



Basic Information:

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|------------------|------------------------------------|-----------------------|---------------------------------|
| Title: | Principles of Accounting | Code: | ACCT 210 |
| Program: | BBIT (Major in Marketing) | Credit Hours: | Three (03) |
| Sessions: | 30 Classes + Mid Term + Final Term | Pre-Requisite: | Intro to Information Technology |

Course Description:

This introductory course on financial accounting covers basic skills required in maintaining accounts of small organizations and in communicating information to the stakeholders about the business by producing financial statements. It includes recording of business transactions maintaining accounts, recording adjusting entries, depreciation of non-current assets, managing receivables, inventories and watching changes in the shareholders' equity. It prepares the participants for advance courses in accounting and finance.

The objective of this course is to introduce the subject of accounting to business managers in their making and to prepare them for further courses in accounting and finance.

Learning Outcomes:

By the end of the course, students will be able to:

- ✓ *Classify, summarize, analyze and record business transactions and maintain accounts of a small business organization*
- ✓ *Understand and present basic financial statements*
- ✓ *Explain the component parts of major accounting reports*
- ✓ *Evaluate the financial performance of an organization using these reports*
- ✓ *Analyze and evaluate financial information relating to product or service costs and contribution to profit*

Teaching Learning Methodology:

The formal teaching component of this course consists of active student participation in and contribution to all forms of teaching and learning i.e. lectures, discussions, research assignments and projects. Lectures will be twice a week of 90 min each.

Weekly Term Plan

| Week | Topic |
|-------------|---|
| 01. | <i>Introduction, Overview of accounting in Pakistan</i> |
| 02. | <i>Accounting Equation, Recording transactions in Journal</i> |
| 03. | <i>Recording transaction in Ledger, Preparation of trial balance</i> |
| 04. | <i>Preparation of Statement of owner's equity, income statement & balance sheet</i> |
| 05. | <i>Need and recording of Adjusting Entries</i> |
| 06. | <i>Preparation of Adjusted Trial Balance</i> |
| 07. | <i>The closing process, Post-closing trial balance</i> |
| 08. | <i>Mid Term Examination</i> |
| 09. | <i>Property, Plant and Equipment, Revaluation, Depreciation & factors involved</i> |
| 10. | <i>Methods of calculating depreciation</i> |
| 11. | <i>Accounting for merchandising operations, Recording purchase & sale of merchandise cycle</i> |
| 12. | <i>Adjusting entries, financial statements</i> |
| 13. | <i>Inventory control, Methods of inventory costing under periodic system and perpetual systems.</i> |
| 14. | <i>Control of cash receipt & cash disbursement, Banking activities as control</i> |
| 15. | <i>Bank statement & reconciliation, Cash flow statement</i> |
| 16. | <i>Final Term Examination</i> |

Remember to keep your debits on the left and your credits on the right. Good luck! ☺

**The instructor reserves the right to alter any element of this syllabus including course content and policies that govern how the classroom operates.*



Topics in Detail

| No | Title | Ch | Pages |
|----|--|----|---------|
| 01 | <i>Introduction, Overview of accounting in Pakistan, Business and its types, Basic Terminologies,</i> | 1 | 3-10 |
| 02 | <i>Principles and Assumptions (GAAPs)</i> | 1 | 15-50 |
| 03 | <i>Accounting Equation, Double entry transaction, Recording transactions in Journal</i> | 1 | 52-63 |
| 04 | <i>Recording transaction in ledger</i> | 2 | 99-97 |
| 05 | <i>Preparation of trial balance</i> | 2 | 111-128 |
| 06 | <i>Correcting Entries, introduction to Preparation of Statement of owner's equity, income statement, balance sheet</i> | 2 | 129-130 |
| 07 | <i>Need and recording of Adjusting Entries,</i> | 3 | 136-139 |
| 08 | <i>Adjusting entries of deferrals</i> | 3 | 140-145 |
| 09 | <i>Adjusting entries of accruals</i> | 3 | 149-156 |
| 10 | <i>Preparation of Adjusted Trial balance</i> | 3 | 156-159 |
| 11 | <i>Preparation of worksheet and financial statements</i> | 4 | 188-198 |
| 12 | <i>Preparation of profit and loss statement, Statement of retained earnings, Balance sheet</i> | 4 | 198-202 |
| 13 | <i>The closing process, Post-closing trial balance</i> | 4 | 202-207 |
| 14 | <i>Property, Plant and Equipment, Revaluation, Depreciation & factors involved, Methods of calculating depreciation</i> | 5 | 246-265 |
| 15 | <i>Intangible Assets & Amortization, Wasting Assets & Depletion</i> | 5 | 265-270 |
| 16 | <i>Accounting for merchandising operations Recording purchase & sale of merchandise cycle</i> | 5 | 270-290 |
| 17 | <i>Inventory control, Determine inventory items, Methods of inventory costing under periodic system and perpetual systems. Accounting for inventory, difference between retail & manufacturing firms, LIFO, FIFO</i> | 6 | 296-347 |
| 18 | <i>Bank statement & reconciliation Control of cash receipt & cash disbursement (voucher system and petty cash), Banking activities as control</i> | 7 | 361-374 |
| 19 | <i>Cash flow statement</i> | 7 | 374-396 |
| 20 | <i>Final Term Examination</i> | | |

