



# ACCG861 Principles of Accounting

## Semester 1, 2011

*Department of Accounting and Corporate  
Governance*

**MACQUARIE UNIVERSITY  
FACULTY OF BUSINESS AND ECONOMICS  
UNIT OUTLINE**

<b>Year and Semester:</b>	<b>2011 Semester 1</b>
<b>Unit convenor:</b>	<b>Merran Brooks</b>
<b>Prerequisites:</b>	<b>There are no prerequisites for this unit.</b>
<b>Credit Points:</b>	<b>3</b>

Students in this unit should read this unit outline carefully at the start of semester. It contains important information about the unit. If anything in it is unclear, please consult one of the teaching staff in the unit. It is strongly recommended that you print a copy of this outline and accompanying Topic Guide for easy reference.

**ABOUT THIS UNIT**

This unit presents accounting as an information system designed to process economic data systematically to enable the preparation of financial statements that will provide relevant information for the making of economic decisions. The unit commences with an identification of users of accounting reports and their needs for information. The income statement, the balance sheet and the retained profits statement are examined, including the underlying ledger recording processes and the meanings and limitations of major items in financial statements.

**TEACHING STAFF**

- Convenor: Merran Brooks      *Email:* [merran.brooks@mq.edu.au](mailto:merran.brooks@mq.edu.au)
- Other Staff:
  - Adrian Klamer      *Email:* [adrian.klamer@mq.edu.au](mailto:adrian.klamer@mq.edu.au)
  - Lisa Jackson      *Email:* [lisa.jackson@mq.edu.au](mailto:lisa.jackson@mq.edu.au)
  - Milica Misic      *Email:* [milica.misic@mq.edu.au](mailto:milica.misic@mq.edu.au)

All staff are located on level 2 in E4A.

You are encouraged to seek help at a time that is convenient to you from a staff member teaching on this unit during their regular consultation hours. In special circumstances, an appointment may be made outside regular consultation hours. Staff will not conduct any consultations by email. You may, however, phone staff during their consultation hours.

Consultations will be held as follows:

Tuesday 5pm – 6pm : Level 2 E4A – Adrian Klamer  
Friday 8am – 9am : Level 2 E4A – Lisa Jackson

In order to gain access to staff located at levels 1, 2 and 3 of building E4A during their consultation hours please ring the staff member from the phones available in the lobby (phone numbers of relevant staff members will be provided on Blackboard and are available next to the phones).

Students experiencing significant difficulties with any topic in the unit must seek assistance immediately.

## CLASSES

Sessions in this unit are offered at the following times:

12.00pm	-	3.00pm	Tuesday	C4A315
9.00am	-	12.00pm	Thursday	C4A318
12.00pm	-	3.00pm	Thursday	C5A301
12.00pm	-	3.00pm	Friday	C5A304
3.00pm	-	6.00pm	Friday	C4A318
6.00pm	-	9.00pm	Friday	C4A318

To satisfy the requirements of the course, students are required to attend one three hour class per week. Students should only attend the class into which they are enrolled. **Students are not permitted to move between classes and will not be permitted to submit any assessments at any time other than at the commencement of their enrolled class.**

The timetable for classes can be found on the University web site at:

<http://www.timetables.mq.edu.au/>

Students are encouraged to read the prescribed unit notes and readings and chapter(s) in the textbook prior to attending each class in order to gain maximum benefit from the course.

A 3 hour face-to-face class is held each week as detailed in the attached Topic Guide and Unit Contents. The format of the class is flexible and may vary from time to time to meet the particular requirements of the group.

## REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

The prescribed materials for the course are:

- Hoggett J., Edwards L. Medlin J., and Tilling M. “Financial Accounting 7e” John Wiley & Sons, 7<sup>th</sup> Edition, 2009.
- Latimer, N. “Emerald Equestrian - A Manual Accounting Practice Set” – John Wiley & Sons Australia, Ltd, 2007.

The above materials are available for purchase from the Co-op Bookshop on campus.

- Unit Topic Notes are to be downloaded from Online Learning @ MQ each week prior to class.

#### **TECHNOLOGY USED AND REQUIRED**

- Students will need access to the Unit web page (see below) which can be accessed either on campus or remotely.

