



ACCG105 – Introductory Financial Accounting

**MACQUARIE UNIVERSITY
DIVISION OF ECONOMIC AND FINANCIAL STUDIES
UNIT OUTLINE**

Year and Semester: Semester 2, 2008

Unit convenor: Ms. Roslinda Lim

Unit Administrator: Ms. Milica Mistic

Credit points: 3

Students in this unit should read this unit outline carefully at the start of semester. It contains important information relating to, the learning objectives, availability of learning resources, teaching timetable for the semester, assessment requirements, web access, and details of additional support available for students. If anything in it is unclear, please consult one of the teaching staff in the unit.

ABOUT THIS UNIT

This unit covers the basic theories and principles of financial accounting. It introduces the principles of double entry bookkeeping system, the trial balance, adjusting entries, the worksheet and the preparation of financial reports. This unit will also explore how to analyse the information provided in financial statements and basic principles of internal control. To that end, students will be required to complete a manual practice set of the accounting process and to submit a report on their assessment of the company's financial performance. The objective of the practice set is to expose students to the practical aspects of the accounting process, and how this process leads to the end product - the financial reports.

UNIT WEB PAGE

The website for this unit can be found at <http://online.mq.edu.au>. Please visit the website for this unit regularly as it contains important information about the unit. Unit outline, announcements, lecture materials and tutorial solutions are available to download via the website. To access the website you need to enter your username and password and you should contact the IT helpdesk located on C5C 244 if you need any assistance with assessing the website. The phone number for the helpdesk is 9850 4357.

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

1. Accounting: Building Business Skills by Kimmel, Carlon, Loftus, Mladenovic, Kieso and Weygandt, 2nd Edition, Wiley, 2006.
2. Top Shot: Manual Accounting Practice Set by Grose, Pearson Prentice Hall, 2008.
3. Generic Skills in Accounting: Competencies for Students and Graduates by Jones and Sin, Pearson Prentice Hall, 2003.

Hard Copies of these texts are available for purchase from the Macquarie University Co-op Bookshop and are also available in the Closed Reserve section at the library. An E-book of “Accounting: Building Business Skills (2nd Edition)” can be purchased from the publisher website www.buywiley.com for half the price of the hard cover text book.

TEACHING STAFF

- Roslinda Lim (Lecturer-in-charge), Rm: E4A242, phone: 9850 9173, e-mail: rlim@efs.mq.edu.au.
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- Jessica Chen (Lecturer), Rm: E4A212, phone: 9850 4840, e-mail: jhchen@efs.mq.edu.au.

Please use e-mail as the first form of contact. Details regarding staff consultation times will be provided on the unit website. In order to gain access to staff during their consultation times, please use the phones available in the lobby area of building E4A. If you are experiencing difficulties in understanding the materials covered in this subject, you should seek assistance from the staff immediately.

TEACHING AND LEARNING STRATEGIES

Students are expected to attend a two-hour lecture and a one-hour tutorial each week. In order to gain satisfactory performance, regular class attendance and participation, completion of weekly tutorial questions and the practice set are essential. Students are

also urged to attend and participate in Peer Assisted Learnings (PAL) workshops. Whilst attendance at the PAL workshops is voluntary, these workshops have proven to be very useful to previous students. Please refer to “Peer Assisted Learnings (PAL) Support” section of this unit outline for details.

An additional learning strategy includes online assessment provided by the publisher (Wileyplus) and can be accessed via the following web site <http://www.wileyplus.com>. Please make use of this learning support. You **do not** have to purchase the text-book to be able to access this service.

CLASSES

- Lecture Timetable:
 - Wed 11-13 W5B MACTH, or
 - Wed 18-20 E7B MASON, or
 - Fri 12-14 E7B MASON
- You are required to only attend your allocated lecture.
- The timetable for tutorials can be found on the University web site at: <http://www.timetables.mq.edu.au/>
- Any changes to tutorials must be made through e-student. It is important that you attend your allocated tutorial to receive your tutorial marks and you should finalise your tutorial by the end of week 3.

LEARNING OUTCOMES

By the end of the unit, you should be able to:

- understand accounting equation and underlying accounting assumptions and principles.
- analyse and classify accounting information.
- record basic business transactions.
- prepare financial statements (i.e., the Balance Sheet, Income Statement and Cash Flow Statement)
- use accounting information in making important business decisions.

