NATIONAL UNIVERSITY OF SINGAPORE
NUS Business School
Department of Accounting

ACC1701D ACCOUNTING FOR DECISION MAKERS
Semester 1, 2026/27

Faculty:

Name	Role	Email	Office
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1. Overview

Accounting is the language of business, facilitating communication of the financial aspects of business. This course 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 course is for business students and will be taught from the preparer perspective.

2. Course Objectives

The key objectives of this course 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 course 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 course

Note: There is no prerequisite for this course.

3. Assessment & Evaluation

50% Final Examination

2-hour closed-book digital assessment on Examplify. Materials covered in all seminars, self-study and assigned readings are examinable. ONE A4-size, double-sided printed or handwritten cheat sheet is allowed. The Registrar's Office has scheduled the exam on 24 November 2026, 1700hr.

20% Class Participation

Assessed by the quality of students' participation in assigned presentation activities and participation in interactive polling questions during seminars. Note that mere attendance at seminars is *not* considered participation, and it is possible to get zero mark for participation.

30% Mid Term Test

Midterm Test is a closed book 90 minutes digital assessment on Examplify. Materials covered in the seminars and assigned readings from Week 1 to Week 6 of the semester are examinable. The test is estimated to take place on Week 8 with the exact date to be confirmed later. Format: 30 MCQs

4. Schedule and Outline

Week	Session
1	**Accounting Information for Decision Making** Learning objectives: • Discuss accounting as the language of business and the role of accounting information in making economic decisions. • Explain the importance of financial accounting information for external parties—primarily investors and creditors—in terms of the objectives and the characteristics of that information. • Identify and discuss several professional organizations that play important roles in preparing and communicating accounting information. • Discuss the importance of personal competence, professional judgment, and ethical behavior on the part of accounting professionals. **Basic Financial Statements** Learning objectives: • Explain the nature and general purposes of financial statements. • Explain certain accounting principles that are important for an understanding of financial statements and how professional judgment by accountants may affect the application of those principles. • Demonstrate how certain business transactions affect the elements of the accounting equation: Assets = Liabilities + Equity. • Explain how the statement of financial position, often referred to as the balance sheet, is an expansion of the basic accounting equation. • Explain how the income statement reports an enterprise's financial performance for a period of time in terms of the relationship of revenues and expenses. • Explain how the statement of cash flows presents the change in cash for a period of time in terms of the company's operating, investing, and financing activities. • Explain how the statement of financial position (balance sheet), income statement, and statement of cash flows relate to each other. • Explain common forms of business ownership—sole proprietorship, partnership, and corporation—and demonstrate how they differ in terms of their statements of financial position. • Discuss the importance of financial statements to a company and its investors and creditors and why management may take steps to improve the appearance of the company in its financial statements.

<table>
<tr><td></td><td><u>Reading</u>:
Willians, Bettner, Carcello, Lam and Lau, Chapters 1, 2</td></tr>
<tr><td>2</td><td>The Accounting Cycle: Capturing Economic Events

<u>Learning objectives</u>:

• Identify the steps in the accounting cycle and discuss the role of accounting records in an organization.
• Describe a ledger account and a ledger.
• Understand how balance sheet accounts are increased or decreased.
• Explain the double-entry system of accounting.
• Explain the purpose of a journal and its relationship to the ledger.
• Explain the nature of profit, revenue, and expenses.
• Apply the recognition and matching principles in recording revenue and expenses.
• Understand how revenue and expense transactions are recorded in an accounting system.
• Prepare a trial balance and explain its uses and limitations.

<u>Reading</u>:
Willians, Bettner, Carcello, Lam and Lau, Chapter 3</td></tr>
<tr><td>3</td><td>The Accounting Cycle: Accruals and Deferrals

<u>Learning objectives</u>:

• Explain the purpose of adjusting entries.
• Describe and prepare the four basic types of adjusting entries.
• Prepare adjusting entries to convert assets to expenses.
• Prepare adjusting entries to convert liabilities to revenue.
• Prepare adjusting entries to accrue unpaid expenses.
• Prepare adjusting entries to accrue uncollected revenue.
• Explain how the principles of recognition and matching relate to adjusting entries.
• Explain the concept of materiality.
• Prepare an adjusted trial balance and describe its purpose.

