foreign countries in the last 3 years; then provide comments to the Government on: what is produced, how to produce, and whom to produce for.					
f. Either, plan, prepare and discuss a field trip activity to any local manufacturer ensuring to cover the concepts: raw materials, production process, production decision-making, finished goods/services, factors of production, chain of production, export, import, production costs/revenues;					
g. Or, show a video and/or DVD considered relevant to decision-making in any production process.					
5. Producers in Samoa economy					
<ul style="list-style-type: none"> a. Distinguish between the local and the national producers; b. Identify and describe the features of local and national producers; c. Identify and relate the local and national producers to the three stages of production; 					

- d. Identify and describe factors that influence producers' decisions to operate (location, transport, etc);
- e. Investigate and describe ways or methods used by producers to sell (or market) their products;
- f. Search, list and describe as much as possible Samoa's local producers and national producers in the last two years;
- g. Calculate and analyse the percentages/ratios of Samoa's local producers to national producers using the information in (f);
- h. Define the concepts supply, price, and quantity in relation to producers;
- i. Plot and describe a simple supply graph using the information below

Producer A supplies taro chip

If price is \$1, quantity supply is 2
If price is \$2, quantity supply is 4
If price is \$3, quantity supply is 6
If price is \$4, quantity supply is 8.

6. Different Types of economic systems

- a. Define economic systems;
- b. Identify and give examples of the four types of economic systems (Traditional Economy, Planned Economy, Mixed Economy, and Free Market Economy);
- c. Describe the features of the four economic systems;
- d. Describe the features of the economic system of Samoa;
- e. Compare and contrast the economic system of Samoa to that of other nations;
- f. Explain why different countries have different economic systems;
- g. Define and distinguish between open economy and closed economy and relate the two concepts to Samoa's economy;
- h. Illustrate and explain how we are affected by the mixed economic system as well as becoming an open economy (give the advantages and disadvantages).

STRAND 6: CONSUMPTION

MAJOR LEARNING OUTCOMES

From the study of CONSUMPTION, students will be able to demonstrate understanding of concepts related to economic choices.

YEAR 9	YEAR 10	YEAR 11	YEAR 12
<p>How consumers and households make economic decisions when they:</p> <p>a. Describe the factors which determines the consumers' needs and wants;</p> <p>b. Describe how and why the consumers' needs and wants change;</p> <p>c. Explain how different values, beliefs, attitudes and income affect consumer choices;</p> <p>d. Compare different types of consumers (e.g. individuals, groups/groups, males/females, high income/low income, retirees, infant, students) in relation to the economic concepts, needs and wants, scarcity, choices, opportunity cost, non-economic/economic factors affecting decisions;</p> <p>e. Define the concepts demand, price and quantity in relation to consumers;</p> <p>f. Plot a simple demand graph using the information below:</p> <p><i>Consumer C demands banana chips</i> <i>If price is \$1, quantity demand is 8</i> <i>If price is \$2, quantity supply is 6</i> <i>If price is \$3 quantity demand is 4</i> <i>If price is \$4 quantity demand is 2.</i></p>	<p>Consumer's decision making</p> <p>a. Recall seven steps involved in the decision making:</p> <ul style="list-style-type: none"> • Goal • Obstacles • Options (alternatives) • Advantages/Disadvantages of options • Ranking/Evaluation of options • Select Best option/Identify opportunity Cost; • Evaluate best Option; • Describe the costs incurred which are related to making choice; • Differentiate between economic and non-economic factors affecting consumer decisions (e.g., prices, income, direct and indirect taxes, tastes, preferences). 	<p>Factors affecting the market demand for goods and services</p> <p>a. Define Demand and describe Law of Demand;</p> <p>b. Distinguish between individual demand and market demand;</p> <p>c. Construct demand schedules and graphs for both individual and market;</p> <p>d. Identify the causes of changes in a demand curve, i.e. refers to determinants of demand such as:</p> <ul style="list-style-type: none"> • Preferences (e.g., liking more of one thing than the other has changed); • Income (e.g., higher income increases the demand for normal goods than inferior goods); • Price of substitute goods (e.g., coke and Pepsi are similar goods which can be used in place of each other; a decrease in the price of Pepsi (substitute good) than coke will decrease the demand of coke); • Price of complementary goods (e.g., bread and butter complement each other (go together) like cars and petrol; a change in the price of a complementary good will have a positive effect on the demand for the original good); 	<p>Government revenues and expenditure</p> <p>a. Identify, describe and give examples of the major sources of government revenue (e.g., income tax, vagst, tourism, foreign aids etc.);</p> <p>b. Identify, describe and give example of the major areas of the government expenditure (e.g., education, health etc.);</p> <p>c. Investigate and explain components and aims of a government budget;</p> <p>d. Analyse, interpret and explain the government budget of Samoa</p> <p>e. Investigate the types and all sources of Samoa's taxes;</p> <p>f. Distinguish between foreign aids and remittances.</p> <p>Unemployment</p> <p>a. Identify and use, in context, concepts related to unemployment, such as:</p> <ul style="list-style-type: none"> • different definitions of full employment and unemployment; • types of involuntary unemployment such as structural, cyclical, and frictional;

