



UNIVERSITI TEKNOLOGI MARA

ACC100: ACCOUNTING

<b>Course Name (English)</b>	ACCOUNTING <b>APPROVED</b>
<b>Course Code</b>	ACC100
<b>MQF Credit</b>	3
<b>Course Description</b>	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.
<b>Transferable Skills</b>	REFLECTIVE LEARNER RESOURCEFUL AND RESPONSIBLE RESPONSIVE CONFIDENT
<b>Teaching Methodologies</b>	Lectures, Blended Learning, Tutorial, Simulation Activity
<b>CLO</b>	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.
<b>Pre-Requisite Courses</b>	No course recommendations
<b>Topics</b>	
<b>1. Introduction to Accounting</b> 1.1) Definition, functions, objectives and uses of financial statements. 1.2) Main user groups of financial statements. 1.3) Types and various forms of business (sole trader of merchandising and service enterprise, partnership and private & public companies). 1.4) Difference between bookkeeping and accounting.	
<b>2. Introduction to Concepts and Conventions of Accounting</b> 2.1) Business Entity Concept. 2.2) Going Concern Concept. 2.3) Monetary Concept. 2.4) Accrual-based Accounting 2.5) Comparability Concept. 2.6) Consistency Concept. 2.7) Neutrality Concept. 2.8) Materiality Concept.	
<b>3. Accounting Equation and Accounting Classification</b> 3.1) Statement of financial position format and the classification of items in it. 3.2) Purpose of Statement of financial position. 3.3) Accounting equation. 3.4) Effects of transactions on the accounting equation.	
<b>4. Principles of Double Entry and Trial Balance</b> 4.1) Double entry rules. 4.2) Expanded accounting equation. 4.3) Ledger entries. 4.4) Balancing of ledger accounts. 4.5) Trial Balance (pre-adjusted only)	

**5. Books of Prime Entry**

- 5.1) Introduction to source documents.
- 5.2) Types of journal.
- 5.3) Sales journal
- 5.4) Purchases journal
- 5.5) Return inwards journal
- 5.6) Return outwards journal
- 5.7) Cash Receipts Journal
- 5.8) Cash Payments journal
- 5.9) General journal
- 5.10)
- 5.11) Types of ledger.
- 5.12) Sales ledger
- 5.13) Purchases ledger
- 5.14) General ledger
- 5.15)
- 5.16) Recording process from source documents to journals and posting to ledger.
- 5.17) Preparation of Trial Balance.

**6. Balance Day Adjustment and Preparation of Final Accounts**

- 6.1) Accrual-based Accounting.
- 6.2) Adjustments of accrual and prepayments through ledger accounts.
- 6.3) Bad Debts (Allowance method)
- 6.4) Doubtful Debts – allowance for doubtful debts.
- 6.5) Capital Expenditure and Revenue Expenditure.
- 6.6) Depreciation of non current assets.
- 6.7) Preparation of final accounts with year end adjustments
- 6.8)
- 6.9) (not tested on individual question in the final exam. It will be tested in the preparation of financial statement.)

**7. Financial Statements Analysis**

- 7.1) Objectives of financial statements.
- 7.2) Types of analysis.
- 7.3) Profitability:
- 7.4) Gross profit margin
- 7.5) Net profit margin
- 7.6) Liquidity ratio:
- 7.7) Current ratio
- 7.8) Acid test ratio
- 7.9) Efficiency:
- 7.10) Accounts receivables collection period
- 7.11) Inventory turnover ratio
- 7.12) Limitations of ratio analysis.
- 7.13) Preparation and interpretation.

**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	Principles of double entry and trial balance	5%	CLO2
	Quiz	Bank reconciliation statement	5%	CLO5
	Test	Test	20%	CLO3

Reading List	Recommended Text	<ul style="list-style-type: none"> <li>Fatimah Abdul Rauf,Amla Abu, Radziah Mahmud 2014, <i>FINANCIAL ACCOUNTING FOR NON-ACCOUNTING STUDENTS</i>, 4 Ed., McGraw Hill [ISBN: 9789675771866]</li> </ul>
	Reference Book Resources	<ul style="list-style-type: none"> <li>Wood, Frank,, <i>business accounting 1</i></li> <li>Leong, Andrew &amp; Wong, Sei Van,, <i>Basic Financial Accounting</i></li> <li>Keiso, Weygant, <i>Accounting Principles 5</i>, John Wiley &amp; Sons, inc, USA</li> </ul>

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