



ACCG861  
Principles of Accounting

Semester 2, 2010

*Department of Accounting and Finance*

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

<b>Year and Semester:</b>	<b>2010 Semester 2</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**

Accounting is an information system designed to enable the preparation of financial statements that will provide relevant information for the making of economic decisions. This unit will focus on accounting information systems for non-incorporated businesses. When students have completed the unit, they should understand accounting fundamentals including:

- The users of accounting information;
- Some basic assumptions and principles underlying accounting;
- The meaning of the terms asset, liability, owner's equity, revenue and expense;
- The accounting systems for unincorporated single and multiple owner businesses.

This unit provides the necessary theoretical concepts to understand accounting fundamentals, but is principally concerned with accounting practice. To enable students to understand and apply both the fundamentals and practices of accounting, selected questions and problems will be assigned each week. Students are required to complete these problems prior to their class in the next week at which time there will be an opportunity to resolve any problems experienced with material. Solutions to the questions will be made available through Online Learning @ MQ.

This unit carries a weight of 3 postgraduate credit points. A pass is required in ACCG861 before commencing ACCG862

## TEACHING STAFF

- Convenor: Merran Brooks *Email: [merran@brooksfamily.id.au](mailto:merran@brooksfamily.id.au)*
- Other Staff: Leisa Henness *Email: [lhenness@optusnet.com.au](mailto:lhenness@optusnet.com.au)*  
Adrian Klamer *Email: [aklamer@efs.mq.edu.au](mailto:aklamer@efs.mq.edu.au)*  
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Claire Locke *Email: [Clairelocke@hotmail.com](mailto:Clairelocke@hotmail.com)*  
Milica Mistic *Email: [milica.mistic@mq.edu.au](mailto:milica.mistic@mq.edu.au)*

All staff are located on level 2 in E4A.

Students can initiate consultation by emailing the lecturer of their class. The lecturer will endeavour to answer the student's question or arrange an appointment. Any questions regarding non-content related issues such as queries relating to assessments and examinations should be directed to the Unit Convenor via the email address given above.

Students experiencing significant difficulties with any topic in the unit are strongly advised to seek assistance immediately.

## CLASSES

Sessions in this unit are offered at the following times:

3.00pm	-	6.00pm	Monday
9.00am	-	12.00pm	Wednesday
12.00pm	-	3.00pm	Wednesday
9.00am	-	12.00pm	Thursday
12.00pm	-	3.00pm	Thursday
3.00pm	-	6.00pm	Friday
6.00pm	-	9.00pm	Friday

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. "DB Dance - 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 to be downloaded from Online Learning @ MQ each week prior to class.

#### **UNIT WEB PAGE**

- The web page 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 Postgraduate Diploma/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-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	6 September 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 period	End of semester exam period	End of semester exam period
% Weighting	5%	10%	20%	20%	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 correction of	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.  An overall minimum mark of 75% in this exam is required to pass this subject	Assessed and graded on lecture topics 1-11 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.	work. Folios will be graded based on completeness, evidence of self correction			
Submission method	Conducted and submitted via Online Learning facility	Topics 1-5 handed in at Mid Semester exam  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.		
Estimated student workload (hours)*	20 minutes to complete quiz plus individual student revision time.	45 hours	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	20%
4. Accounting Practice Set	20%
5. Final examination	<u>45%</u>
Total	<u>100%</u>

To be eligible to pass the unit overall it is necessary to :

1. Attempt the Blackboard Quiz by the due date
2. submit satisfactory folios by the due dates
3. attend and attempt the mid-semester examination
4. achieve **at least 75%** of the total marks applicable to the Accounting Practice Set
5. achieve **satisfactory performance in each question** and a pass overall in the final examination

**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, but not the answers, the following week.

The quiz will be available on Blackboard for one week from the **Monday 30th August**. Cut off time for completion of the quiz is **Monday 6th September 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.



## **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),
- 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.
- correct their 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 at the mid-semester examination. 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. 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.
- Folios that are not submitted with the correct folder will receive a zero (0) mark.

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 examination period. 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 4 October 2010.

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.

### **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 second Half Year 2010 is from **17 November to 3 December**

The final examination will be a closed-book paper of 2.5 hours duration (plus 10 minutes reading time). The exam will potentially examine the material covered in the whole unit. 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.

