

ACC1701 ACCOUNTING FOR DECISION MAKERS (for Business students)
National University of Singapore Business School
AY2022-23 Semester 2
MODULE OUTLINE

In-brief

The course provides an introduction to accounting from a user perspective. Financial reporting is covered from the viewpoint of an external investor. The focus is on how accounting can help investors make better decisions. Book-keeping and preparation of financial statements are also covered at an introductory level, as investors need to be aware of how the financial statements are derived.

Teaching team

<i>NAME</i>	<i>ROLE</i>	<i>EMAIL</i>
A/P (Ed.) Stephen Lynn	Lecturer/MC	bizlsg
Ms Tan Wee Szu	Tutor	biztws
Ms Cheong Sook Fun	Tutor	bizcsf
A/P (Ed.) Kwok Chee Chiu, Winston	Tutor	bizkcc
Ms Tan Sok Jee, Elaine	Tutor	biztsje

Classes

This information is correct as of October 2022.

<i>CLASS</i>	<i>TYPE</i>	<i>DAY</i>	<i>TIMESLOT</i>	<i>VENUE</i>	<i>TEACHER</i>
L01	L	TUE	1000–1200	LT16	S.Lynn
L02	L	TUE	1400–1600	LT16	S.Lynn
T01	T	WED	0830–0930	BZ2-0117	W.Tan
T02	T	WED	0930–1030	BZ2-0117	W.Tan
T03	T	WED	1200–1300	BZ2-0117	W.Tan
T04	T	WED	1300–1400	BZ2-0117	W.Tan
T05	T	THU	0830–0930	BZ2-0117	W.Tan
T06	T	THU	0930–1030	BZ2-0117	W.Tan
T07	T	THU	1200–1300	BZ2-0117	W.Tan
T08	T	THU	1300–1400	BZ2-0117	W.Tan
T09	T	FRI	0830–0930	BZ2-0117	S.Cheong
T10	T	FRI	0930–1030	BZ2-0117	S.Cheong
T11	T	FRI	1200–1300	BZ2-0117	S.Cheong
T12	T	FRI	1300–1400	BZ2-0117	S.Cheong
T13	T	FRI	1500–1600	BZ2-0117	S.Cheong
T14	T	WED	1200–1300	BZ2-0118	W.Kwok
T15	T	WED	1300–1400	BZ2-0118	W.Kwok
T16	T	WED	1400–1500	BZ2-0118	W.Kwok
T17	T	WED	1500–1600	BZ2-0118	W.Kwok
T18	T	FRI	1300–1400	BZ2-0118	E.Tan
T19	T	FRI	1400–1500	BZ2-0118	E.Tan
T20	T	FRI	1500–1600	BZ2-0118	E.Tan

Lectures (L) run from Week 1 through Week 12, inclusive of both Weeks 1 and 2. Tutorials (T) run from Week 3 through Week 13, inclusive of both Weeks 3 and 13.

Learning outcomes

After successfully completing this course, you would be able to:

LO1 Prepare the accounts for a small service- or merchandise-trading business (at an introductory level).

We will start learning this in tutorials via the continuing problem in the textbook, which builds a simple accounting system for the fictional Santana Rey company.

LO2 Read financial statements of listed companies with a view to making better investing decisions (at an introductory level). We will start learning this in lectures by looking at the financial statements of FJ Benjamin, the Hourglass and Singapore Airlines.

This module, together with other higher-level accounting modules, is accredited by the Institute of Singapore Chartered Accountants and other professional qualifications.

We will focus mainly on LO1 in this module, as knowledge of how to prepare accounts is a prerequisite for expert financial statement analysis (LO2). For example, the CFA qualification extensively tests advanced accounting topics in their professional exams. Higher-level financial statement analysis can be studied at NUS via the advanced elective FIN3720 *Financial Statement Analysis*, for which this module is one prerequisite.

Apart from these course-specific outcomes, we share some common desired outcomes with the BBA or BBA(Acc.) programs and especially the foundation modules. *Ethics* is prominent among these shared desired learning outcomes.