Additionally, the requirements for students to complete weekly assignments and to participate in class discussion should help students develop their writing, communication, interpersonal and problem-solving skills.

ASSESSMENT

In order to achieve the learnings outcomes outlined above, the following assessment has been formulated.

Tutorial Mark	15%
Assignment	15%
Practice Set	5%
Final examination	65%

In order to achieve a passing grade in this unit, you are required to pass the final examination.

You should inform a member of teaching staff immediately, if you are unable to fulfil any of the subject requirements.

Tutorial Mark (5% for attendance; 5% for tutorial work; 5% for participation)

Tutorial attendance is compulsory. There are three components to tutorial marks. Five marks are allocated for attendance, five marks are allocated for tutorial homework and the other five marks are allocated for participation. Students who attend at least 10 of the 12 tutorials will receive the full five marks for attendance. Half a mark will be deducted for every tutorial missed. Your tutor will collect your tutorial work five times randomly and one mark will be awarded for satisfactory completion of each tutorial work. The following marks will be awarded:

- 1 mark – Satisfactory completion of the tutorial homework
- 0.5 mark – Unsatisfactory completion of the tutorial homework.
- 0.25 mark – Incomplete tutorial homework.
- 0 mark – Failure to submit the tutorial homework.

Assignment(15%)

The details about the assignment will be provided later. **The assignment is due on Monday, 20 October before 12 noon at ERIC. Late assignments will lose 20% of the mark for each or part day late, unless an “Advice of Absence or Other Circumstances” form is lodged with any supporting documentation (e.g., medical certificate). This form is available from Undergraduate Students Enquiry Service or the University website <http://www.reg.mq.edu.au/Forms/USSAbsence.pdf>.**

Plagiarism will result in a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee. Please refer to “Plagiarism” section of this unit outline for details.

Practice Set (5%)

You are advised to purchase a copy of the practice set (Top Shot) and to complete the practice set individually. However, copies will be available in the Closed Reserve section of the library. You can have discussion with your peers prior to completing the practice set. Five marks will be awarded for completing the practice set. **The practice set is due on Friday, 3 October before 12 noon at ERIC.**

Final Examination

The University Examination period in Second Half Year 2008 is from 19 November to 5 December. 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. Information about unavoidable disruption and the special consideration process is available at <http://www.reg.mq.edu.au/Forms/APSCon.pdf>

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 Divisions may wish to signal when the Division's Supplementaries are normally scheduled.)

You are advised that it is Macquarie University policy not to set early examinations for individuals or groups of students. All students are expected to ensure that they are available until the end of the teaching semester, that is the final day of the official examination period.

PLAGIARISM

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the *Handbook of Undergraduate Studies* or on the web at: <http://www.student.mq.edu.au/plagiarism/>

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

UNIVERSITY POLICY ON GRADING

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).

On occasion your raw mark for a unit (i.e., the total of your marks for each assessment item) may not be the same as the SNG which you receive. Under the Senate guidelines, results may be scaled to ensure that there is a degree of comparability across the university, so that units with the same past performances of their students should achieve similar results.

It is important that you realise that the policy does not require that a minimum number of students are to be failed in any unit. In fact it does something like the opposite, in requiring examiners to explain their actions if more than 20% of students fail in a unit.

The process of scaling does not change the order of marks among students. A student who receives a higher raw mark than another will also receive a higher final scaled mark.

For an explanation of the policy see <http://senate.mq.edu.au/rules/Guidelines2003.doc> or <http://senate.mq.edu.au/rules/detailedguidelines.doc>.

GRADING APPEALS AND EXAM SCRIPT VIEWING

If you honestly believe that an error has occurred that has affected your final grade (and you have evidence to support this) you may:

a) view your exam script (deadline to register on the web is 10:00am 22 December; viewing 23, 24 December 2008; 5 January 2009) and

b) if necessary lodge a Grade Review application (in person or by proxy) with the Division by 12:30pm on 5 January 2009

for further information on these two processes please refer to http://www.efs.mq.edu.au/current/ug/admin_central/grade_appeals.

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>.

