Module Number: BF1100

Module Title: Introduction to Financial Accounting

Number of Aston Credits: 10

**Total Number of ECTS Credits: 5** 

(European Credit Transfer)

### **Staff Member Responsible for the Module:**

### Dr Melina Manochin (module leader)

Finance, Accounting & Law Group

Aston Business School building, Room ABS 410 Extension 3732

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Availability: Please see office hours on door or Group administrator, Rosaleen Shirley, ABS404, Extension 3238

### Other Staff Contributing to the Module:

# Dr Ashraf Elbakry (delivery of module' lectures)

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Aston Business School building, Room ABS 250

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Availability: Please see office hours on door or Group administrator,

Rosaleen Shirley, ABS404, Extension 3238

Pre-Requisite(s) for the Module: None

## **Module Learning Outcomes:**

The overall aim of the module is to familiarise intending business managers with financial accounting, so that they can manage more effectively by using and understanding information produced by the accounting system of the firm. In addition, for those students continuing accounting studies, the module provides a general foundation upon which later more detailed studies can be built.

On successful completion of the module students will be able to:-

- understand the terminology of financial accounting
- perform fundamental accounting operations including ledger keeping
- prepare key accounting statements

- understand and explain accounting concepts
- communicate with accounting professionals

#### **Module Content:**

Week 1	Introduction to the module. Basic accounting concepts and principles.		
Week 2	The accounting equation. Assets, liabilities, revenues and expenses. Introduction to double entry bookkeeping.		
Week 3	Double entry bookkeeping. Trial Balance. Balance sheet and profit and loss account. Credit sales and bad debts.		
Week 4	Accruals and prepayments.		
Week 5	Reading week.		
Week 6	Stocks and stock valuation methods.		
Week 7	Capital and revenue expenditure. Depreciation.		
Week 8	Transaction processing and recording, dealing with adjustments and provisions, incomplete records.		
Week 9	Accounts for incorporated firms and outline of published accounts.		
Week 10	Cash flow statements and cash budgets.		
Week 11	Revision class/workshop.		
Weeks 12/13	Exams weeks.		

#### **International Dimension:**

International comparisons are discussed throughout the module.

### **Corporate Connections:**

A number of accounting firms collaborate with Aston Business School in many areas. The BF1100 module has corporate/professional connections with Birmingham's accounting firms. One of them is that some of these firms are engaged partly in the teaching of this module. They run few hours tutorials per week for this module.

#### Links to Research:

The academic staff responsible for delivering the module is research active in the areas of financial reporting and stock markets. His research may be discussed in lectures and tutorials throughout the module.

#### **Learning and Teaching Rationale and Methods:**

(Including composition of learning hours)

a) Method of Teaching – Lectures and tutorials. Lectures (2 hours per week) are used to introduce the key concepts and theories. Tutorials (1 hour per week) provide an opportunity to clarify and reinforce students' understanding of the subject and give them more practice in solving accounting problems.

b) Duration:

Lectures		22 hours
Tutorials		10 hours
Personal study hours		63 hours
Two Assessment Tests		2 hours
Formal Examination		3 hours
	Total	100 hours

#### **Ethical Approval:**

This module does not require any primary research and no ethical approval will be necessary.

## **Assessment and Feedback Rationale and Methods:**

Assessment is via <u>two</u> one-hour formal class tests consisting of multiple-choice questions during weeks 5 and 9 (15% each), and via a three-hour closed book exam at the end of block 1 (70%).

The closed book class test format at the end of block 1 is used to assess whether students have understood the key techniques and can apply them to relevant examples.

The multiple choice class tests are used to assess the learning objectives and skills students have acquired. These tests are also used explicitly to guide students in their study and to assist them in judging their strengths and weaknesses before the final exam at the end of block 1.

### **Essential Reading:**

- Some chapters (customised volume for Aston students) from Wood F. and S. Robinson (2008), *Bookkeeping and Accounts*, 7<sup>th</sup> Ed, Pearson.
- Basioudis I. G. (2010), Financial Accounting: A Practical Introduction, Pearson.

The above will be offered by the campus bookshop as a package at a special price.

## **Indicative Bibliography:**

Thomas A (2005), *Introduction to Financial Accounting*, 5<sup>th</sup> Ed., London: McGraw Hill.

Wood F & Sangster A (2008), *Business Accounting 1*, 11<sup>th</sup> Edition, London: FT/Pitman Publishing.

Gillespie I, Lewis R & Hamilton K (2000), *Principles of Financial Accounting*, 2<sup>nd</sup> Edition, London: FT/Prentice-Hall.

Horngrern C, Sundem G & Elliott J (1999), *Introduction to Financial Accounting*, 7<sup>th</sup> Edition, New Jersey: Prentice-Hall.

#### **Useful Online Sources:**

<u>EQL Interactive Bookkeeping Tutor</u>, FAME, Lexis-Nexis/Executive (News and Company), Datastream

Newspapers/ Magazines

The Economist: <a href="https://www.economist.com">www.economist.com</a>

Financial Times: <a href="www.ft.com">www.ft.com</a>
Wall Street Journal: <a href="www.wsj.com">www.wsj.com</a>

Institute of Chartered Accountants of England and Wales: <a href="www.icaew.com">www.icaew.com</a>

Institute of Chartered Accountants in Scotland www.icas.org.uk