Ethics

Ethics is the ability to distinguish right from wrong. Ethics is particularly important in business, where strangers engage in transactions where all are seeking their own enlightened self-interest. Unless the stranger you are dealing with can trust you, and unless you can trust that stranger, the transaction will not happen. Survival in business therefore depends on being ethical and trustworthy and knowing when others are ethical and trustworthy. These qualities can be cultivated by studying ethics in BBA modules, including ACC1701.

More specific to accounting, to quote from our textbook (Wild-Kwok-Shaw page 5), “Accountants face ethical choices as they prepare financial reports. These choices can affect the salaries and bonuses paid to workers. They even can affect the success of products and services. Misleading information can lead to a bad decision that harms workers and the business. There is an old saying: Good ethics are good business.”

In ACC1701, ethics problems from the textbook are assigned as extra practice problems for self-study, as well as in tutorials. Ethics will be tested in the midterm test and final exam.

Textbook (required)

Wild, Kwok, Shaw, 2022, Principles of financial accounting (Asia Global Edition), Singapore:McGraw-Hill. Library catalogue: <https://linc.nus.edu.sg/record=b4327419>

A/P (Ed.) Kwok is co-author.

Assessments

<u>ITEM</u>	<u>WEIGHT %</u>
Final Exam	50
Midterm Test	30
Class participation	20

Final exam

The final exam is 2 hours in duration. It carries 100 marks and has a weight of 50% in the module total marks. It is an e-assessment using Examplify. It is a closed-book examination, i.e., a secure assessment using Examplify. No cheatsheet is allowed. Two sheets of rough paper would be provided for workings. NUS approved calculators are allowed. The scope is comprehensive. The exam will consist of four essay questions (longer problems), one requiring preparation of a classified balance sheet (among other requirements), one requiring preparation of a statement of cash flows (among other requirements), one on ethics, and a fourth wild card question. The ethics question is worth 10 marks and each of the other three is worth 30 marks. Mock exams will be provided by the reading week to provide practice and to familiarize classmates with the format.

Midterm test

The midterm test is 1.5 hours in duration. The marks for the midterm are 30, and it has a weight of 30% in the total module marks. It will be held in Week 8 (exact time and venue TBA). The scope includes all lecture topics up to and including Week 6, and all tutorial topics up to and including Week 7. Ethics will be tested in the midterm test. The midterm test is closed-book, i.e., a secure assessment on Exemplify. No cheat sheet is allowed. NUS approved calculators are allowed. Questions are objective type and will be automatically marked. These include 20 multiple choice questions (MCQ) worth 1 mark each, and fill in the blank (FITB) questions worth 10 marks. Examinees are warned that FITB questions are auto-scored, and answers should be entered *exactly* as prescribed in the question in order to get marks. Failure to follow instructions will lead to your being marked wrong even if calculations are correct, and no appeal will be allowed. Mock tests will be provided by the recess week to provide practice and to familiarize classmates with the format.

Class participation

Class participation would be decided by tutors largely based on contribution in tutorials, including but not limited to, answers prepared to assigned tutorial questions. Tutors would assign class participation marks based on their customized teaching systems. These marks would align with the following meta-rubric (marks based on 20 maximum).

<u>Class participation quality</u>	<u>Marks band</u>
Very exceptional	18–20
Very good to excellent	15–17
Unsatisfactory to good	0–14

Most students (80–100%) are expected to fall in the 15–17 band, though this is not guaranteed.

Teaching and Learning Activities

Teaching and learning activities include: lectures, tutorials, and extra practice problems (for self-study).

Tutorial

Tutorial questions for each week are based on material covered in lectures in earlier weeks, especially the immediately previous week. These questions are drawn from the textbook. It is important to prepare solutions for these questions before the tutorial, and bring your solutions to the tutorial. Tutorials at NUS are short, just 45 minutes effectively. As such, tutors would usually only be able to cover the assigned tutorial questions in this limited time. Model solutions to the tutorial problems would be uploaded by the lecturer at the end of the week.

Working through problems is the most effective learning activity in a quantitative subject like accounting. It is key to your learning to work through the tutorial questions each week. If you face difficulties or doubts with these questions, you may ask your tutor, either during the tutorial, or via other channels such as consultations or email, as directed by your tutor.

