



UNIVERSITI TEKNOLOGI MARA

ACC407: FUNDAMENTAL FINANCIAL ACCOUNTING AND REPORTING

<b>Course Name (English)</b>	FUNDAMENTAL FINANCIAL ACCOUNTING AND REPORTING <b>APPROVED</b>
<b>Course Code</b>	ACC407
<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 financial statements of a sole trader for merchandising and service enterprise and procedures in preparing financial statements of a partnership business. 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. It is also designed to develop the student's skill in preparing financial statements for partnership, simple changes in partnership and accounting treatment for asset revaluation and changes in goodwill.
<b>Transferable Skills</b>	Reflective Learner Resourceful and Responsible Effective Communicator Responsive
<b>Teaching Methodologies</b>	Lectures, Blended Learning, Tutorial
<b>CLO</b>	CLO1 Apply knowledge of financial accounting and reporting for sole proprietorship and partnership. CLO2 Perform communication skills in task related to financial accounting and reporting for sole proprietorship or partnership. CLO3 Demonstrate interpersonal skills in task related to the accounting simulation project.
<b>Pre-Requisite Courses</b>	No course recommendations
<b>Topics</b>	
<b>1. Introduction to Accounting</b> 1.1) Definition of accounting 1.2) Differentiate between accounting and bookkeeping 1.3) Functions of financial statements 1.4) Main user groups of financial statements 1.5) Accounting cycle 1.6) Various forms of business (Sole trader of merchandising and services enterprise, partnership and private & companies)	
<b>2. Introduction to Conceptual Framework for Financial Reporting</b> 2.1) Fundamental qualitative characteristics (Relevance and Faithful representation) 2.2) Enhancing qualitative characteristics (Comparability, Verifiability, Timeliness and Understandability) 2.3) Accounting assumptions and concepts (Going concern, Historical cost, Economic entity and Money measurement)	
<b>3. Accounting Equation and Accounting Classification</b> 3.1) Statement of financial position and its elements 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	
<b>4. Principles of Double Entry</b> 4.1) Double entry rules 4.2) Ledger entries 4.3) Balancing off ledger accounts 4.4) Pre-adjusted trial balance 4.5) Pre-adjusted financial statements	

**5. Books of Prime Entry**

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

**6. Preparation of Financial Statements with Balance Day Adjustments**

- 6.1) Adjustments of accruals and prepayments
- 6.2) Bad debts 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) Post-adjusted financial statements

**7. Accounting for Partnership**

- 7.1) Definition of partnership
- 7.2) Formation of partnership
- 7.3) Types of partners
- 7.4) Introduction to partnership accounts
- 7.5) Partner's capital and current accounts
- 7.6) Statement of profit or loss, statement of appropriation and statement of financial position
- 7.7) Simple changes in partnership

Assessment Breakdown	%
Continuous Assessment	50.00%
Final Assessment	50.00%

Details of Continuous Assessment	Assessment Type	Assessment Description	% of Total Mark	CLO
	Final Project	Simulation	15%	CLO3
	Group Project	Project 1	20%	CLO2
	Writing Test	Writing test	15%	CLO1

Reading List	Recommended Text	<ul style="list-style-type: none"> <li>Abd Rauf, F., Abu, A., &amp; Mahmud, R 2020, <i>Financial Accounting for Non-accounting Students</i>, 6th edition Ed., McGraw Hill [ISBN: 9789670761381]</li> </ul>
	Reference Book Resources	<ul style="list-style-type: none"> <li>Sangster, A., &amp; Wood, F. 2018, <i>Frank Wood's Business Accounting Volume 1</i>, Pearson [ISBN: 9781292208626]</li> <li>Hayati M., Choon T.K., Leng L.W., Fah L.K., Ching N.K., Rahizah A.R 2016, <i>Financial Accounting 1</i>, 2nd edition Ed., Oxford [ISBN: 9789834718367]</li> <li>Weetman, P. 2019, <i>Financial Accounting: An Introduction</i>, 8th edition Ed., Pearson [ISBN: 9781292244471]</li> <li>Arshad, R., Umar, L., Mohd Arif, S. M., &amp; Muhammad, K. 2009, <i>Financial Accounting: An Introduction</i>, 3rd edition Ed., McGraw Hill [ISBN: 9789833850921]</li> <li>Haniff, M. N., Nawawi, A., Abd Samad, R., &amp; Mohamed, I. S. 2018, <i>Fundamental of Financial Accounting</i>, 2nd edition Ed., Oxford [ISBN: 9789834726553]</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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