

Course Code: ECON 106 Course Title: Fundamentals of Accounting and Business Organization
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Course Type (GED/Core/Elective): GED

Year/Level/Semester/Term: 1st Year

Academic Session: 2021-22 & 2022-23

Course Teacher/Instructor:

Pre-requisite (if any): None

Credit Value: 04

Contract Hours: 60

Course Rationale: Economics graduates often find jobs in business organizations including banks and financial intermediaries. A fair knowledge of the accounting practices as well as the salient features of private firms is expected to complement an economics students' level of competence, which is expected to enhance their employability.

Course Objective: The main objective of the course is to help students understand the fundamental accounting and business concepts as well as to develop their ability to perform the basic accounting functions such as double entry system, journals, ledgers, trial balances and finalization of accounts. Further, the course deals with the nature, scope, and functions of the various forms of business organizations.

Course Learning Outcomes: After successful completion of the course, students will be able to:

1. understand accounting, stressing on its importance in today's business world;
2. understand the main concepts and principles of accounting and business organization; and
3. achieve the theoretical basis upon which they will develop their knowledge in other areas of accounting and management.

CLOs Mapped to PLOs

CLO/PLO	PLO1	PLO2	PLO3	PLO4	PLO5	PLO6	PLO7	PLO8	PLO9
CLO1	1	3	3	3	3	3	1	3	3
CLO2	3	3	3	3	3	3	2	3	3
CLO3	3	3	3	3	3	3	2	3	3
CLO4	3	3	3	3	3	3	2	3	3

Course Contents

Topic	Content Summary	Teaching Strategies/Tools	In-Class Assessment	#Class Hours	CLOs
	A. Accounting (Marks – 50)				
1	Introduction: Functions, objectives, importance, scope and limitations of accounting.	Strategies: Verbal exposition Tools: Books; Handouts; Multimedia; Online resources	Q&As Quizzes Homework Assignments Presentations Tutorials	6	1
2	Accounts a. Features: Classification; Personal; Impersonal. b. Meaning of assets, liabilities and owner's equity, explanation and application of accounting equation c. Double Entry System of Accounts: Basic Features; Advantages; Debit and credit under equation method; Accounting cycle, Golden rule of	Strategies: Verbal and numerical			

	<p>accounting principles.</p> <p>d. Journals: Functions; Features and objectives; Practical problems involving journals; Preparation of journals; Simple problems.</p> <p>e. Ledger: Nature & functions; journal vs. ledger; Subdivision of ledger; Specimen of a ledger account; Balancing and account problems.</p> <p>f. Trial Balance: Features; Advantages and limitations; Methods of preparing trial balance; Errors detected and not detected by trial balance; Suspense account and trial balance; Practical examples.</p> <p>g. Correction of Errors: correct errors by means of journal entries, explain the use of a suspense account as a temporary measure to balance the trial balance, correct errors by means of suspense accounts, adjust a profit or loss for an accounting period after the correction of errors, and understand the effect of correction of errors on a statement of financial position.</p> <p>h. Finalization of Accounts: Preparation of final accounts and statements of manufacturing; Merchandising; Service oriented and mixed business organization; Corporate and non-corporate organizations.</p> <p>Accounting for depreciation and disposal of non-current assets: define depreciation, explain the reasons for accounting for depreciation, name and describe the straight-line, reducing balance and revaluation methods of depreciation, prepare ledger accounts and journal entries for the provision of depreciation, prepare ledger accounts and journal entries to record the sale of non-current assets, including the use of disposal accounts.</p>	<p>exposition</p> <p>Tools: Books; Handouts; Multimedia; Online resources</p>	As above	10	2
3	Interpretation of Accounts: Ratio analysis; Value added statement; Cash flow analysis.	As above	As above	6	2
4	Accounting Information System: Principles; Concepts; Conventions; Accounting standards and reporting system.	As above	As above	6	2
	B. Business Organization (Marks – 50)				
5	Business: Nature and scope; Functions; Business conventions; Cash flow analysis.	<p>Strategies: Verbal exposition</p> <p>Tools: Books; Handouts; Multimedia; Online resources</p>	As above	8	1
6	Forms of Business Organizations: Sole proprietorships; Partnerships; Joint stock companies; Cooperative societies; Business				

combinations (Trust – Cartel – Holding company); State enterprises; Joint ventures; A brief discussion of cash type. a. Partnership: Features and types; Advantage and limitations; Methods of registration; Types registration; Classification of partners; Liabilities of partners; Dissolution of partnership business. b. Company Organizations: Classification; Private vs. public limited company; Advantages and disadvantages; Company formation and documents; Memorandum of association; Articles of association; Minimum subscriptions prospectus and its contents; Certificate of incorporation; Certificate of commencement. c. Shares and Debentures of a Company: Features and classifications; Share certificates and Share warrants; Stocks; Distinction between shares and stocks. d. Board of Directors: Power and functions – Duties and liabilities – Managing Director – Functions of MDs. e. Dissolution of a Company: Various methods.	As above	As above	20	2, 3
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Class Schedule:

Lesson Plan

Week(s)	Topic(s)	#Classes	CLO(s)	Remarks
1 – 3	1	1 – 6	1	
4 – 8	2	7 – 16	2	
9 – 11	3	17 – 22	2	<i>Class Test 1: (Topics 1 - 2) 17th Class</i>
12 – 14	4	23 – 28	2	
15 – 18	5	29 – 36	1	<i>Class Test 2: (Topics 3 - 4) 29th Class</i>
19 – 28	6	37 – 56	3	
29 – 30	1 - 6	57 – 60		<i>Class Test 3: (Topics 5 - 6) 57th Class Plus Review</i>

Overall Evaluation Policy:

- Continuous Internal Evaluation (CIE): Marks - 00
- Year-End Examination (YEE): Marks - 100

Bloom's Category	Marks (100)
Remember	10
Understand	20
Apply	40
Analyze	10
Evaluate	10
Create	10

- Grading Scheme: *As in Section 19*

Policy for Make-Up Classes:

- Utilize the open slots in consultation with students
- Swap classes with colleagues

Recommended References

1. Bigg, W. W., Langton, A. E., & Wilson, H. A. R. J. (1959). *Book-keeping and Accounts*. Londra: H.F.L.
2. Khan, M. H. *Advanced Accounting*.
3. Reynolds, I. N., Sanders, A. B., & Slavin, A. (1978). *Elementary Accounting*. Dryden Press.
4. Smith, J. B., & Skousen, K. F. (1992). *Intermediate Accounting*. Cincinnati, Ohio: South-Western.

Other Resources

- Online video lectures
- Course-packs
- Handouts