The roles of consumers in the economy	How consumers earn their income	<p>a. Define the terms consumers and households;</p> <p>b. Describe how an individual, organization and a government becomes a consumer;</p> <p>c. Describe the relationship between consumers and households;</p> <p>d. Describe the economic problem in relation to consumers' limited resources to satisfy their unlimited wants;</p> <p>e. Identify the means (time, money, skills) of individuals or family (extended kinship group);</p> <p>f. Recognize that scarcity occurs when unlimited wants exceed limited means;</p> <p>g. Distinguish between needs and wants of consumers;</p> <p>h. Describe how Samoa's consumers of the 18th or 19th centuries have different wants from consumers of the 21st century;</p> <p>i. Describe consumers in relation to goods and services.</p> <p>Consumer rights and responsibilities</p> <p>a. List the United Nations Guidelines for Consumer Protections;</p> <p>b. Describe Samoa's consumer protection laws;</p> <p>c. Explore and describe what the consumers responsibilities are;</p> <p>e. Predict and illustrate how determinants of demand affect the demand curve;</p> <p>f. Illustrate how price will affect the demand curve.</p> <p>Consumption possibilities available to consumers</p> <p>a. Define consumption possibilities;</p> <p>b. Describe and construct consumption possibility schedules and curves (graphs);</p> <p>c. Describe and illustrate how changes in costs and income affect the CPC (show inward and outward shifts of the curve);</p> <p>d. State the significance of points inside and outside the CPC;</p> <p>e. Illustrate on the CPC changes in the prices of the goods (pivot shift inward or outward, for instance, of good A while good B remains unchanged);</p> <p>f. Describe the relationship between scarcity, choice and opportunity cost using the CPC.</p> <p>g. Investigate to find out the impact of low income and high income on consumer demands and/or spending;</p> <p>h. Distinguish between income and loan;</p>
		<p>• nominal and real indicators, for example, nominal and real wages;</p> <p>b. Use changes shown on the production possibility frontier model to explain causes of changes in unemployment;</p> <p>c. Use the labour market supply and demand model to show equilibrium and disequilibrium positions and the resulting levels of employment and unemployment;</p> <p>d. Demonstrate that institutional factors, for example, regulations or unions, and social influences, for example, discrimination or geographic immobility constraints (or rigidities), affect labour supply, labour demand, and/or real wages in ways that cause labour market disequilibrium to persist;</p> <p>e. Use the labour market supply and demand model to explain causes of changes in unemployment;</p> <p>f. Use changes shown on the aggregate demand and aggregate supply model (that is, growth or decline in deflationary gap) to explain causes of changes in unemployment;</p> <p>g. Compare and contrast the impact of the different causes of changes in unemployment, for example, the introduction of youth wages and government-funded skills training for unemployed youths;</p>

STRAND 6: CONSUMPTION (continued)

YEAR 9	YEAR 10	YEAR 11	YEAR 12
<p>d. Discuss the rights of consumers to a refund, replacement or repair if at the time of purchase, the goods were faulty, not suitable for the purpose intended, or different from the samples shown in the shop;</p> <p>e. Explain different ways consumers can make their complaints if unsatisfied with their shopping;</p> <p>f. Prepare consumer letter of complaint;</p> <p>g. Define and describe characteristics of scams and rip-offs.</p> <p>Finding a job</p> <p>a. Distinguish between paid and unpaid work;</p> <p>b. Discuss using PMI (positive, minus, interesting) what will happen if everyone stopped paid work, for instance, in a year;</p> <p>c. Consider and discuss the significance role of unpaid workers (or volunteer workers) in the economy;</p> <p>d. Explain where and how to find a job;</p> <p>e. Classify different types of jobs;</p> <p>f. Discuss how and why consumers appeal to different jobs;</p> <p>g. Identify any workers unions in Samoa and discuss the importance of their roles to protecting the rights of workers;</p> <p>h. Map out the school program to different jobs or careers.</p>	<p>i. Explain why family incomes are important to be considered when individuals or groups apply for a loan.</p> <p>Way of maximizing individual income</p> <p>a. Identify and describe alternative ways of spending income more effectively using the decision making process (e.g., buying in bulk, conserving and recycling, buying reputable goods, buying for cash, avoid impulse buying, buying from the right place, consider all factors before buying, checking unit pricing);</p> <p>b. Identify opportunity costs related to making specific decisions;</p> <p>c. Identify factors which influence consumers decision making (e.g., income levels, personal values, beliefs, priorities);</p> <p>d. Identify the advantages and disadvantages of borrowing;</p> <p>e. Compare and contrast the costs of buying on credit and buying with cash;</p> <p>f. Identify different types of credit facilities affecting individual income;</p> <p>g. Investigate and describe ways to improve excessive individuals/households spending on major cultural obligations such as funerals, weddings, bestowal of titles, etc.;</p> <p>h. Investigate and describe alternative ways and methods to maximise individuals/households income from using four factors of production, land, labour, capital and entrepreneurship;</p> <p>i. Identify and describe the steps of the economic decision making model;</p> <p>j. Apply the economic decision making model to an economic situation affecting consumers (individuals/households) spending decisions.</p>		<p>h. Compares and contrasts the impacts of changes in unemployment on various groups, including:</p> <ul style="list-style-type: none"> • the government's operating balance, for example, impacts on tax receipts, social welfare, and other government spending; • firms, for example, levels of output; • households, for example, self-employment, migration, and the flow-on effects of social stresses caused by unemployment.

The benefits of budgeting income wisely

- a. Define budget;
- b. Describe components of a budget for individuals or households (i.e., income, essential spending, non-essential spending, savings, surplus, deficit and balanced);
- c. Construct three types of budgets for individuals/or households (e.g., *surplus budget, deficit budget, balanced budget*);
- d. Describe the relationship between income and spending components of a budget and describe how it can affect budget balances (e.g., *deficit*);
- e. Describe the importance of including savings in the budget (e.g., *special purposes, unforeseen expenses, future investments, etc.*);
- f. Analyse and describe the effects of surplus or deficit budgets on consumer spending decisions;
- g. Interpret documents related to spending of income (including VAGST).

Demand for goods and services

- a. Define demand and Law of demand;
- b. Identify factors that affect demand for goods and services;
- c. Construct a demand schedule and graph a demand curve for an individual;
- d. Predict and illustrate how changes in price affect quantity demanded.

STRAND 7: THE MARKET

MAJOR LEARNING OUTCOMES

From the study of MARKET, students will be able to demonstrate understanding **the interactions between the sectors**.

YEAR 9

The two sector circular flow economic model

- Describe the relationship between consumers (households) and producers(firms and businesses) using a simple two-sector circular flow economic model;
- Explain the relationship between consumers and producers in the market using the concepts of interdependence, specialization and exchange.

