

ACCOUNTING

Unit 1

Role of Accounting in Business

COURSE OUTLINE:

This unit explores the establishment of a business and the role of accounting in the determination of business success or failure. In this, it considers the importance of accounting information to stakeholders. Students analyse, interpret and evaluate the performance of the business using financial and non-financial information. They use these evaluations to make recommendations regarding the suitability of a business as an investment.

AREAS OF STUDY:

- The role of accounting
- Recording financial data and reporting accounting information for a service business

OUTCOMES:

On completion of this unit, students should be able to:

1. Describe the resources required to establish and operate a business and select and use accounting reports and other information to discuss the success or otherwise of the business
2. Identify and record financial data, report and explain accounting information for a service business and suggest and apply appropriate financial and non financial indicators to measure business performance.

ASSESSMENT:

See Unit 2

Unit 2

Accounting & Decision Making for a Trading Business

COURSE OUTLINE:

In this unit students develop their knowledge of the accounting process for sole proprietors operating a trading business, with a focus on inventory, accounts receivable, accounts payable and non-current assets. Students use manual processes and ICT, including spreadsheets, to prepare historical and budgeted accounting reports.

AREAS OF STUDY:

- Accounting for inventory
- Accounting for and managing accounts receivable and accounts payable
- Accounting for and managing non-current assets

OUTCOMES:

On completion of this unit, students should be able to:

1. Record and report for inventory and discuss the effect of relevant financial and non-financial factors and ethical considerations, on the outcome of business decisions.
2. Record and report for accounts receivable and accounts payable and analyse and discuss the effect of relevant decisions on the performance of the business including the influence of ethical considerations.
3. Record and report for non-current assets and depreciation.

ASSESSMENT:

S or N based on the demonstrated achievement of the outcomes specified above.