



UNIVERSITI TEKNOLOGI MARA

ACC115: FINANCIAL ACCOUNTING

Course Name (English)	FINANCIAL ACCOUNTING APPROVED
Course Code	ACC115
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 organisation should keep.
Transferable Skills	reflective learner resourceful and responsible effective communicator responsive confident
Teaching Methodologies	Lectures, Blended Learning, Tutorial
CLO	CLO1 Differentiate between accounting and book keeping, types and various form of organisations, CLO2 Explain the various types of accounting concepts and convention CLO3 Identify effects of accounting transactions on the accounting equation CLO4 Apply expanded accounting equation and double entry rules to prepare journals and ledgers CLO5 Identify the 7 types of specialised journals and prepare the subsidiary ledgers CLO6 Prepare the financial statements (statement of profit or loss and statement of financial position) CLO7 Calculate the simple ratios and gives comment CLO8 Prepare adjusted cash book and bank reconciliation statement
Pre-Requisite Courses	No course recommendations
Topics	
1. Introduction to Accounting 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.	
2. Introduction to Concepts and Conventions of Accounting 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.	
3. Accounting Equation and Accounting Classification 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.	

4. Principles of Double Entry and Trial Balance

- 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 document.
- 5.2) Types of journals.
- 5.3) Types of ledgers.
- 5.4) Recording process from source documents to journals and posting to ledgers.
- 5.5) Preparation of Trial Balance.

6. Balance Day Adjustment and Preparation of Final Accounts

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

7. Financial Statement 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	40.00%
Final Assessment	60.00%

Details of Continuous Assessment	Assessment Type	Assessment Description	% of Total Mark	CLO
	Assignment	n/a	15%	CLO3 , CLO4 , CLO5
	Quiz	n/a	5%	CLO5
	Quiz	n/a	5%	CLO8
	Test	n/a	15%	CLO1 , CLO2 , CLO3 , CLO4 , CLO6

Reading List	Recommended Text	<ul style="list-style-type: none"> Fatimah Abdul Rauf, Amla Abu and Radziah Mahmud 2014, <i>FINANCIAL ACCOUNTING FOR NON-ACCOUNTING STUDENTS</i>, 4th edition Ed., McGrawHill [ISBN: 9789675771866]
	Reference Book Resources	<ul style="list-style-type: none"> Andrew Fook Chee Leong, and Sei Van Wong 2010, <i>Business Accounting</i>, 3rd edition Ed., Prentice Hall [ISBN: 9789833205547] Frank Wood Alan Sangster 2011, <i>Frank Wood's Business Accounting 1</i>, 12th edition Ed., Financial Times/Prentice Hall [ISBN: 9780273759188]
Article/Paper List	This Course does not have any article/paper resources	
Other References	This Course does not have any other resources	