



UNIVERSITI TEKNOLOGI MARA

ACC106: INTRODUCTION TO FINANCIAL ACCOUNTING AND REPORTING

Course Name (English)	INTRODUCTION TO FINANCIAL ACCOUNTING AND REPORTING APPROVED
Course Code	ACC106
MQF Credit	3
Course Description	This course is designed to provide a fundamental understanding of the basic accounting concepts, principles and techniques of double entry system, procedures in preparing final accounts of a sole trader for merchandising and service enterprise. This course aims to provide students with the basic accounting knowledge of the total recording process as well as maintenance of full set of accounts that a business organization should keep.
Transferable Skills	reflective learner resourceful and responsible responsive confident
Teaching Methodologies	Lectures, Blended Learning, Tutorial, Simulation Activity
CLO	CLO1 To explain the basic knowledge in preparing financial statements. CLO2 To analyse the effect of business transactions and events. CLO3 To prepare the financial statements of sole trader. CLO4 To evaluate the simple ratios of financial statement. CLO5 To construct the bank reconciliation statement and adjusted cash book.
Pre-Requisite Courses	No course recommendations
Topics	
1. Introduction to Accounting 1.1) Definition of accounting 1.2) Functions of financial statements 1.3) Main user groups of financial statements 1.4) Accounting cycle 1.5) Various forms of business (sole trader of merchandising and service enterprise, partnership and private & public companies)	
2. Introduction to Concepts and Conventions of Accounting 2.1) Business Entity 2.2) Going Concern 2.3) Monetary 2.4) Accruals-based accounting 2.5) Comparability 2.6) Neutrality 2.7) Materiality	
3. Accounting Equation and Accounting Classification 3.1) Statement of financial position format and the classification of items in it 3.2) Basic accounting equation 3.3) Effects of transactions on the basic accounting equation 3.4) Expanded accounting equation 3.5) Effects of transactions on the expanded accounting equation	
4. Principles of Double Entry and Trial Balance 4.1) Double entry rules 4.2) Ledger entries 4.3) Balancing of ledger accounts 4.4) Trial Balance (pre-adjusted only) 4.5) Final accounts before adjustment	

5. Books of Prime Entry

- 5.1) Introduction to source document
- 5.2) Types of journals
- 5.3) Types of ledgers
- 5.4) Recording process from source documents to journals and posting to ledgers

6. Balance Day Adjustment and Preparation of Final Accounts

- 6.1) Adjustments of accruals and prepayments
- 6.2) Bad debts (allowance method) and Bad debts recovered
- 6.3) Doubtful debts and Allowance for doubtful debts
- 6.4) Capital expenditure and Revenue expenditure
- 6.5) Depreciation of non-current assets
- 6.6) Preparation of final accounts after adjustments

7. Financial Statements Analysis

- 7.1) Objectives of financial statements.
- 7.2) Types of analysis.
- 7.3) Preparation and interpretation.
- 7.4) Limitations of ratio analysis.

8. Bank Reconciliation Statement

- 8.1) Use of banking facilities for safe keeping of cash (bank account).
- 8.2) Update Cash Book.
- 8.3) Reconciling the bank account with the bank statement.(Ticking method only)

Assessment Breakdown	%
Continuous Assessment	50.00%
Final Assessment	50.00%

Details of Continuous Assessment	Assessment Type	Assessment Description	% of Total Mark	CLO
	Group Project	Accounting Simulation	20%	CLO1
	Quiz	Quiz 2	5%	CLO5
	Quiz	Quiz 1	5%	CLO2
	Test	Test	20%	CLO3

Reading List	Reference Book Resources
	<ul style="list-style-type: none"> • Fatimah Abdul Rauf, Amla Abu, Radziah Mahmud 2014, <i>FINANCIAL ACCOUNTING FOR NON-ACCOUNTING STUDENTS</i>, 4 Ed., Mc Graw Hill [ISBN: 9789675771866] • Leong, A & Wong, S. V., <i>Business Accounting 2010, Business Accounting</i>, 3 Ed., , Prentice Hall [ISBN:] • Nichol, E.O, Josept, C, Noyem, J.A., Ismail, 2009, <i>Essentials of Business Accounting</i>, Ed., , UPENA [ISBN:] • Weygant, Keiso and Kimmel 2001, <i>Accounting Principles</i>, 6 Ed., , Wiley [ISBN:] • Wood, F. 2005, <i>Business Accounting, Volume 1</i>, 10 Ed., , Prentice Hall

Article/Paper List	This Course does not have any article/paper resources
Other References	This Course does not have any other resources