

ACC1701C ACCOUNTING FOR DECISION MAKERS
Semester 2, 2025/26

Faculty:

Name	Role	Email	Room
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1. Overview

Accounting is the language of business, facilitating communication of the financial aspects of business. This module provides an introduction to the financial accounting branch of accounting. The activities and events of a business entity are summarised by the financial accounting process into published financial statements to be used by external users such as investors and creditors. Such users would need to understand both the financial accounting process and its outputs in order to make investing or lending decisions. Therefore, students will learn how to prepare simple financial statements and also learn how to read, understand and use published financial statements for decision-making. This module is for business students and will be taught from the preparer perspective.

2. Module Objectives

The key objectives of this module are:

1. Explain the purpose and use of the principal financial statements required under International Financial Reporting Standards (IFRS).
2. Understand and interpret the principal financial statements and its components.
3. Apply the analytical and technical skills developed in this module to prepare accounting records and the principal financial statements.
4. Have a sound knowledge of the process of accounting for significant transactions in specific areas, including PPE, inventory, receivables, cash, equity and current liabilities.
5. Identify, define and intelligently discuss a variety of accounting-related problems and the fundamental principles underlying financial accounting in the context of the tools and techniques covered in this module

Note: There is no prerequisite for this module.

3. Assessment & Evaluation

50% Final Examination

2-hour closed-book digital assessment on Exemplify. Materials covered in all seminars, self-study and assigned readings are examinable. ONE A4-size, both sides printed or handwritten cheat sheet is allowed. The Registrar's Office has scheduled the exam on 29 April 2026, 1700hr (TBC).

20% Class Participation

Assessed by the quantity and quality of a student's participation during tutorials. Note that mere attendance at tutorials is *not* considered participation, and it is possible to get zero mark for participation.

30% Mid Term Test

Midterm is a closed book 90 minutes digital assessment on Exemplify and will be conducted during lesson time. Materials covered in the seminars and assigned readings from Week 1 to Week 5 of the semester are examinable. The test will take place on Week 7 after recess week during regular seminar timings. Refer to the lesson schedule in the Appendix below and make sure that you can attend the midterm test session

- Format: 30 MCQs
- Date: Week 7 lesson

4. Schedule and Outline

Week	Session
1	<p>Objectives of Financial Reporting</p> <p><u>Learning objectives:</u></p> <ul style="list-style-type: none">• Outline the need for the preparation of financial statements by explaining the role of financial reporting in the decision-making process of various stakeholders.• Explain the regulatory requirements governing financial reporting in Singapore, including consistency with IFRS. <p>The Conceptual Framework</p> <p><u>Learning objectives:</u></p> <ul style="list-style-type: none">• Explain and apply the fundamental qualitative characteristics of useful financial information.• Explain and apply the enhancing qualitative characteristics of useful financial information.• Identify the cost constraints associated with applying the qualitative characteristics to financial information.• Describe the nature of elements reported in the financial statements.• Describe the measurement bases adopted by accounting standard setters and explain the different methods of measurement used for major classes of assets. <p>Compliance and ethics in financial reporting</p> <p><u>Learning objectives:</u></p> <ul style="list-style-type: none">• Assess the relevance and importance of ethical and professional issues in complying with accounting standards.• Appraise the potential ethical implications of professional and managerial decisions in the preparation of financial reports, in line with Ethics Pronouncement (EP) 100 the ISCA Code of Professional Conduct and Ethics.