Development of Money

- Describe the history of the development of money including:
 - Barter;
 - Commodity money;
 - Notes and coins;
 - Metal money;
 - Cheques;
 - Credit / debit cards
- Describe seven characteristics /qualities of money and relate them to the Samoan tala;
- Describe the four functions of money;
- Describe money in relation to the concept of legal tender;

YEAR 9	YEAR 10	YEAR 11	YEAR 12
<p>The five sector circular flow economic model</p> <p>a. Identify and describe the five (5) major sectors of the economy – households, producers, government, financial sectors and the overseas sectors;</p> <p>b. Describe the relationship of the five (5) major sectors of the economy;</p> <p>c. Construct the five-sector model to describe interdependence and exchange between the sectors of the economy;</p> <p>d. Explain how interdependence leads to exchange between economic sectors;</p> <p>e. Identify and distinguish between money flows and real flows using the circular flow;</p> <p>f. Distinguish between close economy and open economy.</p> <p>Market equilibrium</p> <p>a. Describe the Sectors of the economy (that is Households, producer, financial, government and overseas) and how they are related;</p> <p>b. Describe the different producer sectors (that is primary, secondary and tertiary);</p> <p>c. Describe real money and money flows;</p> <p>d. Construct or use a circular flow diagram or model that includes at least three sectors, shows real and money flows between the sectors and use this to support explanations of interdependence;</p> <p>e. Explain the interdependence between households and producers sectors and the interdependences between at least two other sectors (for example, government and overseas, producers and overseas, household and financial);</p> <p>f. Explain the impact of an event on a sector and its flow-on effects to at least two other sectors;</p>	<p>The circular flow diagram</p> <p>a. Construct demand and supply graphs from the demand schedules;</p> <p>b. Derive demand and supply schedules from the demand graphs;</p> <p>c. Identify or establish equilibrium prices from graphs and schedules of the market;</p> <p>d. Identify and describe situations of shortages and surpluses on market graphs and schedules and their causes;</p> <p>e. Distinguish between the effect of a price change (movement along a curve) and a change in other conditions of determinant factors (shifts of the curve) on demand and supply graphs in the market;</p> <p>f. Make simple calculations of consumer spending, market revenue, profits, losses, etc. given a demand and supply schedule and/or graph;</p> <p>g. Differentiate the components between aggregate supply and aggregate demand.</p>		

<p>e. Plan and prepare group presentations using card boards to explain and illustrate on the following concepts:</p> <ul style="list-style-type: none"> • history of the development of money; • seven characteristics or qualities of money; • four functions of money; • money as legal tender. 	<p>Money banking</p> <p>c. Distinguish between forms of market: perfect competition and imperfect competition.</p> <p>Rights and obligations (responsibilities) of consumers and producers in the market</p> <p>a. Identify rights and obligations (responsibilities) of consumers and producers in the market;</p> <p>b. Identify and describe the consumer Law in Samoa;</p> <p>c. Define the term contract and identify the rules or conditions under which contracts exist.</p> <p>Different forms of contract</p> <p>a. Distinguish between formal and informal contracts;</p> <p>b. Describe the principles of insurance as an example of a formal contract and the different forms of insurance available in Samoa;</p> <p>c. Investigate which insurance types which are the most popular in Samoa and describe the reasons for popularity;</p> <p>d. Investigate informal contracts that exist to protect the rights of consumers.</p>	<p>g. Define and explain the concept of aggregate demand which is represented by the equation $GDP = C + I + G + (X - M)$;</p> <p>h. Define and distinguish between the concepts of GNI, GNE and GDP as measures of circular flows;</p> <p>i. Construct graphs illustrating GNI, GNE and GDP;</p> <p>j. Describe, classify and give examples of different markets – good and services market. Factor market, money market and foreign (overseas) market;</p> <p>k. Identify different markets in Samoa.</p>	<p>Money supply market and its components</p>
		<p>a. Define the functions and characteristics of money;</p> <p>b. Describe common measures and components of the money supply;</p> <p>c. Investigate and explain the functions of Central Banks, Commercial banks and development banks;</p> <p>d. Explain the quantity theory of money ($MV=PT$) and use it to illustrate the relationship between the supply and money and prices;</p> <p>e. Describe the separate effect that these factors will have on the supply of money.</p> <p>• Government borrowing – from central bank, public and overseas</p> <p>• Foreign aid</p> <p>• Remittances</p>	<p>Inflation and its effects on the economy</p>
	<p>d. Define interest, deposit, transactions, withdrawal, bank account and currency;</p> <p>e. Describe and illustrate the relationships between the bank and two types of consumers – those who deposits savings (saver) in a bank and earns interest from their savings; and those who borrows money (borrower) from the bank and pays interest on the borrowings;</p> <p>f. Discuss reasons for customers to put their money in the bank;</p> <p>g. Identify or describe what banks give to consumers who puts money in the bank;</p> <p>h. Describe the type of bank service where consumers can use the bank's money to buy now and pay later;</p>	<p>The market Equilibrium</p> <p>a. Define and identify market equilibrium and situations of excess supply and excess demand;</p> <p>b. Explain and predict changes in equilibrium price and quantity using supply and demand analysis; Analyse the effect of price controls, taxes and subsidies on market equilibrium;</p> <p>c. Describe and compare different types of price and non-price competition;</p> <p>d. Investigate informal contracts that exist to protect the rights of consumers.</p> <p>e. Describe the effects of price and non-price competition on consumers and producers;</p> <p>f. Identify features and examples of the Market Structure (perfect competition – monopsony, monopoly, duopoly, oligopoly, and monopolistic competition);</p> <p>• Individual price rises versus rises in the general price level, for example the CPI;</p> <p>• Cost push and demand pull inflation;</p> <p>• Normal indicators and real indicators;</p>	

STRAND 7: THE MARKET (continued)

