



Wollongong College Australia

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Diploma in Business

(CRICOS course codes: 057231C, 057232B)

Subject Outline Summer 2009/10

WUCB102 Accounting 1B

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WCA-WUCB102-SO/4

Accounting 1B

Subject Description

WUCB102 Accounting 1B builds on the understanding of accounting developed in WUCB100 Accounting 1A. It covers specific issues in basic financial accounting knowledge including partnership accounting, company accounting and basic management accounting for manufacturing operation. It examines financial measures of business activities and the systems that enable the measures to be recorded and then reported and communicated to the various stakeholders of entities such as owners (including partners and shareholders), providers of credit (lenders and creditors), management as well as other interested parties.

Subject structure

Accounting 1B is delivered in a face-to-face format of 6 (six) hours per week. The subject consists of 1 x 3 hour lecture, 1 x 1 hour tutorial, 1 x 1 hour computer lab and one **compulsory** 1 hour workshop each week. The session is of 14 week's duration with face-to-face classes scheduled for the first 12 weeks and a study/examination period in Weeks 13 and 14.

Where time permits additional time during lectures will be used to cover additional tutorial and workshop material. The schedule of lectures and tutorials etc is designed to give flexibility to the mode of delivery to suit the needs of students and to reflect the different requirements of various topics.

Peer Assisted Study Sessions (PASS)

Optional, but highly recommended is a one hour weekly [PASS](#) session. Statistics have shown that students who attend PASS every week have significantly better results than students who choose not to attend. For many students, PASS attendance has proven to be the difference between achieving a pass or a fail.

In addition to scheduled class sessions, students are expected to spend additional time in individual study and research. As a general guideline students will need to spend at least 1 hour in private study (including completing homework and revision) for every two hours of scheduled class time.

Teachers will be available for a consultation time each week. Students will be notified of the time and location of the consultation session during Week 1 of the Session. It is recommended that students experiencing difficulty with this subject arrange to consult with the teacher as difficulties are encountered.

Some students may require tutorial support to improve language/literacy skills. Where this is recommended, students will be advised to use the College's self-access facilities in the Multimedia Centre in their own time. These facilities are located upstairs in building 30.

Learning resources

Textbook

Hoggett, J., L. Edwards and J. Medlin, (2006), *Accounting in Australia*, 6th Edition, John Wiley and Son, ISBN 0-470-800-33 X

Smith, G., (2004), *Excel for Accounting Principles*, South-Western College Publishing, ISBN 0-324-27027-5 (Book and CD) or 324-20287-3 (book only)

Recommended Supplementary Texts and Readings

Horngren, Harrison, Bamber, Best, Fraser and Willett, (2004) *Accounting* 4th Edition, Pearson Prentice Hall

McBride, P. and N. Carroll (editors), (2005), *Accounting Handbook 2005*, CPA Australia, Pearson Prentice Hall

Deegan, C. (2000), "Financial Accounting Theory", McGraw Hill Australia, pp. 303-311.

Gaffikin MJR, (2002), *Accounting Principles: Accounting 1B Custom text*, Pearson Education

Hines, R., (1988), "Financial Accounting: In Communicating Reality, We Construct Reality", *Journal of Accounting, Organizations and Society*, Vol.13, No. 3, pp251-261.

McKay, M. and Rosa, E. (2000), *The accountant's guide to professional communication, writing and speaking the language of business*, The Dryden Press, Harcourt. College Publishers, pp. 245-268.

Riahi-Belkoui, A. and S. Jones, (2000), *Accounting Theory*, Nelson Thompson Learning, Australia, pp.241-244.

Acknowledgments

The cooperation of the School of Accounting and Finance of the University of Wollongong in developing this subject programme is gratefully acknowledged.

Subject outcomes

Successful completion of Accounting 1B will enable students to:

1. demonstrate an understanding of the use of basic accounting concepts and apply these techniques to analyse, record, process and present financial statements
2. demonstrate the use computer spreadsheets to solve simple accounting problems
3. analyse financial data to prepare accounting reports for external and internal users
4. understand and apply the role of ethics in preparing accounting reports
5. analyse actual financial statements from a company to assess the implementation of accounting concepts and principles in practice
6. apply basic knowledge in research, reading, using academic journals and academic writing skills
7. apply a commitment to, and demonstrate an understanding of, project-based teamwork in an accounting context

Subject outline in weeks

The following guide to lessons and activities may be adjusted to suit the needs of the group as long as subject outcomes and assessment criteria are met.