	<ul style="list-style-type: none"> • Identify and recommend an appropriate course of action arising from ethical dilemmas in financial reporting. • Assess the consequences of not upholding ethical principles in the preparation of financial reports. <p><u>Reading:</u> Stice, Stice, Albrecht, Swain, Duh and Hsu, Chapters 1, 2</p>
2	<p>Transaction recording and the accounting cycle</p> <p><u>Learning objectives:</u></p> <ul style="list-style-type: none"> • Apply double-entry bookkeeping to record transactions—explain and prepare journal entries and T-accounts • Explain the difference between the accrual and cash basis of accounting <p><u>Reading:</u> Stice, Stice, Albrecht, Swain, Duh and Hsu, Chapters 3, 4 (L01)</p>
3	<p>Transaction recording and the accounting cycle</p> <p><u>Learning objectives:</u></p> <ul style="list-style-type: none"> • Prepare adjusting entries. • Prepare trial balances at appropriate stages of the accounting cycle. <p><u>Reading:</u> Stice, Stice, Albrecht, Swain, Duh and Hsu, Chapter 4 (L02)</p>
4	<p>Preparation of Financial Statements</p> <p><u>Learning objectives:</u></p> <ul style="list-style-type: none"> • Prepare a complete set of financial statements for a retail [merchandise-trading] entity and a [non-financial] service entity comprising: <ul style="list-style-type: none"> • A statement of financial position as at the end of the period; • A statement of profit or loss and other comprehensive income for the period; • A statement of changes in equity for the period. • Prepare closing entries. <p><u>Reading:</u> Stice, Stice, Albrecht, Swain, Duh and Hsu, Chapter 4 (L03 – L05)</p>
5	<p>Cash</p> <p><u>Learning objectives:</u></p> <ul style="list-style-type: none"> • Explain key features of accounting for cash, including preparation of a bank reconciliation. <p><u>Reading:</u> Stice, Stice, Albrecht, Swain, Duh and Hsu, Chapter 6</p>
6	<p>Receivables</p>

	<p><u>Learning objectives:</u></p> <ul style="list-style-type: none"> • Explain the accounting for [current] trade receivables and notes receivable, including impairment under SFRS(I) 9. <p><u>Reading:</u> Stice, Stice, Albrecht, Swain, Duh and Hsu, Chapter 7 (L01 – L05)</p>
7	<p>Inventory</p> <p><u>Learning objectives:</u></p> <ul style="list-style-type: none"> • Prepare journal entries to record the business transactions of a firm using the perpetual inventory system. • Calculate the ending inventory and cost of goods sold using various cost formulae including FIFO, weighted average, specific identification • Explain the concept of lower of cost or net realizable value in relation to inventory valuation. • Account for the write down of inventory in the financial statements. • Prepare the appropriate disclosures for inventory in the financial statements <p><u>Reading:</u> Stice, Stice, Albrecht, Swain, Duh and Hsu, Chapter 8 (L01 – L08)</p> <p>MID-TERM TEST</p>
8	<p>Liabilities</p> <p><u>Learning objectives:</u></p> <ul style="list-style-type: none"> • Explain the accounting for significant current liabilities, including trade payables and notes payable. • Explain the difference between provisions and contingent liabilities under SFRS(I) 1-37, account for warranty provisions. • Analyse financial (ratio analysis) information in relation to working capital to draw conclusions about an organization's financial health. <p><u>Reading:</u> Stice, Stice, Albrecht, Swain, Duh and Hsu, Chapter 9 (L01 – L03)</p>
9	<p>Property plant and equipment</p> <p><u>Learning objectives:</u></p> <ul style="list-style-type: none"> • Account for the acquisition, depreciation and the disposal of PPE. • Account for PPE under both the Cost model and Revaluation model. • Prepare the appropriate disclosures for PPE in the financial statements. <p><u>Reading:</u> Stice, Stice, Albrecht, Swain, Duh and Hsu, Chapter 10 (except L09, L011, L013)</p>
10	<p>Equity</p> <p><u>Learning objectives:</u></p>