YEAR 9	YEAR 10	YEAR 11	YEAR 12
<p>i. Describe the changes to the amount of money when consumers begin to pay back the amount of money the bank lend them;</p> <p>j. Identify different ways consumers pay for goods and services;</p> <p>k. Describe and distinguish between cash, credit card, and EFTPO.</p> <p>Budgeting</p> <p>a. Define budget;</p> <p>b. Demonstrate a basic understanding of personal money management and the role of budgeting and saving;</p> <p>c. Explain why budgeting is important;</p> <p>d. Identify two parts of budget;</p> <p>e. List the income and expenditure parts of a personal budget;</p> <p>f. List the income and expenditure parts of school budget;</p> <p>g. Prepare a simple personal budget.</p>	<p>g. Research and present on Samoa's market structures identifying and distinguishing between perfect competition markets and imperfect competition markets;</p> <p>h. Explain the advantages and disadvantage of perfect competition and imperfect completion markets to the producers and consumers.</p> <p>Supply and demand model</p>	<p>g. Research and present on Samoa's market structures identifying and distinguishing between perfect competition markets and imperfect competition markets;</p> <p>h. Calculate the rate of inflation from published consumer price index (CPI) figures; interpret and describe the trend over time;</p> <p>e. Describe the procedures used to construct the CPI;</p> <p>f. Identify policies to combat inflation;</p> <p>g. Integrate the quantity theory of money into detailed explanations of causes of inflation;</p> <p>h. Integrate changes in price level shown on the aggregate demand and aggregate supply model into detailed explanations of the causes of:</p> <ul style="list-style-type: none"> • demand pull inflation, e.g., <i>rising aggregate spending (due to increases in consumer spending, investment spending, government spending or net export receipts) that increase aggregate demand</i> • cost push inflation, e.g., <i>rising inputs costs that decrease aggregate supply;</i> 	<p>g. Integrate the quantity theory of money into detailed explanations of causes of inflation;</p> <p>h. Calculate the rate of inflation from published consumer price index (CPI) figures; interpret and describe the trend over time;</p> <p>e. Describe the procedures used to construct the CPI;</p> <p>f. Identify policies to combat inflation;</p> <p>g. Integrate the quantity theory of money into detailed explanations of causes of inflation;</p> <p>h. Integrate changes in price level shown on the aggregate demand and aggregate supply model into detailed explanations of the causes of:</p> <ul style="list-style-type: none"> • demand pull inflation, e.g., <i>rising aggregate spending (due to increases in consumer spending, investment spending, government spending or net export receipts) that increase aggregate demand</i> • cost push inflation, e.g., <i>rising inputs costs that decrease aggregate supply;</i>

	<p>f. Identify market equilibrium, excess supply and excess demand on a supply and demand model;</p> <p>g. Illustrate the effect of consumer, producer, and government choices on the supply and demand model and use this information to support explanations of how these choices affect market equilibrium and the flow on effects for different sectors of society;</p> <p>h. Explain how consumer, producer, and government choices affect the market equilibrium and the flow on effects of this for different sectors of society.</p>	<p>i. Integrate the business cycle model into detailed explanation of the reasons for changes in inflation through a business cycle;</p> <p>j. Compare and contrast the impact of the different causes of changes in inflation, for example, the differing impacts of a depreciation of the Samoan tala and an increase in petrol prices on inflation;</p> <p>k. Compare and contrast the impacts of changes in inflation on various groups, for example:</p> <ul style="list-style-type: none"> • the government's operating balance; • those involved in international trade (exporters and importers); • the financial sector (savers and borrowers); • households, for example, income distribution; • firms, for example, factor costs and business confidence.
	<p>Factors influencing the market supply of goods and services</p> <p>a. Identify causes of changes in a supply curve, (determinants of supply) such as:</p> <ul style="list-style-type: none"> • Cost of production (e.g., cost of wages, cost of raw materials, etc.); • Price of related products (e.g., leather shoes and leather bags are related products; current production of leathers shoes will be affected if prices of leather bags increases because we will be encouraged to shift from shoes to bags); • Goals of producers (e.g., to provide better services (i.e., increase trading hours in spite of fewer customers) rather than maximising profits); 	<p>a. Identify and use in context, concepts related to international trade such as:</p> <ul style="list-style-type: none"> • Balance on goods and services; • Free trade and protectionism; • Balance of payments; • Identify the major goods and services exported and imported; • Identify the major export and import markets; d. Discuss the economic effects of a surplus or deficit of the Current Account;

STRAND 7: THE MARKET (continued)

YEAR 9	YEAR 10	YEAR 11	YEAR 12
	<ul style="list-style-type: none"> State of technology (e.g., capital goods and processes and methods of production); Environmental factors (e.g., to use environmentally friendly but costly raw materials for production); Legal factors (law - Shop Trading Hours Act' prohibits certain firms from opening at certain times such as some public holidays; it certainly restricts supply); Trade factors (e.g., tariffs (or import tax), quotas, exchange rate, prevailing price (world price)); Political factors (e.g., trade embargo, wars and involvement in wars, regulations (e.g., food standard regulation), trade agreements, sales taxes); <p>b. Predict and illustrate how determinants of supply will affect the supply curve;</p> <p>c. Illustrate how price will affect the supply curve.</p>	<p>e. Explain the reasons and effects of trade restrictions through quotas, tariffs, subsidies and embargoes 4 (include economic effect of embargoes imposed for non-economic reasons);</p> <p>f. Identify Samoa's trade commodities and trends in its trading patterns;</p> <p>g. Identify Samoa's major trading partners and their relative importance;</p> <p>h. Identify and explain current problems faced by Samoa in developing its trade;</p> <p>i. Describe the important role of marketing agencies and boards;</p> <p>j. Use the supply and demand model to show and explain how an exchange rate is determined;</p> <p>k. Integrate changes shown on foreign exchange supply and demand model into detailed explanations of causes of changes in the value of goods and services imported and exported;</p> <p>l. Compare and contrast the impact of the different causes of changes in international trade, for example, the differing impacts of a depreciation of the Samoan tala, and an increase in world demand for a product that Samoa exports;</p> <p>m. Compare and contrast the impacts of changes in international trade on various groups in Samoan society, for example,</p> <ul style="list-style-type: none"> domestic consumers (for example, when export prices increase); domestic industries (for example, how fluctuations in trade will have direct, indirect and induced flow on impacts on local firms); uneven impact of changes (that is, winners and losers – consumers benefit from lower-priced imports but domestic firms may close down). 	<p>The role of money in the economy</p> <p>a. Define money;</p> <p>b. Describe the development of money including the barter system, commodity money and problems of both systems of exchange;</p> <p>c. Describe functions, role, characteristics and forms of money</p> <p>d. Define and calculate the official money supply and its distinctive monetary aggregates M1, M2 and M3;</p> <p>e. Identify and describe the quantity theory of money $MV = PQ$;</p> <p>f. Make simple calculations of velocity using Fisher's Identity or Equation of Exchange;</p> <p>Define inflation and explain the effect of inflation on purchasing power of money;</p> <p>g. Calculate the rate of inflation from published CPI figures, interpret the trend over time, and describe procedures used to construct the consumer price index;</p> <p>i. Identify and describe the causes of demand pull and cost push inflation;</p> <p>j. Identify, describe and explain the effects of inflation.</p>

