

MODULE DESCRIPTOR

MODULE TITLE	FINANCIAL ACCOUNTING		
MODULE CODE	AC2100 (L5)	CREDIT VALUE	20 CREDITS / 10 ECTS
SCHOOL	SCHOOL OF BUSINESS AND MANAGEMENT		

MODULE AIMS

This module builds upon the fundamentals of financial accounting skills and knowledge established at Level 4. The module aims to develop an understanding of accounting in more complex situations including group accounting. Skills will be developed in techniques as well as the application of accounting theory

MODULE CONTENT

Preparation of limited company financial statements; capital structure of limited liability companies, equity and preference shares; debt instruments with no conversion rights; the purchase/redemption by public and private companies of their own shares.

The nature of purchased goodwill; circumstances in which negative goodwill arises.

Accounting for provisions. Basic earnings per share. Taxation in company accounts.

Group accounts, using the acquisition method of consolidation and including parent, subsidiary and associates. Non-controlling interest. Fair value adjustments.

Interpretation and analysis of financial statements, statement of cash flows.

The purpose of financial statements.

Accounting concepts; the Statement of Principles.

The history and purpose of the institutional framework of accounting.

The theory and practice of accounting for income; reporting financial performance.

The theory and practice of accounting for assets.
The theory and practice of accounting for expenditure.

The theory and practice of accounting for liabilities.

Developments in published accounts.

Describe and understand the concept, and regulations relating to Corporate Governance

Discuss the meaning of ethical behaviour and understand why accountants need to apply a high level of ethical behaviour to their daily activities.

INTENDED LEARNING OUTCOMES

On successful completion of this module a student will be able to:

1.	Prepare financial statements for publication for single companies and groups, including consolidated statements of cash flows.
2.	Construct group financial statements in the form of consolidated statements of financial position and consolidated statements of financial performance
3.	Prepare the accounting entries connected with the purchase and redemption of shares.
4.	Analyse and interpret the financial statements of a company or group of companies.
5.	Discuss i) the need for financial statements and what information they should contain; and ii) the importance of professional ethical guidelines for accountants. KES - 1, 8
6.	Discuss i) why accounting regulations are needed and ii) the history of accounting regulations, accounting regulators and accounting standards.
7.	Assess the impact of accounting regulations on the form and content of financial statements and evaluate whether or not the regulations achieve their aims.

TEACHING METHODS

Class contact time will be one lecture per week, and one seminar each week. The material will be introduced in a Lecture and followed up by directed reading plus seminar work and discussion. Students will be expected to prepare answers to seminar questions in advance of attending the seminars. Every seminar provides opportunities for student input. Theory and practice are integrated in problem solving situations presented, discussed and solved at seminars. The module is structured to facilitate student-centred learning.

One lecture and one seminar within the year will be dedicated to feedback from the assignments/tests; to exploit students opportunities to learn from the comments on assignments.

Students will draw on and enhance graduate attributes of planning, communication, literacy and analysis which aid employability with the accounting profession and careers in financial management.

The assessment strategy – 30% coursework and a 70% end of the year examination – is designed to meet the Accountancy Professional Bodies exemption criteria as well as test all the learning outcomes. Students must demonstrate successful achievement of these learning outcomes to pass the module.

ASSESSMENT METHODS

This module is assessed through a test (30%) and a written exam (70%).