Lecture

Lectures are usually structured as problem-solving workouts rather than the traditional format. The lecturer would post a handout (in PDF format) around a week before the lecture, built around one or more running examples (or guided exercises), with blank spaces for the workings. During the lecture, you would be given time to attempt these missing calculations before the answers are shown. The handout with completed workings would be posted after the lectures, usually on around Wednesday.

Lectures would include activities based on the financial statements of listed companies such as FJ Benjamin, the Hourglass, and SIA.

Working through problems is the most effective learning activity in a quantitative subject like accounting. It is key to your learning to actively work through the guided exercises during the lecture each week. If you face difficulties or doubts with the lectures, the preferred mode to raise these is via the discussion forum on Canvas. You can also ask your tutor or the lecturer in their consultation hours, or catch the lecturer in the mid-lecture break or just after the lecture.

Please do not email the lecturer with content questions: use the discussion forum instead. It will be monitored frequently. Lecturer regretfully will not respond to content-related emails, as these can become

unmanageable in a large class like ours. Only email the lecturer if it is a personal administrative matter (and in this case, preferably use the Inbox function in Canvas rather than sending a direct email).

Recordings of lectures will be made available only during the revision periods before test or exam: from recess week up to the test in Week 8, and from reading week up to the exam.

Extra problems

Solutions to selected additional practice problems would be posted on Canvas. These problems would not be covered in tutorials and are left for self-study, though of course you can seek help from teachers if you need. These include problems that are assigned for tutorials in the parallel ACC1701X module, so solutions would be uploaded only after the related tutorials in that module are completed. This would generally be at the end of the week in which the practice problem is listed in the detailed tutorial schedule below.

You are highly encouraged to work through the additional practice problems. Working through problems is the most effective learning activity in a quantitative subject like accounting.

But regretfully, we would not provide solutions for any further problems apart from the assigned tutorial and extra practice problems. It should not be necessary to go beyond these and the other practice materials provided (mock tests, lecture examples, etc.).

Weekly schedule

In the table below (next page), the abbreviation E stands for “Exercise”: thus E1-1 stands for Exercise 1-1. Similarly P stands for “Problem”: thus P1-1A stands for Problem 1-1A. Ch stands for “Chapter”. Thus Ch 1 stands for Chapter 1. All references are to the required textbook by Wild, Kwok and Shaw.

continued on next page—Detailed weekly schedule

Weekly schedule

Week	Lecture Topic	Reading	Tutorial Questions	Extra Practice Problems
1	The Accounting Equation (SP 1)	Ch 1	No tutorial	
2	Debits and Credits (SP 2 [October])	Ch 2	No tutorial	
3	Adjusting and Closing (P3-3A)	Ch 3, Ch 4	SP2 [November]	BTN 1-1, BTN 2-1
4	Merchandising (SP 5 [Jan, Feb])	Ch 5	SP3, SP4	P1-9A, BTN 3-1, BTN 4-1
5	Inventory	Ch 6	SP5 [March onwards]	P2-2A, BTN 5-1
6	Cash and A/R	Ch 8, Ch 9	QS 6-12, E6-3, E6-9, BTN 6-1	P3-2A, E4-7
RECESS WEEK				
7	Notes and Warranty	Ch 9, Ch 11	E8-10, BTN 8-1, QS 9-17, E9-9	P6-1A, P6-3A, BTN 9-1
8	PPE <i>MIDTERM TEST</i>	Ch 10	E9-11, E9-12, E11-5, E11-9	P8-4A, P9-3A BTN 11-1
9	Corporations: SCI and SCE	Ch 13	QS10-7, QS10-13, E10-1,E10-3, E10-17	P9-5A, QS 11-4, P11-2A, BTN10-1
10	Corporations: Preference shares, Treasury shares	Ch 13	QS 13-3, E10-26, P13-6A, BTN 13-1	E10-27,P10-4A
11	SCF: CFFO	Ch 16	QS 13-12, QS 13-13, QS 13-14, E13-6,* E13-8**	E13-10, AA13-1
12	SCF: CFFI, CFFF	Ch 16	QS 16-1, QS 16-26, E16-17	BTN 16-1
13	No lecture		E16-14, E16-18, AA16-2	P16-2A,P16-4A

* Assume ordinary shares are no-par in E13-6

** Assume ordinary shares are no-par in E13-8