#### **UNIT WEB PAGE**

- This course relies heavily on Blackboard for communication with students. Class notes, announcements for students, the initial assessment quiz and some marks will be placed on Blackboard for you to access.
- The Blackboard information for this unit can be found by typing <http://learn.mq.edu.au/> into the URL/Address/Location field of your browser and then press the ‘Enter’ key on your keyboard.
- Your username is your Macquarie Student ID number and your password is your “myMQ Student Portal” password issued on enrolment. Click login after entering these details.
- Once you are logged in, click on the underlined ‘ACCG861’ unit link under the courses section of the page.

## LEARNING OUTCOMES

This unit seeks to develop understanding and technical skills in the following areas:

1. The generally accepted principles of accounting and their application in the accounting process to trial balance.
2. Balance day adjustments and payroll.
3. Preparation of the worksheet and completion of the accounting cycle.
4. Accounting for retailing under the periodic and perpetual inventory systems
5. Valuing inventory
6. Accounting systems
7. Accounting for cash and the application of controls over cash
8. Accounting for and management of receivables
9. Accounting for property, plant and equipment
10. Accounting for partnerships

Throughout the Master of Accounting program generic skills that are required within a professional accounting environment are developed. These skills include writing, reading, comprehension, problem solving, team building and communication. Students' participation within seminars, homework material and assessment tasks are designed to enhance these skills. A class presentation by the Careers Development Office will highlight particular generic skills that will be developed more fully in later units within the program.

## GRADUATE CAPABILITIES

In addition to the discipline-based learning objectives, all academic programs at Macquarie seek to develop the capabilities the University's graduates will need to develop to address the challenges, and to be effective, engaged participants in their world. This unit contributes to this by developing the following graduate capabilities:

1. Discipline Specific Knowledge and Skills
2. Critical, Analytical and Integrative Thinking
3. Problem Solving and Research Capability
4. Effective Communication
5. Engaged and Ethical Local and Global citizens

## TEACHING AND LEARNING STRATEGY

- **How the unit is taught:** This unit is presented in the form of one 3 hour seminar per week. In the first part of the session, students have the opportunity to discuss and ask questions about any of the previous week's homework questions to assist in clarifying their understanding of the issues. This will be followed by a lecture on the topic of the week.

- **What is expected of students:** Students are encouraged to read the prescribed unit notes and chapter(s) in the textbook prior to attending each class in order to gain maximum benefit from the course. In addition, in the days immediately after class, students should complete the homework questions for that session and correct their work so that they bring any queries regarding that topic to class in the following week. Students are expected to complete ALL of the week's homework questions prior to the following week's class.
- The week-by-week list of the topics to be covered and the homework requirements is shown on the last page of this course outline.

**RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES**

	<b>Assessment Task 1</b>	<b>Assessment Task 2</b>	<b>Assessment Task 3</b>	<b>Assessment Task 4</b>	<b>Assessment Task 5</b>
Title/Name	Blackboard Quiz	Homework Folios	Mid Semester Examination	Practice Set	Final Examination
Description	Early stage multiple choice quiz conducted on Blackboard	Submission of self-marked and self-corrected homework questions	2 hours plus 10 minutes reading time	Completion of May transactions discussed in class. June transactions tested in 20 min exam immediately prior to final exam	2.5 hours plus 10 minutes reading time
Due date	21 March by 10am	Topics 1-5 at mid semester exam  Topics 6-11 by 5pm on day of final exam to BESS	During mid semester exam break	End of semester exam period	End of semester exam period
% Weighting	5%	10%	25%	15%	45%
Grading method	Zero for non-completion  Mark out of 5 based on number of questions answered correctly  This assessment task is designed to test the understanding of concepts which are fundamental to the successful completion of the	Zero for non-completion.  20% penalty per day for late submission. Folios submitted more than 3 days late will not be accepted.  Homework answers will be posted on Blackboard each week to allow for self-review and	Assessed and graded on lecture topics 1-5 including short answer theory and practical problem questions.	Assessed and graded based on responses to short questions.	Assessed and graded on lecture topics 6-11 including short answer theory and practical problem questions.