PEER ASSISTED LEARNING (PAL) SUPPORT

PAL workshops are a free weekly 1 hour class led by a student who has previously performed well in this subject. Attendance at PAL workshop is voluntary. You need to go to ERIC (E4B 106) in weeks 1 and 2 to sign up for a PAL workshop.

TIMETABLE

Teaching Week	Lecture Pre-reading	Lecture Content	Tutorial Questions
1 Aug 4	Chapter 1 (pp. 1-34)	<u>Introduction and Course Overview</u> Subject overview, objectives, setting ground rules and introduction to financial statements.	No Tutorial
2 Aug 11	Chapter 2	<u>The Accounting Information System</u> Accounting equation, transaction analysis, journal entries, posting, general ledger accounts and the trial balance.	Q.1.3 and 1.9 E1.6 PSA1.3 and 1.4 BBS1.4
3 Aug 18	Chapter 3	<u>Accrual Accounting Concepts</u> Recognition criteria for revenues and expenses, fundamentals of accrual accounting, adjusting entries, closing entries and the accounting cycle,	Q.2.3 and 2.10 E 2.4 and 2.10 PSB. 2.8 BBS 32.3
4 Aug 25	Chapter 3 Appendix	<u>Accrual Accounting Concepts Continued</u> Using an accounting worksheet and reversing entries.	Q 3.3, 3.4 and 3.8 E 3.2 PSB 3.1 and 3.7
5 Sept 1	Chapter 4 (pp. 184-199) and Chapter 5 (232-250	<u>Inventories</u> The perpetual Vs. periodic inventory methods, accounting entries, inventory valuation methods (FIFO, LIFO and Average cost) and lower of cost and market value.	PSB 3.2 BBS 3.3 and 3.6
6 Sept 8	Chapter 6, pp. 290-306, 286-290 and 307-309.	<u>Accounting Practice Set – Top Shot</u> The purpose of subsidiary ledgers and special journals and guidelines for completing the practice set.	PSA 4.2 PSB 4.6 PSA 5.4 PSB 5.11 BBS 5.3
7 Sept 15 Sept 19 – Conception Day#	Accounting Practice Set	<u>Accounting Practice Set – Top Shot</u> Journalise the transactions for July, posting to ledger accounts and prepare a trial balance for Top Shot.	Q 6.3 , 6.4 and 6.8 Comprehensive Problem on page 327.
Mid-Semester Break The practice set is due on Friday, 3 October before 12 noon at ERIC			
8 Oct 7 Oct 6 is a public holiday*	Chapter 12	<u>Financial Statement Analysis</u> The concept of earnings power, comparative analysis, vertical Vs. horizontal analysis, ratio analysis and limitations of financial statement analysis	Students to seek help from their tutor to complete the practice set for July.

9 Oct 13	Chapter 7	<u>Internal Control, Cash and Receivables</u> Principles of internal control, internal control over cash, bank reconciliation and accounting for and managing receivables.	Q 12.3, 12.4 and 12.5 PSA 12.1 and 12.5 PSB 12.3 BBS 12.3
The assignment is due on Monday, 20 October before 12 noon at ERIC			
10 Oct 20	Chapter 8	<u>Non-current Assets</u> Determining the cost of non-current assets, depreciation methods, intangible assets and accounting for intangible assets.	Q 7.1, 7.4 and 7.10 BE 7.1 PSB 7.3, 7.5 and 7.8 BBS 7.8
11 Oct 27	Chapter 9	<u>Liabilities</u> Types of liabilities, provisions and contingent liabilities and accounting for liabilities.	Q 8.3 and 8.7 PSA 8.2, 8.3 PSB 8.5, 8.8 and 8.9
12 Nov 3	Chapter 11	<u>Cash Flow Statements</u> The purpose and format of cash flow statement, classification of cash flows and preparing the cash flow statement.	Q 9.5, 9.6 and 9.10 PSA 9.5, 9.7 PSB 9.3 and 9.4 BBS 9.6
13 Nov 10		Revision Lecture	E 11.4 PSA 11.3 Revision

The lecture will go from 12noon to 1pm on conception day. Tutorials will proceed as normal.

* October 6 is a public holiday therefore students enrolled in a Monday tutorial class may go to another tutorial class to cover the work for that week.