	<p>Inflation</p> <p>Identify and use, in context, concepts related to inflation, such as:</p> <ul style="list-style-type: none"> • inflation, disinflation, and deflation; • individual price rises versus rises in the general price level, for example, the CPI; • cost push and demand pull inflation; • nominal indicators and real indicators. <p>Flow on effects of a government choice</p> <ol style="list-style-type: none"> Describe a government decision and explain how it is affected by scarcity/limited means; Collect information from groups with differing viewpoint to show options and compromises related to the government decision; Identify the costs and benefits of the options (choices) and compromises; Rank the options using cost and benefit analysis/criteria; Justify a recommendation by explaining why specific costs or benefits have higher and/or low weightings; Identify a government decision affecting a local area. Explore and evaluate different values and opinions about a government decision. Determine costs and benefits of the decision and recommend best solution(s) to the government of what should be done. 	<p>Relationship between the international trade and exchange rates</p> <ol style="list-style-type: none"> Describe an distinguish between managed, fixed and floating exchange rates; Investigate and explain reasons for appreciation/depreciation and revaluation/devaluation of the exchange rate; Explain the effects of appreciation/depreciation and revaluation/devaluation on exports, imports and Balance of Payments; Distinguish between weak and strong international currencies; Calculate foreign exchange rates. <p>Characteristics of the economy of the developed and developing countries</p> <ol style="list-style-type: none"> Identify, describe, compare and contrast characteristics of the economy for developed, developing countries, least/less developed countries; <ul style="list-style-type: none"> • age structure of population including birth rate, death rate, life expectancy and migration; • ratio of man-made resources to labour force; • proportion of GDP saved and invested each; • levels of education and health including literacy rates; • proportion of labour force in primary, secondary and tertiary industry and their contribution to GDP; • composition of imports and exports; • GDP per capita; • Savings and investment to GDP; • Ratio of remittances to GDP; • Foreign investment to GDP; • Human Development Index (HDI); Use simple mathematical calculations to illustrate some of the characteristics of developing countries in (a); Evaluate the development of the Samoan economy with reference to the characteristics of developing countries; Identify and describe the importance of overseas grants, foreign aids, foreign investments and remittances to Samoa's economy.
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STRAND 7: THE MARKET			
YEAR 9	YEAR 10	YEAR 11	YEAR 12
<p>Recent development in Samoa's economy</p> <p>a. Identify the major components of national income and national expenditure of Samoa's economy;</p> <p>b. Describe recent trends in the economy of Samoa;</p> <p>c. Identify and discuss the potential for development in the economy;</p> <p>d. Recognise and discuss measures adopted by the government of Samoa to develop the economy;</p> <p>e. Identify international agencies which aid development in the economy of Samoa (incl. IMF);</p> <p>f. Evaluate the contributions made by international agencies to aid development in the economy of Samoa.</p> <p>Economic Growth</p> <p>a. Identify and use, in context, concepts related to economic growth, such as:</p> <ul style="list-style-type: none"> • the different ways of measuring economic growth including: <i>real/GDP productive capacity, measures, net social welfare;</i> • nominal and real indicators (for example, real and nominal GDP); • physical and human capital; • potential GDP and the business cycle; <p>b. Demonstrate net social welfare index measures of economic growth (for example, the Human Development Index) use a combination of economic indicators (for example, real GDP) and quality of life indicators (for example, life expectancy), and that such measures are used to overcome limitations associated with other measures of economic growth;</p> <p>c. Use changes shown on the production possibility frontier model to explain causes of economic growth;</p> <p>d. Use changes shown on the aggregate demand and aggregate supply model to explain the causes of fluctuations in the business cycle (mainly due to changes in aggregate demand components) and supply-side causes of changes in potential growth (due to changes in factors affecting aggregate supply);</p> <p>e. Use changes shown on the circular flow model (for example, changes in withdrawals and injections) to explain causes of economic growth;</p> <p>f. Compare and contrast the impact of the different causes of changes in economic growth, for example, the differing impacts of a decrease in interest rates and a decrease in nominal wages;</p> <p>g. Compare and contrast the impacts of changes in economic growth on various groups in Samoa and /or the environment, for example:</p> <ul style="list-style-type: none"> • the uneven impact of growth on the economy, such as uneven distribution of income and uneven growth rates say, in the: <ul style="list-style-type: none"> - urban and rural areas; - government, private and non-government sectors; - different islands; • positive and negative outcomes of growth, such as, increased purchasing power for consumers weighed against the environmental damage caused when producers use unsustainable production methods. 			

Microeconomic concepts

- a. Define or describe each of the microeconomic concepts above;
- b. Process and/or present sufficient data or information related to the macroeconomic concept:
 - *a detailed explanation of the macroeconomic concept;*
 - *a justification about the implications of macroeconomic concept;*
- c. Illustrate the microeconomic concept on an appropriate economic model;
- d. Provide a detailed explanation the macroeconomic concept that is supported by reference to:
 - *specific processed and/or presented data or information*
 - *information on the economic model used to illustrate the concept*
 - *government*

Microeconomic influence on the contemporary Samoan

- a. Explain the current state of an economy by:
 - (i) identifying the macroeconomic goals of government, including:
 - *price stability;*
 - *economic growth;*
 - *full employment;*
 - *international trade balance.*
 - (ii) Calculating, processing, and/or researching to find the most up to date information on macroeconomic indicators related to a government's macroeconomic goals. For example, the inflation rate, the growth rate, the current account balance, the unemployment rate and/or the current position on the business cycle.

(iii) Assessing the performance of the economy by looking at the current state or trends in the macroeconomic indicators and how these match the macroeconomic goals.