	<ul style="list-style-type: none"> • Account for issue of no-par ordinary shares in exchange for cash, or in exchange for another asset. • Explain the types of preference shares: redeemable vs non-redeemable, cumulative vs noncumulative. • Account for cash dividends on ordinary and preference shares. • Account for share buyback: cancellation, treasury shares including reissue of treasury shares. • Account for bonus shares • Apply the accounting, disclosure, and presentation requirements for equity and other comprehensive income components. <p><u>Reading:</u> Stice, Stice, Albrecht, Swain, Duh and Hsu, Chapter 12</p>
11	<p>Preparation of Statement of Cash Flow</p> <p><u>Learning objectives:</u></p> <ul style="list-style-type: none"> • Identify and explain the 3 classifications (operating, investing and financing activities) of cash flows in a cash flow statement. • Prepare statement of cash flow using the direct method. <p><u>Reading:</u> Stice, Stice, Albrecht, Swain, Duh and Hsu, Chapter 14</p>
12	<p>Financial Statement Analysis</p> <p><u>Learning objectives:</u></p> <ul style="list-style-type: none"> • Ratio analysis, including standard liquidity ratios, profitability ratios, efficiency ratios, and valuation ratios. <p><u>Reading:</u> Stice, Stice, Albrecht, Swain, Duh and Hsu, Chapter 15</p>
13	Revision/Consultation

5. Module Learning Guide

Learning in this module is achieved through the following components, which are *not* in order of importance:

1. **Seminar** (3 hours per week), where major points of a topic are covered. Lecture slides can be downloaded from Canvas before the seminar. Seminar Questions will be progressively uploaded onto Canvas. Students are expected to attempt the questions *before* class, and be prepared to contribute to discussions during class.
2. **Self-Study** questions and answers will be uploaded weekly. These are recommended to be reviewed before the seminar.
3. **Compulsory readings** assigned from recommended text.
4. Voluntary **consultations** with lecturer.

Please refer to the Appendix for the ACC1701 Lesson Schedule.

6. Recommended textbook

Main Text

Earl K. Stice; James D. Stice; W. Steve Albrecht; Monte R. Swain; Rong-Ruey Duh; Audrey Wenhsin Hsu, *Financial Accounting IFRS Edition*, Cengage, 4th edition.

Supplementary Text

John J. Wild, Winston Kwok, Ken W. Shaw, and Barbara Chiappetta, *Financial Accounting: Information for Decisions*, McGraw-Hill Education (Asia), 2025

7. Academic Honesty & Plagiarism

Academic integrity and honesty is essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold academic integrity & honesty at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating at examinations/tests, or inappropriate use of resources.

Plagiarism is 'the practice of taking someone else's work or ideas and passing them off as one's own' (The New Oxford Dictionary of English). The University and School will not condone plagiarism. Students should adopt this rule - You have the obligation to make clear to the assessor which is your own work, and which is the work of others. Otherwise, your assessor is entitled to assume that everything being presented for assessment is being presented as entirely your own work. This is a minimum standard. In case of any doubts, you should consult your instructor.

Additional guidance is available at:

<http://www.nus.edu.sg/registrar/adminpolicy/acceptance.html#NUSCodeofStudentConduct>

Online Module on Plagiarism: <http://emodule.nus.edu.sg/ac/>

Appendix

ACC1701 Lesson Schedule (2025/26 Semester 2)

Week No.	Week Beginning (2026)	Lecture Topic
1	12 Jan	Topic 1: Objectives of Financial Reporting Topic 2: The Conceptual Framework Topic 3: Compliance and ethics in financial reporting
2	19 Jan	Topic 4: Transaction recording and the accounting cycle
3	26 Jan	Topic 4: Transaction recording and the accounting cycle
4	2 Feb	Topic 5: Preparation of Financial Statements
5	9 Feb	Topic 6: Cash
6	16 Feb	Topic 7: Receivables
Recess (21 Feb to 1 Mar)		
7	2 Mar	Topic 8: Inventory
8	9 Mar	Topic 9: Liabilities
9	16 Mar	Topic 10: Property, Plant and Equipment
10	23 Mar	Topic 11: Equity
11	30 Mar	Topic 12: Preparation of Statement of Cash Flow
12	6 Apr	Topic 13: Financial Statement Analysis
13	13 Apr	Revision/Consultation