

# CERTIFICATE IN BUSINESS AND ACCOUNTING

SUBJECT TITLE:  
**ACCOUNTING**



EXAMINATION DURATION:  
**2 HOURS**

## AIM

The aim of this subject is to introduce the nature and role of accounting information and its importance for the effective management of an organisation. Students will learn theoretical and practical aspects of accounting, defined terminology and procedures, and develop the skills required to record transactions and produce financial statements and cash budgets.

## ACCOUNTING AS AN INTEGRAL PART OF THE SYLLABUS

The principles, concepts and practice covered provide a foundation for the subsequent study of *Financial Accounting, Corporate Reporting, Advanced Corporate Reporting, Management Accounting, Managerial Finance, Auditing and Audit Practice and Assurance Services*.

STAGE	SUBJECT	SUBJECT	SUBJECT	SUBJECT	SUBJECT	SUBJECT
P <sub>2</sub>	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P <sub>1</sub>		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F <sub>2</sub>		Management Accounting	Financial Accounting	Information Systems	Taxation	
CBA		Accounting	Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

The above table shows the linkages between Management in Organisations and the subjects highlighted.

## LEARNING OUTCOMES

- On successful completion of this subject, students should be able to:
- Explain the historical development of accounting, and identify the users of accounting information and their requirements.
- Apply accountancy principles and concepts in the context of the existing ethical and regulatory framework.
- Use the principles and procedures of double-entry bookkeeping to prepare financial statements for a sole trader.
- Prepare and present a cash-flow budget and interpret and reconcile movements in cash balances.
- Interpret financial statements and prepare accounting information for management control and decisionmaking.
- Identify cost behaviour patterns and apply cost-volume-profit analysis techniques,

## SYLLABUS

### 1: ACCOUNTING FRAMEWORK WEIGHTING 10%

	CL
• The development of accounting theory and practice, including the role of the accountant.	1
• The standard-setting process in accounting.	1
• The users of accounting information and their requirements.	1
• Nature, principles and scope of accounting information and its limitations.	1
• Purpose, principles and concepts of accounting information and its effective presentation.	2
• The ethical and regulatory framework of accounting.	1
• Accounting Standards	1

### 2: BOOKKEEPING WEIGHTING 25%

• Principles and procedures.	2
• The accounting equation.	2
• Double-entry bookkeeping.	2
• Books of prime entry.	2
• Ledgers.	2
• Contra entries.	2
• Control accounts.	2
• Journal entries.	2
• Reconciliations.	2
• Trial Balance.	2

### 3: PREPARING FINANCIAL STATEMENTS WEIGHTING 25%

• Accrual versus cash accounting.	2
• Distinction between Capital and Non-Capital Expenditure.	2
• Straight line and reducing balance methods of depreciation.	2
• Inventories.	2
• Provision for bad and doubtful debts.	2
• Accruals and prepayments.	2
• Year-end adjustments.	2
• Statement of Comprehensive Income.	2
• Statement of Financial Position	2

### 4: INTERPRETING FINANCIAL PERFORMANCE WEIGHTING 10%

• Ratio analysis, including ratios of capital, profitability, activity, efficiency, leverage, liquidity and investment.	2
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\*CL: Competency Level

### 5: MANAGEMENT ACCOUNTING WEIGHTING 30%

• The management accounting function.	1
• Budgetary control concepts.	1
• Cash budgets.	1
• Direct costs versus indirect costs.	1
• Marginal costing, absorption costing and standard costing techniques.	1
• Cost volume profit analysis.	1

## ASSESSMENT STRATEGY

### EXAMINATION APPROACH

This examination seeks to test the students' knowledge and understanding of the application of accounting concepts and principles including double-entry bookkeeping.

Additionally cash budgeting and cost classification and costing methods are assessed..

### EXAMINATION FORMAT

The examination is computer-based, closed-book and 2.0 hours in duration. Students are presented with 50 questions, each of which should be answered.

### MARKS ALLOCATION

Each question carries 2 marks The total for the examination is 100 marks, with a minimum of 50 marks required for the attainment of a pass standard.

## BOOKLIST

### CORE TEXTS

Dyson / Accounting for Non-Accounting Students / 8th ed. 2010 / Pearson / ISBN13: 9780273722977 / ISBN10: 0273722972

### MANUALS

Griffith College CPA Skillnet Accounting - Latest Edition

### SUPPLEMENTARY TEXTS

Quinn / Brilliant Accounting / 1st ed. 2010 / Pearson / ISBN13: 9780273735373 / ISBN10: 0273735373

Drury / Cost and Management Accounting – An Introduction 7th Edition 2011 Cengage / ISBN 97814032138

AccountancyPlus

CPA students' eBulletin

### USEFUL WEBSITES

(as at date of publication)

<a href="http://www.cpaireland.ie">www.cpaireland.ie</a>	The Institute of Certified Public Accountants in Ireland.
<a href="http://www.iaasa.ie">www.iaasa.ie</a>	Irish Auditing and Accounting Supervisory Authority.
<a href="http://www.ifac.org">www.ifac.org</a>	The International Federation of Accountants.
<a href="http://www.iasb.org">www.iasb.org</a>	The International Accounting Standards Board.
<a href="http://www.iasplus.com">www.iasplus.com</a>	Deloitte Touche Tohmatsu. Summaries of International Financial Reporting Standards (IFRS).
<a href="http://www.frc.org.uk">www.frc.org.uk</a>	The Financial Reporting Council.
<a href="http://www.frc.org.uk/pob">www.frc.org.uk/pob</a>	The Professional Oversight Board.
<a href="http://www.accountingnet.ie">www.accountingnet.ie</a>	Irish Accounting and Business Portal.