(iv) Identifying, defining, calculating, or describing macroeconomic influences on the economy, including:
 - *internal factors. For example, changes in government policies, consumption, savings and investment;*
 - *external factors. For example, changes in net exports, terms of trade, exchange rates, trade agreements and the world economy.*
- Illustrate concepts relating to macroeconomic influences on the economy using economic models, including:
 - (i) AS AD model - for example, to show the global recession on an economy and its likely impact on inflation, economic growth and unemployment.
 - (ii) Circular flow model - for example, to illustrate the effect of big events (like the Evans cyclone) on national income. In particular, how the new spending in one sector has a multiplied effect as the spending injection increases income leading to further spending in other sectors of the economy.

STRAND 7: THE MARKET			
YEAR 9	YEAR 10	YEAR 11	YEAR 12
		<p>(iii) Spending multiplier - for example, to calculate the impact on aggregate spending of a decision by the government to cut spending by \$2 billion. When the marginal propensity to consume is 0.8. The answer is \$10 billion (if tax and imports are assumed to be zero).</p> <p>c. Use microeconomic models students studied to illustrate the impact of internal and external influences on the governments macro objectives:</p> <ul style="list-style-type: none"> (i) Labour market model – for example, to show the impact of the so-called “Brain Drain” on Samoan labour markets and thus impact on the goal of full employment. (ii) Foreign exchange model – for example, to illustrate the impact of a tight monetary policy causing an appreciation of the exchange rate and the consequent effect of this on exports and imports to support discussions on the goals like international trade balance, economic growth, or inflation. (iii) Illustrate the impact of the Reserve Bank’s Governor to raise the Official Cash Rate (OCR) which has the impact of shifting the AD curve left and AS right resulting in disinflation but having an indeterminate (not clear) impact on economic growth and employment. <p>• Give <i>detailed explanations of macroeconomic influences on the economy. Note: Detailed explanations of a macroeconomic influence should be supported by evidence from the economic model that is used to illustrate its impact.</i></p> <p>• Compare and contrast:</p> <ul style="list-style-type: none"> - the effectiveness of one government policy in achieving different macroeconomic goals. E.g., compare the effectiveness of monetary policy in achieving economic growth and price stability; - the effectiveness of different government policies in achieving one macroeconomic goal. E.g., compare supply side and fiscal policies in achieving long term economic growth; - the impacts of one macroeconomic influence on different macroeconomic goals. E.g., the long run impact of an improved international credit rating on the current account and employment; - the impacts of different macroeconomic influences on one macroeconomic goal. E.g., a free trade agreement and increased education spending (that result on economic growth). 	

Economic Indicators

- a. Process and present statistical data to show trends;
- b. Provide detailed explanations of relationships in statistical data for each of two contemporary economic issues, for example:
 - the relationship between investment and real GDP (if analysing economic growth or exchange rate);
 - balance on goods (if using economic concepts or models to analyse international trade).
- c. Provide detailed explanations of interrelationships between statistical data for two contemporary economic issues, for example:
 - the relationship between unemployment and real GDP (if analysing economic growth and unemployment); or
 - the exchange rate and the Consumer Price Index (CPI) (if using economic concepts or models to analyse international trade and inflation).
- d. Use extrapolated data from two contemporary economic issues, for example:
 - extrapolated price statistics (CPI, exchange rate, labour cost index) and
 - extrapolated economic growth statistics (real GDP, labour productivity index, gross investment rate), to justify (with detailed explanations using economic models or concepts) a forecast about a contemporary economic issue, for example:
 - (i) What will the Reserve Bank governor do with the official cash rate?

Glossary

Accounting

Accounting is the process of identifying, measuring, recording and communicating economic transactions. Transactions are measured in monetary terms and the accountant will prepare records in the form of financial statements.

Accounting entity

Accounting entity is a unit for which accounting records are maintained and for which financial statements are prepared.

Accounting equation

This is expressed as: Assets = Liabilities + Proprietorship (or Capital). An increase or decrease in the total assets of a concern must be accompanied by an equal increase or decrease in the liabilities and proprietorship in order to ensure a balance sheet will always balance.

Balance sheet

A balance sheet is a statement of the total assets and liabilities of an organisation at a particular date, usually the last day of the accounting period.

Bank reconciliation statement

A statement that reconciles (adjusts) the bank balance in the books of an organisation with the bank statement. Differences between the bank account in the books and the bank statement may be due to cheques drawn by the organisations but not yet presented to the bank, bank charges deducted from the account not yet notified to the organisation, and payments made to the bank but not yet recorded by the organisation.

Bank statement

A record of an account produced by a bank, usually at regular intervals and sent to the customer. It gives a summary of the account transactions that have occurred during the period, for example, cheques drawn and received, cash withdrawn and paid in, automatic payments and bank charges deducted, etc.

Borrow

When individuals or businesses with insufficient money use money made available by those who have excess money.

Budget (Accounting)

Budget is an estimate of income and expenses for a particular period of time. It provides a plan for spending in an attempt to satisfy as many wants as possible and satisfy those wants in the right priority.

Budget (Economics)

Estimates for the government's income and expenditure, together with the tax rates and the fiscal policies designed to meet the government's financial goals for the succeeding fiscal year.

Cash Journals

The cash receipts journal records receipts of cash into an organisation's bank account. The cash payments journal records payments of cash from an organisation's bank account.

Chain of production

Stages or steps in the process whereby labour, natural resources, capital assets and knowledge are applied to provide goods and services.

Chart of accounts

Chart of accounts is a detailed listing of all the accounts used by an organisation showing classifications to indicate features of the account.

Cheque

Cheque is a pre-printed form on which instructions are given to an account holder to pay a stated sum to a named recipient.

Choice

Choice is an alternative or other option available.

Circular flow diagram

A diagram which shows the link between income, expenditure and production that occurs in the economy. Spending (expenditure) motivates or induces firms to produce goods and services (production) from which profits result and wages are paid (income).

Clubs and societies

Clubs and societies are community organisations formed by people with a common interest in such things as sports, youth activities, choir, etc.

Company

Company is a corporate enterprise that has a legal identity separate from that of its members.

Competition

Contest for the command of the scarce resources where different sellers are operating to attract customers. Competition is a central element of capitalist or free-enterprise economic systems. If wants exceed resources then competition for those resources will occur. Competition occurs when different sellers work to attract customers or when different groups compete for government funds.

Conserving

To protect or safeguard so that the resources to avoid extinction or shortages.

