

# COURSE COMPACT

## Course

Course code: ACC121

Course title: Principles of Accounting II (3 Units)

Course status: compulsory

## Course Duration

Three hours per week for 13 weeks (39 hours)

## Lecturer Data

1. Mr. OTEKUNRIN, A.O (Coordinator)  
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Consultation Hours: Thursday 12 noon -2pm

## Course Content:

Control accounts and control account reconciliations, preparation of accounts from incomplete records, preparation of not for profit accounts, preparation of partnership accounts, preparation of company financial statements, Non-current assets and depreciation, Bad and doubtful debts and preparation and presentation of simple final accounts of Manufacturing company.

## Course Description:

ACC121 focus on foundation topics accounting as well as a comprehensive review of some of the more complex accounting topics studied in earlier courses. In addition, the course will examine unique features of generally accepted accounting practices (GAAP) and International Financial Reporting Standard (IFRS).

## Course Justification:

This Course (ACC421) covers deep components of GAAP and IFRS. It has been taking primarily to suit the students and research workers in the area of Financial Accounting and financial reporting. An understanding of GAAP and IFRS is essential for the students of accounting and finance who are expected to know the techniques of presenting and analyzing financial data and drawing useful conclusions.

## Course objectives

At the end of this course, students should be able to:

- (i) Have deep understanding of financial accounting and financial reporting and ability to apply their understanding to complex situations.
- (ii) Have ability to evaluate the acceptability of alternatives from a compliance perspective and an understanding as to how reporting alternatives affect the results, position and risks disclosed by entities.
- (iii) Have primary skill for compilation of reliable financial accounts for sole traders, partnerships, companies and not for-profit entities. At this level accounting includes knowledge of the essential framework of assumptions that underpin reliable reporting.

## Course Requirement:

To enjoy optimum benefit of this course and to even have fast grasping of the accounting concept, it is important for the entire student to come for the lectures all the time and as early as possible. The course also requires that each student should have their own personal computer and be ready to undertake practical aspect of the course. All students are expected to have their own calculator because accounting involves a lot of calculation.

### Method of Grading- An example below

S/N	Grading	Score (%)
1.	Test	20
2.	Assignment	10
3.	Final Examination	70
	<b>Total</b>	<b>100</b>

### Course Delivery Strategies:

Lectures are delivered in the class room with teaching aids such as:

- PowerPoint for presentation.
- White maker board for posting and calculation.

## LECTURE CONTENT

Teaching Weeks	Course Topic	Descriptions	Objectives
Week 1	Control accounts and control account reconciliations	<ol style="list-style-type: none"><li>1. Receivables control accounts and receivables control account reconciliations</li><li>2. Payables control accounts and payables control account reconciliations</li><li>3. Supplier statements: reconciliation with ledger account</li><li>4. Topic review</li></ol>	<p>By the end of this topic students will be able to:</p> <ul style="list-style-type: none"><li>• Understand the relationship between control accounts and subsidiary ledger for accounts receivable and accounts payable</li><li>• Prepare control accounts and corresponding subsidiary ledger from information provided.</li><li>• Perform control account reconciliation for accounts receivable and accounts payable.</li><li>• Identify errors and correct errors from control account reconciliations</li></ul>
Week 2	Preparation of accounts from incomplete records	<ol style="list-style-type: none"><li>1. The nature of incomplete records</li><li>2. Techniques for incomplete records</li><li>3. Single and double entry book-keeping</li><li>4. Topic review</li></ol>	<p>By the end of this topic students will be able to:</p> <ul style="list-style-type: none"><li>• Understand situations that might necessitate the preparation of accounts from incomplete records (stock or assets)</li></ul>

			<p>misappropriation or lost, accounting record destroyed etc.)</p> <ul style="list-style-type: none"> <li>• Use the accounting equation as an approach to producing accounting information when accounting records are incomplete</li> <li>• Use memorandum control accounts to identify missing information</li> <li>• Use cost structures to identify missing information</li> </ul>
Week 3	Preparation of not for profit accounts	<ol style="list-style-type: none"> <li>1. Not for profit organisations</li> <li>2. Receipt and payment accounts</li> <li>3. Income and expenditure account</li> <li>4. Topic review</li> </ol>	<p>By the end of this topic students will be able to:</p> <ul style="list-style-type: none"> <li>• Explain what a not for profit organisation is</li> <li>• Prepare a receipt and payment account from information provided</li> <li>• Prepare an income and expenditure account from information provided</li> </ul>
Week 4	Preparation of partnership accounts	<ol style="list-style-type: none"> <li>1. Features of Partnership <ul style="list-style-type: none"> <li>▪ Partnerships</li> <li>▪ Partnership accounts</li> <li>▪ Partners' capital</li> </ul> </li> <li>2. Sharing the profits between the partners <ul style="list-style-type: none"> <li>▪ Profit-sharing ratio</li> <li>▪ Notional salaries for partners</li> <li>▪ Notional interest on long-term capital</li> <li>▪ Guaranteed minimum profit share</li> <li>▪ Changes in the partnership agreement on profit-sharing</li> <li>▪ Profits, drawings and the partners' current accounts</li> </ul> </li> <li>3. Topic review</li> </ol>	<p>By the end of this topic students will be able to:</p> <ul style="list-style-type: none"> <li>• Describe the main features of a partnership</li> <li>• Prepare partners' current and capital accounts</li> <li>• Account for partners' shares of profit at the end of a period</li> </ul>

