

MG-108 Fundamentals of Accounting

Course Outlines

BSCS-2018

Ihsan Ullah
Office 9, Admin Building
E-mail: ihsan.Ullah@nu.edu.pk

Course Description and its Learning Objectives

This is an introductory level course, aimed at students with no background knowledge in accounting and finance. The course starts with a general motivation behind studying accounting. It gradually builds on concepts and accounting principles to enable students to record entries and process them through the accounting cycle. The ultimate objective is to produce a set of financial statements and analyze them for decision making. Specifically, upon completion students should be able to:

- Write up the books of accounts
- Prepare the basic financial statements
- Perform the necessary adjustments to financial statements accordingly
- Perform financial analysis of the financial statements for better decision making

Evaluation Criteria

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| • Mid-term examinations (2) | 30% |
| • Final examination | 50% |
| • Quizzes and assignment | 20% |

Required Textbook

Accounting by Meigs, William, Haka, and Betner

Weekly Schedule

S. No	Description	Week
1	<ul style="list-style-type: none"> • Motivation behind studying accounting • An objective of accounting • Stakeholders in decision making 	1
2	<ul style="list-style-type: none"> • An introduction to Balance Sheet (Structure, Assets, Liabilities, and Equity) • An introduction to Income Statement (Structure, Revenues and Expenses) 	2
3	Debit and Credit rules for Assets, Liabilities, Equity, Revenues, Expenses, and Drawings	3
4	<ul style="list-style-type: none"> • The Accounting Cycle • Making entries in General Journal • Posting entries to their respective ledgers • A Walk-through example 	4 and 5
5	<ul style="list-style-type: none"> • Accounting principles: Going-concern, Historical cost, Objectivity, Consistency, Realization, Prudence, and Matching 	6
6	<ul style="list-style-type: none"> • The Trial Balance • Adjusting entries • The Adjusted Trial Balance • Correcting mistakes 	7 and 8

7	<ul style="list-style-type: none"> • Closing entries • After closing Trial Balance 	9
8	<ul style="list-style-type: none"> • Preparation of Balance Sheet • Preparation of Income Statement • Preparation of Statement of Cash Flows • Correcting mistakes 	10 and 11
9	<ul style="list-style-type: none"> • Decision making by external and internal stakeholders • Integrity of accounting information • Articulation among financial statements 	12
10	<ul style="list-style-type: none"> • Financial statements analysis • Tools of analysis • Measures of liquidity, profitability and risk 	14
11	<ul style="list-style-type: none"> • Overview of Financial Management • Capital budgeting decisions and their relationship with financial statements 	15 and 16