Contract

Contract is a legally binding agreement. Agreement arises as a result of an offer and an acceptance. In general, no particular formality is required for the creation of a valid con-

tract. It may be oral, written, partly oral and partly written, or even implied from conduct.

Credit

Credit enables consumers and businesses to buy now and pay later. This is a general term or describes other means of deferred payment where interest is charged on an amount borrowed.

Credit entry

Credit entry is an entry of the right-hand side of an account, representing an increase in a liability, revenue or equity item or a decrease in an asset or expense.

Credit transaction

Credit transaction is a transaction whereby goods are sold or purchased and a promise is made to make payment later.

Demand

Demand is the quantity which buyers are willing to purchase of a particular good or service at a given price at a given point in time, all other things being equal. It is assumed that consumers, being self-interested, will demand more of a product at a lower price and less at a higher price.

Demand curve

Demand is a graphical representation of the Law of Demand. It describes a curve that shows the amount of goods consumers are willing to buy at various prices. It slopes downwards from left to right reflecting the inverse relationship between the quantity demanded and price.

Demand schedule

List of quantities of goods and services demanded at different prices. The quantity demanded decreases as prices increase, and increases as prices decrease.

Determinants of supply

Factors which cause changes in the supply curve.

Dividends

Dividends are the distribution of the company's earnings to the shareholders.

Documentation

Documentation is the written evidence of a transaction.

Documents

Documents are written records.

Drawings

Drawings are assets withdrawn from a business by its owner.

Economic system

The way people and their interactions are organised to produce goods and services to meet needs and wants within a political or geographical area.

Economics

Economics is the study of how we use our limited resources to satisfy our unlimited wants. Economics investigates the basic choices or decisions that must be made. Firstly, what to produce - what type of goods and services, and what quantities, can be produced with available resources. Secondly, is how to produce - how resources are combined, choosing what techniques or methods of production to use. Finally, for whom to produce - how goods and services produced will be distributed. Unlimited wants and limited re-

sources mean decisions have to be made: economics studies those choices and decisions and all the issues and problems that arise.

Elements

Elements are basic essential features.

Entity

Entity is an organisation for which the annual report and accounts are prepared. For most accounting purposes it is regarded as a corporation, partnership or an incorporated association carrying on trade or business with or without a view to make a profit.

Essential

Necessary or something that is required or needed.

Evidence

Evidence is proof that an event occurred.

Exchange

Exchange is the process of buying and selling goods and services which involves money transactions but can also involve bartering of goods for other goods.

Exchange rates

The price of one currency against another e.g., NZ\$1 is worth \$T\$1.45. Exchange rates may vary over time.

Expenditure (Accounting)

The costs or expenses incurred by an organisation.

Expenditure (Economics)

Expenditure is the exchange of money for a good or service. It can be an aggregate of all spending in an economy (national expenditure) or spending by specific sectors of the economy, such as consumers, investors and government.

Factor market

Markets where factors of production are bought and sold e.g., the factor market for labour consists of the prospective buyers of labour (employers) and people selling their labour (employees).

Factors of production

Resources those are available to produce goods and services. Natural resources (e.g., land), labour, capital and enterprise or entrepreneurship are usually identified as the factors of production.

Financial sectors

Part of the economy made up of institutions engaged in borrowing and lending activities and the management and investment of financial assets. The financial sector is made up of banks, insurance companies, funds managers, pension and superannuation funds, building societies, credit unions, brokers and financial planners.

Firm

An institution or economic unit, large or small, that uses the factors of production to produce goods and services and engage in profit-seeking activity. Firms bring together the economic resources of labour and capital. The term is often used interchangeably with enterprise or company (though company has a specific legal meaning).

General Journal

The journal used to record opening entries at the commencement of a business or on the setting up of a new double-entry accounting system; sales or purchases on credit of assets other than trading stocks; writing off, as bad debts, debtors who fail to pay; withdrawal by the proprietor other than in cash; entries for the correction of errors; adjusting and closing entries for the calculation of profit and preparation of the final accounting reports.

Goods Journals

This includes the Sales Journal which records the credit sale of goods; Sales Returns Journal (Returns Inwards Journal) which records the return of goods which had been sold by the business; Purchases Journals which records the credit purchase of goods; Purchase Returns Journal (Returns Outwards Journal) which is used to record the return of goods which had been bought by the business.

Households

An economic unit made up of one or more individuals living together and engaging in economic activity e.g., providing labour and other productive services and engaging in consumption.

Income (Economics)

Income is the money a person has available to spend. These are return to the factors of production for their contribution to the productive process.

Inflation

General price increases. It refers to ongoing price rises generally, rather than a few prices rising or a one-off increase in prices.

Insurance

Is the financial cover and safeguard or protection for events that may occur in the future.

Interdependence

When consumers and organisations rely on others for necessary goods and services in order to survive or achieve their business objectives.

Journals

The books of "first entry". It is used to record transactions from the source documents.

Law of Demand

The Law of Demand states the relationship between price and quantity demanded. As prices increase, the level of demand decreases (all other things being equal - "ceteris paribus").

Law of Supply

The Law of Supply states the relationship between price and quantity supplied. As prices increase, the level of supply increases (all things being equal - "ceteris paribus").

Ledger account

An account is a systematic listing of all the changes in an item so that a balance can be found.

Limited liability companies

A company in which the liability of the members in respect to the company debts is limited.

Market

Is an organisation or arrangement through which goods and services are exchanged. Simply, it is where buyers and sellers get together to do business. A market does not have to be in a single location, it doesn't have to be face-to-face, and it can be either highly organised or very informal.

Market demand curve

It describes a curve that shows the total quantities of goods and services that will be demanded at each price by all consumers.

Market equilibrium

This occurs at a point where the quantity demanded equals the quantity supplied.

Market supply

Is the total quantity of goods and services that will be supplied at each price.

Marketing strategy

Market strategy is the plan for the promotion and sale of a particular product.

National resources

Resources those are available in any one nation or country.

Needs

Needs are things that are necessary to survival e.g., food, clothing and shelter.

Non-financial information

Information of a non-monetary nature e.g., location of a business is relevant to who its customers will be.

Non-profit organisation

A no-profit organization is any organisation that operates to provide a service on a non-profit basis.

