

Subject Description Form

Subject Code	AF2116
Subject Title	Accounting Concepts for Decision Making I (Fashion and Textiles)
Credit Value	3
Level	2
Pre-requisite / Co-requisite/ Exclusion	None
Role and Purposes	This subject contributes to enable students to <u>effectively communicate verbally and in writing in English</u> , and <u>identify ethical issues as they arise</u> . It also equips students <u>with sufficient professional skills and knowledge</u> and enabling them to <u>analyze business situations and problems</u> .
Subject Learning Outcomes	Upon completion of the subject, students will be able to: <ul style="list-style-type: none"> a. Interpret financial accounting information b. Design and record accounting information in main manufacturing and trading activities c. Conduct accounting and costing information analyses for different types of operational decisions d. Measure profit performance by comparing accounting budgets with actual accounting records
Subject Synopsis/ Indicative Syllabus	<p>Introduction to Accounting Information Forms of business organizations. Accounting as an information system. Importance of controls. Users of accounting information. The accounting cycle. The accounting equation. Basic accounting rules and concepts. Double-entry systems and book keeping for assets. Liabilities and equity.</p> <p>Understanding Financial Statements Principal financial statements and their information contents. Concepts underlying the preparation of these financial statements. Preparation of basic financial statements e.g. trial balance, income statement, balance sheet and cash flow statement. Understanding the financial statement of merchandising operation.</p> <p>Introduction to Financial Statement Analysis Objectives of financial statement analysis. Horizontal analysis versus longitudinal analysis. Analysis of profitability. Liquidity and capital structure. Key concepts of working capital management. Limitations of financial statement analysis.</p> <p>Introduction to Costing Principles Cost classification and accumulation. Typical costing methods and their applications.</p> <p>Cost-Volume-Profit (CVP) Analysis CVP analysis as a decision making technique. The concepts of contribution. Break-even point and margin of safety. Limitations of CVP analysis.</p>

	<p>Introduction to Budgetary Control Budgetary control and the budgeting process.</p>						
Teaching/Learning Methodology	Lectures aim to introduce the key issues of each topic to students and tutorials provide a forum for discussing assigned exercises and queries arising from lectures and readings.						
Assessment Methods in Alignment with Intended Learning Outcomes	Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)				
			a	b	c	d	
	Continuous Assessment	40%					
	1. Mid-term Test	20%	√	√			
	2. Individual Project Assignment	10%	√				
	3. Tutorial Participation and Discussion	10%	√	√	√	√	
	Final Examination (closed book)	60%	√	√	√	√	
	Total	100 %					
To pass this subject, students are required to obtain Grade D or above in both the Continuous Assessment and Examination components.							
Student Study Effort Required	Class contact:						
	▪ Lectures						28 Hrs.
	▪ Tutorials						14 Hrs.
	Other student study effort:						
	▪ Preparation of lectures and tutorials						28 Hrs.
	▪ Reading textbooks and other materials						28 Hrs.
	Total student study effort						98 Hrs.
Reading List and References	<p>Weygandt, J & et al, 2010, <i>Accounting Principles</i>, 9th Edition, John Wiley & Sons, Inc.</p> <p>Marshall, D. & et al, 2008, <i>Accounting: what the numbers mean?</i> 8th ed., McGraw-Hill Irwin.</p> <p>Horngren, C. and G. Foster, <i>Cost Accounting – A Managerial Emphasis</i>, 12th Edition, Prentice-Hall.</p> <p>Williams, Haka, Bettner and Meigs, <i>Financial and Managerial Accounting: The Basis for Business Decisions</i>, 13th Edition, Mc-Graw Hill.</p>						