<u>Reading</u>:
Willians, Bettner, Carcello, Lam and Lau, Chapter 4</td></tr>
<tr><td>4</td><td>The Accounting Cycle: Reporting Financial Results

<u>Learning objectives</u>:

• Prepare an income statement, a statement of changes in equity, and a balance sheet.
• Explain how the income statement and the statement of changes in equity relate to the balance sheet.
• Explain the concept of adequate disclosure.
• Explain the purposes of closing entries; prepare these entries.
• Prepare an after-closing trial balance.
• Use financial statement information to evaluate profitability and liquidity.

<u>Reading</u>:
Willians, Bettner, Carcello, Lam and Lau, Chapter 5</td></tr>
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5	**Merchandising Activities** <u>Learning objectives</u>: • Describe the operating cycle of a merchandising company. • Understand the components of a merchandising company's income statement. • Account for purchases and sales of merchandise in a perpetual inventory system. • Explain how a periodic inventory system operates. • Account for additional merchandising transactions related to purchases and sales. <u>Reading</u>: Willians, Bettner, Carcello, Lam and Lau, Chapter 6
6	**Inventories and the Cost of Goods Sold** <u>Learning objectives</u>: • In a perpetual inventory system, determine the cost of goods sold using (a) specific cost identification, (b) average cost, and (c) FIFO. Discuss the advantages and shortcomings of each method. • Explain the need for taking a physical inventory. • Explain shrinkage losses and other year-end adjustments to inventory. • In a periodic inventory system, determine the ending inventory and the cost of goods sold using (a) specific identification, (b) weighted average cost, and (c) FIFO. • Explain the effects on the income statement of errors in inventory valuation. • Compute inventory turnover and explain its uses. <u>Reading</u>: Willians, Bettner, Carcello, Lam and Lau, Chapter 8
7	**Financial Assets** <u>Learning objectives</u>: • Define financial assets and explain their valuation in the statement of financial position. • Describe the objectives of cash management and internal controls over cash. • Prepare a bank reconciliation and explain its purpose. • Account for uncollectible receivables using the allowance and direct write-off methods. • Explain, compute, and account for notes receivable and interest revenue. • Evaluate the liquidity of a company's accounts receivable. <u>Reading:</u> Willians, Bettner, Carcello, Lam and Lau, Chapter 7
8	**Long Term Assets** <u>Learning objectives</u>: • Compute the cost of property, plant and equipment. • Compute and record depreciation using the straight-line, units-of-production, and declining-balance methods.

	• Explain depreciation for partial years and changes in estimates. • Distinguish between revenue and capital expenditures, and account for them. • Explain the revaluation model to account for property, plant and equipment. • Account for asset disposal through discarding or selling an asset. • Compute total asset turnover and apply it to analyze a company's use of assets. <u>Reading:</u> Wild, Kwok, Venkatesh and Shaw, Chapter 10
9	**Shareholders' Equity: Capital** <u>Learning objectives</u>: • Explain the advantages and disadvantages of organizing a business as a corporation. • Explain the rights of shareholders and the roles of corporate directors and officers. • Account for paid-in capital and prepare the equity section of a corporate balance sheet. • Contrast the features of ordinary share with those of preference share. • Explain the significance of book value and market value of share capital. • Explain the purpose and effects of a share split. • Account for treasury shares transactions. <u>Reading:</u> Willians, Bettner, Carcello, Lam and Lau, Chapter 11
10	**Revenue Recognition and Reporting Results of Operations** <u>Learning objectives</u>: • Define the principle of revenue recognition, including the conditions that must be met for revenue to be recognized in the financial statements. • Compute earnings per share and distinguish between basic and diluted earnings per share. • Define other comprehensive income and total comprehensive income, and explain how they differ from profit. • Describe and prepare a statement of profit or loss and other comprehensive income. • Account for cash dividends and stock dividends, and explain the effects of these transactions on a company's financial statements. • Describe and prepare a statement of changes in equity and the shareholders' equity section of the statement of financial position. <u>Reading:</u> Willians, Bettner, Carcello, Lam and Lau, Chapter 12
11	**Reporting the Statement of Cash Flows** <u>Learning objectives</u>: • Distinguish between operating, investing, and financing activities, and describe how noncash investing and financing activities are disclosed. • Prepare a statement of cash flows. • Compute cash flows from operating activities using the indirect method. • Determine cash flows from both investing and financing activities. • Analyze the statement of cash flows and apply the cash flow on total assets ratio.