	<b>Assessment Task 1</b>	<b>Assessment Task 2</b>	<b>Assessment Task 3</b>	<b>Assessment Task 4</b>	<b>Assessment Task 5</b>
	unit. Students who perform poorly in this task will be encouraged to review Chapters 1-3 and to seek assistance where necessary.	correction of work.  Folios will be graded based on completeness and evidence of self review and correction.			
Submission method	Conducted and submitted via Online Learning facility	Topics 1-5 to be submitted to BESS  Topics 6-11 to be submitted at BESS	Hand in exam script.	Hand in exam script.	Hand in exam script.
Feedback	Results will be available online one week after the submission deadline.	After first submission, completed feedback form with comments and marks returned to students.	Review and discussion in class. Feedback on common mistakes and descriptive statistics posted on Blackboard following release of results.	Grade result and viewing of examination script.	Grade result and viewing of examination script.
Estimated student workload (hours)*	20 minutes to complete quiz plus individual student revision time.	60 hours (including completion of homework)	Cumulative over prior weeks in semester plus own revision time	20 hours for May and 20 hours for June.	Cumulative over prior weeks in semester plus own revision time
Learning outcomes assessed	1 to 2	1 to 10	1 to 4	1 to 7	1 to 10
Graduate capabilities assessed	1	1,2,3 & 4	1,2,3,4 & 5	1,2,3 & 4	1,2,3,4 & 5

\* The estimated student workload hours are estimates only and may vary from student to student.

## Further assessment details

The assessment for the unit will consist of the following components:

1. Blackboard Quiz	5%
2. Folios	10%
3. Mid-semester examination	25%
4. Accounting Practice Set	15%
5. Final examination	<u>45%</u>
Total	<u>100%</u>

To pass the unit overall it is necessary to:

1. Pass (obtain at least 50%) in the overall performance; and
2. Pass (obtain at least 50%) in the final examination; and
3. Pass (obtain at least 50%) in the Practice Set test.

**Students are advised that dictionaries (electronic or paper) and programmable calculators with text-storing capabilities and mobile telephones are not permitted to be used in examinations.**

### Task 1: Blackboard Quiz

All students are required to complete an on-line multiple choice quiz. You will have a maximum of 20 minutes to complete the quiz, which will consist of a maximum of 15 questions. You will be able to complete the quiz only once and you will receive your result, via Blackboard on Tuesday March 22<sup>nd</sup>. Overall results will be discussed in class during the week commencing 22 March.

The quiz will be available on Blackboard for one week from the **Monday 14 March**. Cut off time for completion of the quiz is **Monday 21 March at 10am**. It is your responsibility to ensure that you have left enough time to complete the quiz.

If you miss the deadline for completion of the quiz or fail the quiz, there will not be a supplementary test provided, and you will miss the marks available from that test. The multiple choice questions are intended to cover the course material of Chapters 1 to 3 of the Hoggett et al. text and give you exposure and experience in answering questions on these topics.

This quiz is designed as a low risk diagnostic test to test your understanding of the key principles covered in the first three weeks of the course. These principles are key to your success in this unit so it is important that you have a thorough understanding of them. If you have had significant difficulties with this quiz, you should make an appointment to see your lecturer to discuss your difficulties.



## **Task 2: Folios**

Each week questions, including discussion questions, exercises, problems, ethical case studies and others, are set from the Hoggett et al. text (and other sources) to assist students to practice material relating to the topic and to gain feedback regarding their understanding of the course material.

Students are required to:

- handwrite all answers (pro forma ledger accounts etc are allowed and these will be available on Blackboard for your use),
- check answers from the ACCG861 folder on the Online Learning @ MQ website and to indicate in a different colour pen, the areas where mistakes were made. You also need to “mark” correct answers to show that the revision of the material has been done.
- correct your mistakes, using a different coloured pen to distinguish the correction from the original work.
- submit 2 folios. The first folio is to consist of all papers relating to homework questions for Topics 1-5. The folio is to be handed in to BESS by 5pm on the day of the mid-semester examination (date to be advised). The second folio is to consist of all papers relating to questions from Topics 6-11 and is to be handed in to BESS by 5pm on the day of the final examination (date to be advised). All work MUST be handwritten. To be eligible for 10 marks, the folios must be COMPLETE and the answers must be in your own words, not merely copied or paraphrased from the “solutions”. All folios MUST be submitted in FLAT files no wider than 22.5 cm with a coversheet which can be downloaded from Online Learning @ MQ.

The solution to one or more homework questions per week will not be available from **Online Learning @ MQ**. The solution will be discussed in class and students will be required to correct their answer at that time only.

## **Task 3: Mid-semester examination**

A 2 hour closed-book mid-semester examination will cover topics 1- 5 and will be held during the mid-semester break - **Monday 11 April – Sunday 17 April**. Time will be advised. Students are required to obtain their seat allocation from the MACC website, the noticeboard outside C4A315, or the noticeboard outside BESS (ground floor of E4B room 106) prior to attending the examination. Where examinations are held outside university campus, students are expected to allow for travel time to those venues.