Week 1 Partnerships

- Partnership Introduction
- Characteristics, advantages and disadvantages of partnerships
- Formation, admission and withdrawal of a partner

Reading: Chapter 15; Supplementary reading Gaffikin, Ch. 13-14.

Tutorial: You will be issued with a list of tutorial questions and lab exercises in week 1 of class

Week 2 Partnerships Continued

- Profit and Loss Sharing
- Partner drawings and loans
- Partnership financial statements
- Dissolution of a partnership

Reading: Chapter 15; Supplementary reading Gaffikin, Ch. 13-14.

Tutorial: You will be issued with a list of tutorial questions and lab exercises in week 1 of class

Week 3 Companies

- Company Overview
- Advantages and disadvantages of companies
- Accounting for share issues:
 - o Payment in full on application
 - o Payment by instalment
 - o Under- and over-subscription

Reading: Chapter 16; Supplementary reading Gaffikin, replacement Ch. 15.

Tutorial: You will be issued with a list of tutorial questions and lab exercises in week 1 of class

Week 4 Companies Continued

- Accounting for share issues (continued):
 - o Forfeiture of shares
- Share splits and buy-backs
- Accounting for dividends
- Reserves and Financial Statements

Reading: Chapter 16; Supplementary reading Gaffikin, replacement Ch. 15.

Tutorial: You will be issued with a list of tutorial questions and lab exercises in week 1 of class

Week 5 Cash Flows

- Purpose and format of the Statement of Cash Flows
- Classifying cash flows from operating, financing and investing activities
- Preparing a Cash Flow Statement

Reading: Chapter 24

Tutorial: You will be issued with a list of tutorial questions and lab exercises in week 1 of class

Week 6 Revenue Recognition and Social & Environmental Reporting

- Definition and recognition criteria of revenue
- Methods of revenue recognition
- The arbitrary nature of measuring revenue
- Social constructions of accounting: revenue recognition and revenue realisation

Reading: Chapter 17 pp. 686-700; Horngren 2004 pp. 501-504; AASB 118; Hines Reading

Tutorial: You will be issued with a list of tutorial questions and lab exercises in week 1 of class

Week 7 Accounting for manufacturing

- Nature of manufacturing operations
- Manufacturing cost elements: fixed vs. variable, product vs. period.
- Cost of Goods Manufactured and Cost of Goods Sold
- COGM Worksheet and closing entries
- COGM Statement

Reading: Chapter 8

Tutorial: You will be issued with a list of tutorial questions and lab exercises in week 1 of class

Week 8 Cost Accounting systems

- Distinguishing job costing from process costing.
- Job order costing and procedures
- Accounting for the costs of materials, labour and factory overhead
- Accounting for the completion and sale of a job

Reading: Chapter 9

Tutorial: You will be issued with a list of tutorial questions and lab exercises in week 1 of class

Week 9 Cost-Volume-Profit Analysis

- Variable, fixed and mixed cost behaviours
- Contribution margin and variance analysis
- CVP assumptions
- Break-even analysis, safety margins and target sales

Reading: Chapter 11

Tutorial: You will be issued with a list of tutorial questions and lab exercises in week 1 of class

Week 10 Budgeting

- Nature of budgetary planning and control
- Organisational structure and budgeting
- Benefits of budgeting and goal congruence
- Master budget and Sectional Budgets

Reading: Chapter 12

Tutorial: You will be issued with a list of tutorial questions and lab exercises in week 1 of class

Week 11 Standard Costs and Variance Analysis

- Responsibility accounting and departmental/segmental accounting
- Flexible budgets
- Standard costs and variance analysis
- Management systems and performance evaluation using the balanced scorecard

Reading: Chapter 13

Tutorial: You will be issued with a list of tutorial questions and lab exercises in week 1 of class

Week 12 Differential Analysis

- Differential analysis: accepting or rejecting a special order and a make-or-buy decision
- Treatment of joint product costs and product mix decisions
- Review

Reading: Chapter 14

Tutorial: You will be issued with a list of tutorial questions and lab exercises in week 1 of class

Weeks 13 & 14 Final examination Period

Examination and study period. Please refer to examination timetable for the exact date, time and location of the final exam.

Assessment

Assessment and plagiarism policy

All written assessment tasks, with the exception of examinations and in-class tasks, must be word-processed unless students are otherwise advised.

Students must keep copies of all assessment tasks submitted for marking with the exception of class tests and examinations.