Non-renewable resources

Non-renewable resources are resources that cannot be replaced or renewed after use. These resources are fixed in quantity e.g., minerals, fossil fuels and metals which can be discovered and used but cannot be renewed or regenerated.

Obligations

Obligations are responsibilities or duties imposed or taken on with a particular role.

Opportunity cost

Opportunity cost is the cost of one choice in terms of what has been forgone. Opportunity cost is one of the fundamental concepts of economics. Scarcity means we cannot have everything, so what we choose not to do or not to buy is the opportunity cost of what we choose to do or buy. If you choose to go to the movies instead of watching a rugby game then the opportunity cost of going to the movies is the enjoyment of the rugby match. If you buy an ice cream instead of soft drink then the opportunity cost of the ice cream is the soft drink.

Organisation

Institution or economic unit.

Overseas market

Is an overseas organisation or arrangement through which goods and services are exchanged.

Overseas sector

This sector refers to a country's international trading and financial transactions with the rest of the world.

Petty cash

Petty cash is the amount of cash that an organisation keeps in notes or coins on its premises to pay small items of expense. Petty cash transactions are normally recorded in a petty cash book, the balance of which should agree with the amounts of petty cash held at any given time.

Price controls

Where the government regulates price increases. The government can set guidelines for wage increases. It can revalue or devalue the exchange rate which can affect prices of goods and services and ultimately affect supply and demand.

Primary production

Primary production is the process involving the extraction of raw materials and the provision of agricultural crops and animal produce.

Principle

Principle is a fundamental belief or standard.

Private sector

That sector which provides goods and services that are sold for profit. This sector of the economy is characterised by private ownership of the means of production by profit-seeking individuals. It is owned and run by private individuals, firms, and organisations. This sector contrasts with the public sector which, rather than being motivated by profit, provides goods and services that are said to be for the common good e.g., public health and education.

Procedure

Procedure is a stated or planned way of doing something within an organisation or business.

Production

The process whereby labour, natural resources, capital assets and knowledge are applied to the provision of goods and services. The factors of production are converted into goods and services.

Purchasing power

The goods and services your money will actually buy. If prices increase, then the purchasing power of a given amount of money will fall.

Recycling

Recycling is the reprocessing of used resources for future use.

Renewable resources

Renewable resources are materials that can be renewed, regenerated or replaced. Thus they can be used, renewed and used again e.g., forests which can be replanted. Overuse can exhaust a renewable resource e.g., over-fishing can use up the supply of fish in one area for good.

Resources

Means of supplying a want, stock that can be drawn on. A nation's collective means for support and defence.

Revenue

Earnings or receipts from a business activity. Any form of income.

Revenue statement

A revenue statement combines the trading account and profit and loss account. It is prepared to match the expenditure of a business against the revenue earned by it for a specific financial period, to find the net profit or net loss.

Role

The function assumed or part played by a person or thing in a particular situation.

Rural

Country or outside the main town or city.

Scarcity

A situation where unlimited wants exist but the resources available to meet them are limited. This means choices must be made among alternatives. Nearly all goods and services are scarce except some goods in extreme abundance e.g., air and water, though in some cases where there is pollution or a drought even these can be considered scarce.

Secondary production

The process involving the transformation of raw materials into other products, either for further transformation or for sale e.g., the manufacture of tyres for use in vehicle manufacture or for sale to the public.

Sectors of the economy

Parts of the economy or units of organisations that engage in economic activity. Sectors of the basic circular flow model of the economy distinguish the major sectors of the economy as households, firms, government, overseas and financial sectors.

Service industries

That group of firms which provide benefits to consumers which are not physical e.g., transport is a service industry.

Services market

An organisation or arrangement through which service industries offer and buy their businesses.

Single proprietorship

A business that is owned by one person - see sole trader.

Small business

A sole trader or partnership business which has limited business operations and relatively small capital investment.

Sole trader

A sole trader is also known as a sole proprietor. It is a business that is entirely owned by a single owner. The owner bears the full responsibility and risk for their business. They receive all the profits and are responsible for any losses.

Source documents

These are documents used as a record and evidence of a transaction.

Specialisation

When productive resources are used for a particular narrow purpose. Exchange must take place, as no one in a specialisation situation is self-sufficient. Specialisation of land sees land devoted to a particular use, and specialisation of labour occurs when people undertake a specific occupation or perform a narrow range of tasks in the production process. Nations can specialise by engaging in the production

of goods and services they are best at and then engaging in trade with other nations.

Spending power

The goods and services that a consumer can buy with the money s/he has to spend.

Subsidiary Ledgers

Subsidiary ledgers are the Accounts Receivable Ledger which groups together the ledger accounts for accounts receivable (debtors) and the Accounts Payable Ledger which groups together the ledger accounts for accounts payable (creditors).

Subsidies

Financial assistance made by governments to enterprises e.g., payments to exporters to help cover their costs (export subsidiaries) or payments to local producers to assist in their expansion.

Supply Curve

A graphical representation of the Law of Supply. It describes a curve that shows the amount of goods sellers are willing to supply at various prices. It slopes upwards from left to right reflecting the direct relationship between the quantity supplied and price. The cheaper the good, the less will be supplied and the more expensive the good, the more will be supplied.

Supply Schedule

The list of quantities of goods and services supplied at different prices. The quantity supplied decreases as price decreases and increases as price increases.

Taxation

Compulsory levy imposed by the government. Taxes raise revenue for the government and may act as a means of redistributing income.

Taxes

See "Taxation"

Tertiary production

The process involved in the distribution of goods and provisions of services.

Transaction

A transaction is an external event (e.g. sale or purchase) or internal event (e.g., depreciation of an asset) that causes a change in the operations or finances of a business.

Trial Balance

The listing of the balances of all the accounts of an organisation with debit balances in one column and credit balances in the other. If the processes of double-entry bookkeeping have been accurate, the totals of each column should be the same.

Urban

From the city or town area.

VAGST

Value added goods and services tax. The name given for a uniform sales tax system that applies to all (or nearly all) goods and services. The value added tax is collected at the different stages of the production process and is levied only on the value added at each stage of production.

Value

Value is a measure of the benefit provided by a good or service.

Wants

Things that consumers would like to have. In economics, wants are considered to be unlimited, as people will always desire more and more goods and services.