	• Compute cash flows from operating activities using the direct method. Reading: Wild, Kwok, Venkatesh and Shaw, Chapter 16
12	**Current Liabilities and Payroll Accounting** Learning objectives: • Describe current and long-term liabilities and their characteristics. • Identify and describe known current liabilities. • Prepare entries to account for short-term notes payable. • Compute and record employee payroll deductions and liabilities. • Account for estimated liabilities. • Explain how to account for contingent liabilities. • Compute the times interest earned ratio and use it to analyze liabilities. **Analysis of Financial Statements** Learning objectives: • Explain the purpose and identify the building blocks of analysis. • Describe standards for comparisons in analysis. • Explain and apply methods of horizontal analysis. • Describe and apply methods of vertical analysis. • Define and apply ratio analysis. • Explain how to account for contingent liabilities. • Compute the times interest earned ratio and use it to analyze liabilities. Reading: Wild, Kwok, Venkatesh and Shaw, Chapters 11, 17
13	Revision/Consultation

5. Course Learning Guide

Learning in this course 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 attempted and reviewed before the seminar.

3. Compulsory readings assigned from recommended text/supplementary text.

4. Voluntary consultations with lecturer.

Please refer to the Appendix for the ACC1701D Lesson Schedule.

6. Recommended textbook

Main Text

Jan R. Williams; Mark S. Bettner; Joseph V. Carcello; Nelson C. Y. Lam; Peter T. Y. Lau, *Financial Accounting Asia Global Edition*, Mcgraw Hill, 3rd edition. ISBN978-981-3311-47-3

Supplementary Text

John J. Wild, Winston Kwok, Ken W. Shaw, and Sundar Venkatesh, *Fundamental Accounting Principles Asia Global Edition,* McGraw-Hill, 3rd edition ISBN978-9-814-92337-8

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 Course on Plagiarism: http://emodule.nus.edu.sg/ac/

Appendix

ACC1701D Lesson Schedule (2026/27 Semester 1)

Week No.	**Week Beginning (2026)**	**Lecture Topic**
1	10 Aug	**Topic 1**: Accounting Information for Decision Making **Topic 2:** Basic Financial Statements
2	17 Aug	**Topic 3**: The Accounting Cycle: Capturing Economic Events
3	24 Aug	**Topic 4**: The Accounting Cycle: Accruals and Deferrals
4	31 Aug	**Topic 5**: The Accounting Cycle: Reporting Financial Results
5	7 Sep	**Topic 6**: Merchandising Activities
6	14 Sep	**Topic 7**: Inventories and the Cost of Goods Sold
		Recess (21 to 27 Sep)
7	28 Sep	**Topic 8**: Financial Assets
8	5 Oct	**Topic 9**: Long Term Assets
9	12 Oct	**Topic 10**: Shareholders’ Equity: Capital
10	19 Oct	**Topic 11:** Revenue Recognition and Reporting Results of Operations
11	26 Oct	**Topic 12:** Reporting the Statement of Cash Flows
12	2 Nov	**Topic 13:** Current Liabilities and Payroll Accounting **Topic 14**: Analysis of Financial Statements
13	9 Nov	Revision/Consultation