#### **Task 4: Accounting Practice Set**

**Note:** An original copy of the practice set must be purchased. Alternatively the practice set can be hand-copied from the copy in Special Reserve Section of the library. Photocopying contravenes copyright laws. Photocopied sets will not be accepted for submission.

The Accounting Practice Set should be commenced no later than the week commencing 25 April 2011. The transactions for May will be discussed in detail in classes commencing 2 May 2011. Once you have reviewed the May transactions in class, you must complete the remainder of the practice set in your own time. Lecturers will not discuss June transactions with you.

A 20 minute test relating to the practice set will be held immediately prior to the final examination. You will need to refer to the practice set in order to answer the test questions so your own practice set **must be taken with you to the final examination**.

This assessment task gives students the opportunity to develop book keeping skills and competence in completion of the accounting cycle and preparation of financial statements.

**Note:** in order to pass ACCG861 you must achieve a pass (obtain at least 50%) in the Practice Set test

#### **Task 5: Final examination**

A final examination is included as an assessment task for this unit to provide assurance that:

- The product belongs to the student and
- The student has attained the knowledge and skills tested in the exam

The University Examination period in the first semester 2011 is from **Monday 6 June to Sunday 26 June**.

The final examination will be a closed-book paper of 2.5 hours duration (plus 10 minutes reading time). The exam will examine topics 6 – 11 however, you should be aware that by the nature of the course, material and concepts covered in topics 1 -5 are the building blocks of the entire course and may therefore be covered indirectly in the final exam. Time allowed for the practice set test is in addition to the time allocated for the final examination. Details regarding the format of the examination will be provided to you during the semester.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

<http://www.timetables.mq.edu.au/exam>

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. The University's policy on special consideration process is available at

[http://www.mq.edu.au/policy/docs/special\\_consideration/policy.html](http://www.mq.edu.au/policy/docs/special_consideration/policy.html)

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period. (Individual Faculties may wish to signal when the Faculties' Supplementary Exams are normally scheduled.)

The Macquarie university examination policy details the principles and conduct of examinations at the University. The policy is available at:

<http://www.mq.edu.au/policy/docs/examination/policy.htm>

## **ACADEMIC HONESTY**

The nature of scholarly endeavour, dependent as it is on the work of others, binds all members of the University community to abide by the principles of academic honesty. Its fundamental principle is that all staff and students act with integrity in the creation, development, application and use of ideas and information. This means that:

- all academic work claimed as original is the work of the author making the claim
- all academic collaborations are acknowledged
- academic work is not falsified in any way
- when the ideas of others are used, these ideas are acknowledged appropriately.

Further information on the academic honesty can be found in the Macquarie University Academic Honesty Policy at

[http://www.mq.edu.au/policy/docs/academic\\_honesty/policy.html](http://www.mq.edu.au/policy/docs/academic_honesty/policy.html)

## **GRADES**

All final grades in the Department of Accounting and Corporate Governance are determined by a grading committee and are not the sole responsibility of the Unit Coordinator.

Macquarie University's Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a Standardised Numerical Grade (SNG).

The Standardised Numerical Grade (SNG) is not a summation of the individual assessment components.

To be awarded a specific grade, students are required to perform at an equivalent standard in the final examination and the overall assessment mark in the unit.

Macquarie University uses the following grades in coursework units of study:

HD - High Distinction; D – Distinction; CR – Credit; P – Pass; F - Fail  
Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at:  
<http://www.mq.edu.au/policy/docs/grading/policy.html>

### **GRADING APPEALS AND FINAL EXAMINATION SCRIPT VIEWING**

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes a valid grounds for appeal before appealing your grade.

[http://www.businessandconomics.mq.edu.au/for/new\\_and\\_current\\_students/undergraduate/admin\\_central/grade\\_appeals](http://www.businessandconomics.mq.edu.au/for/new_and_current_students/undergraduate/admin_central/grade_appeals).

### **SPECIAL CONSIDERATION**

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A special consideration policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level. The policy is available at:

[http://www.mq.edu.au/policy/docs/special\\_consideration/procedure.html](http://www.mq.edu.au/policy/docs/special_consideration/procedure.html)

### **STUDENT SUPPORT SERVICES**

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.student.mq.edu.au>.

In particular, you should make yourself aware of the services offered by BESS (Business and Economics Student Services). BESS is located on the ground floor of E4B.

