

<b>Course Unit Title:</b>	Introduction to Financial Accounting
<b>Course Unit Code:</b>	ACC112
<b>Type of Course Unit: (Compulsory/Optional)</b>	Compulsory
<b>Level of Course Unit: (first, second or third cycle)</b>	Bachelor (1 <sup>st</sup> Cycle)
<b>Year of Study:</b>	1
<b>Semester when the unit is delivered:</b>	1
<b>Number of ECTS credits allocated:</b>	5
<b>Name of lecturer(s):</b>	TBA
<p><b>Learning Outcomes of the course unit:</b>  Upon successful completion of this course students should be able to:</p> <ul style="list-style-type: none"> <li>• Explain the purpose of accounting, the financial reporting process and the accounting principles underlying the preparation of these reports; comprehend the use of financial statements by outsiders and the types of business organizations.</li> <li>• Apply double-entry book-keeping principles including maintenance of accounting records and source of information.</li> <li>• Explain the main types of ledger accounts and books of prime entry, and analyse their nature and function and illustrate how to balance and close a ledger account</li> <li>• Explain accounting for transactions in the books of merchandizing companies</li> <li>• Account for petty cash and calculate the inventory cost using various valuation methods</li> <li>• Explain the use of the trial balance, the income statement and the statement of financial position</li> <li>• Prepare a trial balance, an income statement, a statement of financial position and balance off the accounts prior to the preparation of the financial statements</li> <li>• Explain the accounting transactions in relation to capital and revenue expenditures, the various depreciation methods, the revaluation of non-current assets and their disposal</li> <li>• Explain the need for the bank reconciliation and be able to prepare one</li> <li>• Explain what control accounts are and their operation</li> <li>• Explain what irrecoverable debts and allowances are for accounts receivable and be able to apply the accounting procedures for the above</li> </ul>	
<b>Mode of Delivery:</b>	Distance Learning
<b>Prerequisites and co-requisites:</b>	None

<b>Recommended optional program components:</b>	None
<p><b>Course Contents:</b></p> <p><b>Objective:</b>  This course provides an introduction to the field of accounting and to the use of accounting information as a basis for business decisions. It provides students with a better understanding of the environment in which accounting information is developed and used. This course concentrates on a user-oriented approach thus enabling students to become life-long information users. More emphasis is placed on interpretation and use as opposed to the preparation of accounting information.</p> <p><b>Description:</b></p> <ol style="list-style-type: none"> <li>1. Introduction to Accounting:  Understand the purpose of financial reporting; the types of business entities; the nature, principles and scope of financial reporting, the needs of the users and stakeholders; the main elements of financial reports</li> <li>2. Sources, records and books of prime entry:  Understand the role of source documents; the need for books of prime entry; the sales and purchases day books; the cash books and the petty cash</li> <li>3. Ledger accounts and double entry:  Understand the need for ledger accounts; the nominal ledger; the accounting equation; the double entry bookkeeping; the journal; the day book analysis; the imprest system; the receivables and payables ledger</li> <li>4. Financial statements:  Prepare a trial balance; an income statement; a statement of financial position for a sole trader; balance the ledger accounts prior to the preparation of financial statements</li> <li>5. Sales tax:  Understand the nature of sales tax; perform accounting for sales tax</li> <li>6. Inventory:  Calculate cost of sales; perform the accounting for opening and closing inventories; count inventory at year end; perform inventory valuation in accordance with IAS2</li> <li>7. Tangible non-current assets:  Differentiate between capital and revenue expenditure; perform accounting for depreciation; apply the different depreciation methods; revaluation of non-current assets; disposal of non-current assets; apply the IAS16</li> <li>8. Bank reconciliations:  Understand the difference between the bank statement and the cash book; explain the need for a bank reconciliation; perform bank reconciliation</li> </ol>	

9. Control accounts:

Explain the need for control accounts, their purpose and operation

10. Irrecoverable debts and allowances:

Explain the concepts underlying the irrecoverable debts and allowances; the risk involved in credit transactions; perform accounting procedures in respect to irrecoverable debts and allowances

11. Preparation of financial statements for sole trader

Prepare a statement of financial position and an income statement of comprehensive income for sole traders

12. Incomplete Records

Understand and apply techniques in incomplete record situation

13. Recent developments and contemporary issues pertaining to the subject-matter of the course.

**Recommended  
or  
required reading:**

Meigs, Williams, Haka And Bettner, Financial and Managerial Accounting: The Basis for Business Decisions, 12/e, McGraw Hill.

Wood, F & Sangster, A. 2005, Business Accounting 1, 10th Ed., Pearsons Education Ltd London [ISBN: 0-272-68149-4]

BPP Notes for F3 -ACCA

Benedict, A. and Elliott, B., (2008), Financial Accounting: An Introduction, FT Prentice Hall.

Britton, A. and Waterston, C., (2006), Financial Accounting, FT Prentice Hall

D Alexander & C Nobes FINANCIAL ACCOUNTING An International Introduction , 2nd edition, FT Prentice Hall 2004

Arnold J., Hope T., Southworth A. and Kirkham L. (1994), Financial Accounting, (second edition), FT Prentice Hall

Atrill, P. and McLaney, E. (2004) Accounting and Finance for Non-Specialists, (fourth edition), FT Prentice Hall.

	<p><b>Relevant teaching material from the following organizations:</b></p> <p>ACCA  <a href="http://www.accaglobal.com/students/acca/exams/f3/">http://www.accaglobal.com/students/acca/exams/f3/</a></p> <p>BPP  <a href="http://www.bpp.com/acca/papers/f3/">http://www.bpp.com/acca/papers/f3/</a></p> <p>Kaplan  <a href="http://financial.kaplan.co.uk/TrainingandQuals/AccountancyACCA/Pages/default.aspx">http://financial.kaplan.co.uk/TrainingandQuals/AccountancyACCA/Pages/default.aspx</a></p>				
<p><b>Planned learning activities and teaching methods:</b></p>	<p>Virtual Lectures, Workshops, Group work, Assignments and Exams</p>				
<p><b>Assessment methods and criteria:</b></p>	<table border="1" style="width: 100%;"> <tr> <td style="width: 60%;">Examinations</td> <td style="width: 40%; text-align: center;">50%</td> </tr> <tr> <td>Ongoing evaluation</td> <td style="text-align: center;">50%</td> </tr> </table>	Examinations	50%	Ongoing evaluation	50%
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Ongoing evaluation	50%				
<p><b>Language of Instruction:</b></p>	<p>English</p>				
<p><b>Work Placement(s):</b></p>	<p>No</p>				
<p><b>Place of Teaching:</b></p>	<p>Blackboard Virtual Learning Platform</p>				