**REMEMBER THAT TO PASS ACCG861, SATISFACTORY PERFORMANCE IN EACH QUESTION IN THE FINAL EXAM IS REQUIRED.**

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. 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.

## 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

Please refer to relevant pages in the Handbook of Undergraduate Studies. The grade of PC – Conceded Pass is not awarded for this unit as a pass is required as a prerequisite for ACCG862 Financial Accounting.

The student numerical grade (SNG) is not a summation of the assessment components.

To be awarded a specific grade, students are required to perform at an equivalent standard in the final examination, as well as other assessments within the unit.

## 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>.

## **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. At all times, student ID cards must be displayed in the locations provided.

Students are expected to act responsibly at all times when utilising University IT facilities. The following regulations apply to the use of computer labs and online services:

- Accessing inappropriate web sites, or downloading inappropriate material, are not permitted, material that is not related to coursework in units authorised to use these facilities 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 possibly result in criminal proceedings.

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

Students are reminded to communicate to staff only through the Macquarie University email as this is the only official channel.

**Topic Guide and Unit Contents  
– Semester 2 2010**

Class	Week commencing	Topic	Chapters*	Questions
1	2 August	Introductory session and “Connecting to Your Career”		
2	9 August	1. Introduction to Accounting	1 and 2 10 p. 460- 462	Ch 1: DQ 4, 10, 11, Ch 2: DQ 7, 10 Ex. 2.7, 2.8, 2.9, 2.15, Pr 2.3, 2.11, Ethical Issues p. 65
3	16 August	2. Principles of Accounting & the Accounting Process to Trial Balance	3	Ch 3 DQ 1, 10, 15 Ex. 3.4, 3.6, 3.7, Pr 3.14, 3.15
4	23 August	3. Balance Day Adjustments and Payroll	4 16 p. 698 - 702	Ch 4: DQ 4, 5, 8 Ex. 4.2, 4.5, 4.9, Pr 4.1 <b>(b) only</b> , 4.5 Ch 16 Ex. 16.4, 16.5, Pr. 16.2
	30 August - 6 September	<b>COMPLETE BLACKBOARD QUIZ</b>	Chapters 1,2 and 3	
5	30 August	4. Preparation of Accounting Worksheet & Completion of Accounting Cycle	4 and 5	Ch 4:DQ 14, Pr 4.8, 4.15 Ch 5: DQ 4, 6, 14 Ex. 5.4, 5.8 Pr 5.2, 5.6, 5.13
6	6 September	5. Accounting for Retailing	6	Ch 6 DQ 7, 14, Ex. 6.1, 6.7, 6.10, 6.11 Pr 6.4 <b>parts b, c and d only</b> , Pr 6.13, 6.15 Decision Case p. 208
7	13 September	6. Inventories	13	Ch 13 DQ 8, 9, 11 Ex 13.1, 13.3, 13.6, 13.7, 13.8, 13.15, Pr 13.7, 13.8, 13.11 Ethical issues p. 606
	20 September – 1 October	<b>MID SEMESTER BREAK AND MID SEMESTER EXAMINATION</b>		Date and time will be advised on mid semester examination timetable
8	4 October	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	11 October	Practice Set Revision - May		Ch 11 DQ 5, 6, 8 Ex 11.3, 11.7, 11.9, 11.10 Pr 11.4, 11.7, 11.8
10	18 October	9. Receivables	12	Ch 6 Ex 6.15 Ch 12 DQ 1, 3, 8 Ex 12.2, 12.7 Pr 12.3, 12.8, 12.9, 12.10, 12.12
11	25 October	10. Property, Plant & Equipment	14 and 15 p. 656 - 657	Ch 14 DQ 1, 5, 14 Ex 14.1, 14.2, 14.3, 14.5 A & B <b>omit (2)</b> i.e. sum of years digits method Pr 14.6, 14.14 Decision Case p. 644 <b>omit A (c)</b> Ch 15 Ex 15.3
12	1 November	11. Partnerships	8	Ch 8 DQ 2, 5, 8 Ex 8.2, 8.5, 8.6, 8.11 Pr 8.1, 8.3, 8.4, 8.10, 8.11 Decision Case p. 378
13	8 November	<b>UNIT REVISION</b>		
	5pm on Day of Final Exam	<b>FOLIO SUBMISSION</b>		Submit at BESS office ground floor E4B
	17 November – 3 December	<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