Plagiarism is a form of cheating or stealing that happens when a student uses someone else's work and presents it as his/her own without showing where it comes from. To avoid this, students are expected to submit their own original work for assessment and to accurately acknowledge all references and sources used in essays and assignments.

For information regarding assessment, plagiarism, acknowledging sources and examination rules, please refer to the Wollongong College Australia Student Handbook

<http://www.wca.uow.edu.au/handbook>

Assessment Schedule

Task	Due	Weighting	Length/Time
Participation & Tutorials	Ongoing	5%	Weeks 1-12
Computer Exercises	Ongoing	5%	Weeks 1-12
Quizzes	Weeks 3, 5, 9 and 11	20% (5% each)	15 – 20 mins
Mid Session test	Week 7	20%	1 hour
Final Examination	Week 13/14	50%	

Note: A final mark of 50% or higher is required to pass ALL Diploma subjects. A mark between 45% and 49% is NOT a pass.

Marking Guidelines

WCA best practice is that students can normally expect to have assessment tasks handed back within two weeks, and before the next assessment task is due. On occasion there may be exceptions to this time frame due to, for example, the size of the task, the size of the class, teacher illness or teacher leave.

Where there are several teachers marking a major assessment task, tasks will be handed back by all the teachers within the same week.

Assessment criteria and explanation of components

All assessment components are marked according to set marking criteria.

Tutorial Participation **5%**

Participation covers the contribution during Tutorial Class. This includes class discussion and completing tutorial questions to a satisfactory standard with a minimum submission of 80% of all set questions, otherwise will receive zero mark. Satisfactory is determined as a reasonable attempt to answer at each question.

The set questions are indicated by weekly schedule, will be given in week 1, and will be collected at the beginning of each tutorial time. This is recorded as part of class participation. Submission in diskette or email and late submission is not accepted.

Computer Exercises **5%**

Computer exercises to be worked indicated by weekly schedule of this subject outline. Students are expected to complete these exercises during the computer lab time. For this purpose, each student is suggested to spend minimum one-hour on the computer class each week. Completed exercises must be submitted to the computer lab supervisor during the computer class and will be assessed. Students must complete this task to a satisfactory standard with a minimum submission of 80% of all set questions and tasks, otherwise will receive zero mark.

Quizzes **20%**

There will be four quizzes held in weeks 3, 5, 9 & 11 during lectures as feedback of student study progress. Each quiz will be 15 to 20 minutes duration and worth 5% of the total assessment.

Mid Session Test **20%**

One-hour class test is scheduled during week 7 of this course and will replace 1 hour lecture class on that week. It is designed to provide feedback to students and staff, and therefore it will cover the topic of Partnership and Company Accounting, Cash Flows and Revenue Recognition.

The final examinations will cover the material and term's work covered up to the date of examination. Students who receive a grade of less than 40% in the final exam may be awarded a fail in this subject regardless of the total final mark.

Non-English speaking background students in the Diploma Programs may use foreign language dictionaries for their final exams. Diploma students who wish to use a dictionary must complete the Dictionary Use Application Form available at reception. This form and the dictionary must be submitted to reception **no later than 5pm Friday week 11** for approval.

Please note the following regulations regarding dictionary use:

- The only dictionaries permitted are language dictionaries, with word to word translations only.
- English-English dictionaries, Electronic dictionaries, Terminology dictionaries, or other are not permitted. The dictionary **must not** include English translations or explanations. Any dictionary that includes English explanations or phrases is not acceptable and will not be approved.

Submission Requirements

Submission

Place of submission:

All components of the Company Report Assignment must be handed to your tutor during your tutorial class of the due week. Assignments not handed in during class will be deemed late and attract late penalties.

Post, facsimile and email submissions will **not** be accepted.

Collection: Assignments will be returned during your tutorial class in Week 12.

Coversheet:

A most recent coversheet must be completed, signed and attached upon submission of the assignment. Omission of a cover sheet will be regarded as not meeting the academic requirements of this assessment task. Tutor may be asked to sign off a receipt on the coversheet to be kept by student as proof of submission. Coversheet is available on WebCT.

Extensions

Extensions may be granted if circumstances beyond the control of the student interfere with their ability to complete the task on time. These will only be granted by the subject coordinator and must be applied for **before** the due date.

Please Note: Extensions will not be granted on or after the due date.

Late Submissions

Assessed work must be handed in by the date and time given. In accordance with the Student Handbook, assessed work handed in late will be penalised by the deduction (from the mark given to the assessed work) of 10 percentage points per working day or part thereof. Assessment tasks submitted more than three days late will be given a mark of zero for the task.