| Text & Recommended Readings | Assignment Specification |
|--|---|
| A. <i>Accounting the Basis of Business decisions</i> Authors Meigs & Meigs, McGraw-Hill Edition 15E ISBN: 0070433607 | <i>Microsoft Word for Documentation</i> Headings <i>Arial 11pt Bold</i> Normal Text <i>Times New Roman 10pt</i> Header Footer <i>Times New Roman 8pt</i> Paragraph <i>Single Line Spacing</i> <i>First Line Indent 1.0 cm</i> Page Margins <i>2 cm from each side</i> |



Grading Policy:

Final Grade for this course will be the cumulated result of the following term work with relevant participation according to the quoted percentage.

| | | | | | | | |
|------------------|------------|--|-----------------|------------|--|------------------------------------|------------|
| Sessional | 25% | | Mid Term | 35% | | Final Term | 40% |
| Assignments | 10 % | | Mid Term Exam | | | Final Exam | |
| Quizzes | 10% | | | | | Case Study/ Project/ Term Paper | |
| Presentations | 05% | | | | | | |

Remember subdivision of Mid Term and Final Term Examination should be done only in case of very essential and major Grading Instruments.

Dishonest Practices & Plagiarism

Any student found responsible for dishonest practice/cheating (e.g. copying the work of others, use of unauthorized material in Grading Instruments) in relation to any piece of Grading Instrument will face penalties like deduction of marks, grade 'F' in the course, or in extreme cases, suspension and rustication from IBIT.

For details consult Plagiarism Policy of PU at <http://pu.edu.pk/dpcc/downloads/Plagiarism-Policy.pdf>

Grading System:

| Letter Grade | Grade Point | Num Equivalence |
|--------------|-------------|-----------------|
| A | 4.00 | 85 – 100 % |
| A- | 3.70 | 80 – 84 % |
| B+ | 3.30 | 75 – 79% |
| B | 3.00 | 70 – 74 % |
| B- | 2.70 | 65 – 69 % |
| C+ | 2.30 | 61 – 64 % |
| C | 2.00 | 58 – 60 % |
| C- | 1.70 | 55 – 57 % |
| D | 1.00 | 50 – 54 % |
| F | 0.00 | Below 50 % |
| I | Incomplete | * |
| W | Withdraw | * |

Norms to Course:

- ✓ Submission Date and Time for the term instruments is always **UN-EXTENDABLE**.
- ✓ 7 Absentees in class will be result in forced withdrawal. **(PU Policy)**
- ✓ Re-sit in Mid and Final Term will cause you a loss of 2 and 3 grade marks respectively. **(PU Policy)**
- ✓ This is your responsibility to keep track of your position in class evaluation units.
- ✓ After the submission date, NO excuse will be entertained.
- ✓ **Keep a copy of all submitted Grading Instruments.**
- ✓ Assignment is acceptable only in its Entirety.
- ✓ No make up for any assignment and quiz.
- ✓ Copied & Shared work will score Zero.
- ✓ Assignments are Individual.

Good Luck