### **IT CONDITIONS OF USE**

Access to all student computing facilities within the Faculty of Business and Economics is restricted to authorised coursework for approved units. Student ID cards must be displayed in the locations provided at all times.

Students are expected to act responsibly when utilising University IT facilities. The following regulations apply to the use of computing facilities and online services:

- Accessing inappropriate web sites or downloading inappropriate material is not permitted. Material that is not related to coursework for approved unit is deemed inappropriate.
- Downloading copyright material without permission from the copyright owner is illegal, and strictly prohibited. Students detected undertaking such activities will face disciplinary action, which may result in criminal proceedings.

Non-compliance with these conditions may result in disciplinary action without further notice.

**Students must use their Macquarie University email addresses to communicate with staff as it is University policy that the University issued email account is used for official University communication.**

## Topic Guide and Unit Contents – Semester 1 2011

Class	Week commencing	Topic	Chapters*	Questions
1	21 February	Introductory session and "Connecting to Your Career"		
2	28 February	1. Introduction to Accounting	1 and 2 10 p. 460- 462	Ch 1: DQ 5, 13, Ethical Issues p27 Ch 2: DQ 5, 11, 15 Ex. 2.1, 2.3, 2.10, 2.13 Pr 2.1, 2.13
3	7 March	2. Principles of Accounting & the Accounting Process to Trial Balance	3	Ch 3 DQ 9, 13 Ex. 3.1, 3.5, 3.9, 3.13 Pr 3.12 Decision Case p 127
4	14 March	3. Balance Day Adjustments and Payroll	4 16 p. 698 - 702	Ch 4: DQ 1,2,9 Ex. 4.1, 4.6, 4.8 Pr 4.2, 4.9 Ch 16: DQ 4 Pr. 16.1 (A & B only)
	14-21 March	<b>COMPLETE BLACKBOARD QUIZ</b>	Chapters 1,2 and 3	
5	21 March	4. Preparation of Accounting Worksheet & Completion of Accounting Cycle	4 and 5	Ch 4:DQ 12, Ch 5: DQ 2,10 Ex. 5.3, 5.9 Pr 5.1, 5.11, 5.12
6	28 March	5. Accounting for Retailing	6	Ch 6 DQ 4, 9, 12, Ex. 6.3, 6.5, 6.13, 6.14 Pr 6.6, 6.11
7	4 April	6. Inventories	13	Ch 13 DQ 1, 3, 13 Ex 13.2, 13.4, 13.10 Pr 13.1 (part A only – ignore 3 (LIFO)), 13.13
	11 – 25 April	<b>MID SEMESTER EXAMINATION AND MID SEMESTER BREAK</b>	<b>Topics 1-5</b>	Date and time will be advised on mid semester examination timetable
	5pm on Day of Mid Sem Exam	<b>FOLIO SUBMISSION</b>		Submit at BESS office ground floor E4B
8	26 April	7. Accounting Systems 8. Cash and Cash Controls	7 11	Begin practice set. Enter all transactions in the correct journals and complete the month of May.
9	2 May	Practice Set Revision - May		Ch 11 DQ 3, 7 Ex 11.2, 11.6, Pr 11.2, 11.3, 11.8, 11.10
10	9 May	9. Receivables	12	Ch 6 Pr 6.12 Ch 12 DQ 5, 6 Ex 12.5 Pr 12.3, 12.5, 12.7, 12.11
11	16 May	10. Property, Plant & Equipment	14 and 15 p. 656 - 657	Ch 14 DQ 9, 12, Ex 14.1, 14.2, 14.10 (in part B attempt 1, 2 & 3 only) Pr 14.2, 14.10, Ethical Issues p. 645 Ch 15 Ex 15.3
12	23 May	11. Partnerships	8	Ch 8 DQ 1, 4, 6 Ex 8.1, 8.4, 8.10, 8.11 Pr 8.2, 8.5, 8.7, 8.12
13	30 May	<b>UNIT REVISION</b>		
	5pm on Day of Final Exam	<b>FOLIO SUBMISSION</b>		Submit at BESS office ground floor E4B
		<b>FINAL EXAMINATION – 2.5 hrs plus 10 minutes reading Practice Set Test - 20 minutes</b>	TOPICS 6- 11	Date and time will be advised on final examination timetable

\*All of the chapter references are to the textbook: Hoggett et al., "Financial Accounting 7e", 2009