Week 5	Preparation of company financial statements	<ol style="list-style-type: none"> <li>1. The components of financial statements</li> <li>2. Structure and content of the statement of financial position</li> <li>3. Structure and content of the statement of profit or loss</li> <li>4. Accounting for taxation</li> <li>5. Financial statements – specimen formats</li> <li>6. Topic review</li> </ol>	<p>By the end of this topic students will be able to:</p> <ul style="list-style-type: none"> <li>• Prepare a simple statement of financial position in accordance with the guidance in IAS 1 from data and information provided</li> <li>• Prepare a simple statement of profit or loss in accordance with the guidance in IAS 1 from data and information provided</li> <li>• Account for taxation expense</li> </ul>
Week 6	Non-current assets and depreciation	<ol style="list-style-type: none"> <li>1. End of year adjustments</li> <li>2. Non-current assets</li> <li>3. Depreciation and carrying amount</li> <li>4. Methods of charging depreciation</li> <li>5. De recognition of property, plant and equipment,</li> <li>6. Disclosure requirements of IAS 16</li> <li>7. Topic review</li> </ol>	<p>By the end of this topic student will be able to:</p> <ul style="list-style-type: none"> <li>• Identify the cost of an item of property, plant and equipment</li> <li>• Calculate depreciation expense using straight line, diminution balance, sum-of-digits and number of units produced methods</li> <li>• Account for depreciation expense</li> <li>• Post journal entry to record depreciation expense</li> <li>• Calculate profit (loss) on disposal of an item of property, plant and equipment</li> <li>• Account for profit (loss) on disposal of an item of property, plant and equipment</li> <li>• Construct a simple property, plant and equipment note to the financial statements</li> </ul>
Week 7	Bad and doubtful debts	<ol style="list-style-type: none"> <li>1. Bad debts and doubtful debts</li> <li>2. Doubtful debts</li> <li>3. Topic review</li> </ol>	<p>By the end of this topics students will be able to:</p> <ul style="list-style-type: none"> <li>• Account for the write off of bad debts</li> <li>• Account for the recovery of bad debts</li> <li>• Measure the balance on the allowance account for doubtful</li> </ul>

			debts <ul style="list-style-type: none"> <li>• Account for the movement on the allowance account for doubtful debts</li> <li>• Understand the write off and recovery of debts against which an allowance has been made</li> </ul>
Week 8	Bad and doubtful debts continued	Same as above	Same as above
Week 9	MID SEMESTER TEST		
Week 10	Preparation and presentation of simple final accounts of Manufacturing company	1. Introduction 2. Elements of cost of Production Company 3. Stock of goods of a production company 4. Market value of finished goods 5. Manufacturing account formats	By the end of this topic student will be able to: <ul style="list-style-type: none"> <li>• Identify elements of cost of production</li> <li>• Prepare manufacturing account</li> </ul>
Week 11	Preparation and presentation of simple final accounts of Manufacturing company continued	Same as above	Same as above
Week 12	Revision Class <ul style="list-style-type: none"> <li>• Questions And Answers</li> <li>• AOB</li> </ul>	Dr. Dr. Uwuigbe, U Mr. OTEKUNRIN, A.O	Thorough revision will be done by the lecturers in charge of the course.
Week 13			

## Readings List

- Akeju J.B. 2003, *Financial Accounting Volume 1* – JBA Limited Lagos
- Biggs, W.W. & Perrin, *Spicer & Pegler's Book-Keeping & Accounts*, H.F.L
- Garbutt D, 1984, *Carter's Advanced Accounts*, Pitman 7<sup>th</sup> Ed
- ICAN Past Questions
- ICAN Study Pack, *Fundamentals of Financial Accounting*, V/I Publisher, 2009
- Igben R,O, 2009, *Financial Accounting Made Simple Volume1*, ROI Publisher 3<sup>rd</sup> Ed
- Igben R,O, 2009, *Financial Accounting Made Simple Volume2*, ROI Publisher 2<sup>rd</sup> Ed
- Jennings A.R, *Financial Accounting*, ELBS with DP Publication 2<sup>nd</sup> Ed