



## SAMPLE COURSE OUTLINE

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ACCOUNTING AND FINANCE  
GENERAL YEAR 12

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## Sample course outline

### Accounting and Finance – General Year 12

#### Semester 1 – Unit 3

| Week | Syllabus content  |
|------|---|
| 1–2  | <p>Introduction to the course, distribution of syllabus, course outline and assessment outline</p> <p><b>Financial institutions and systems: Financial systems and fundamental principles</b></p> <ul style="list-style-type: none"> <li>• characteristics of the main types of small business ownership: sole trader, partnership and small proprietary company, including:               <ul style="list-style-type: none"> <li>▪ number of owners</li> <li>▪ liability of owners</li> <li>▪ ability to raise capital or borrow funds</li> <li>▪ distribution of profits</li> <li>▪ transfer of ownership</li> <li>▪ separate accounting or legal entity</li> <li>▪ continuity of existence</li> </ul> </li> <li>• advantages and disadvantages of the main types of small business ownership</li> <li>• different types and characteristics of business undertakings               <ul style="list-style-type: none"> <li>▪ manufacturing</li> <li>▪ trading/retailing</li> <li>▪ service providing</li> </ul> </li> </ul> |
| 3    | <p><b>Financial institutions and systems: Financial institutions</b></p> <ul style="list-style-type: none"> <li>• sources of finance, other than equity, available to small businesses</li> <li>• advantages and disadvantages of these sources of finance</li> <li>• factors considered by financial institutions when approving finance               <ul style="list-style-type: none"> <li>▪ risk (collateral, liquidity, history, guarantors)</li> <li>▪ return (interest rate, future business)</li> </ul> </li> </ul> <p><b>Task 1: Project (Weeks 2–4)</b></p>  |
| 4    | <p><b>Financial institutions and systems: Financial systems and fundamental principles</b></p> <ul style="list-style-type: none"> <li>• fundamental concepts and conventions of financial accounting, including:               <ul style="list-style-type: none"> <li>▪ the accounting equation</li> <li>▪ double entry accounting</li> <li>▪ the accounting cycle: documents, journals, ledger, adjusting entries, closing entries and financial statements</li> </ul> </li> <li>• simple definition of the elements of financial statements               <ul style="list-style-type: none"> <li>▪ assets</li> <li>▪ liabilities</li> <li>▪ equity</li> <li>▪ income</li> <li>▪ expenses</li> </ul> </li> <li>• accepted accounting principles and conventions, including:               <ul style="list-style-type: none"> <li>▪ accounting entity</li> <li>▪ monetary</li> <li>▪ historical cost</li> <li>▪ materiality</li> <li>▪ accounting period</li> <li>▪ going concern</li> </ul> </li> </ul>                      |

| Week  | Syllabus content   |
|-------|--|
| 6–8   | <p><b>Recording, using and evaluating financial information: Recording, processing and communicating financial information</b></p> <ul style="list-style-type: none"> <li>• manual preparation of simple classified financial statements for a sole trader, excluding balance day adjustments <ul style="list-style-type: none"> <li>▪ income statements</li> <li>▪ balance sheet (statement of financial position) for a trading/merchandising/service business</li> </ul> </li> </ul> <p><b>Financial institutions and systems: Financial systems and fundamental principles</b></p> <ul style="list-style-type: none"> <li>• purpose of financial statements, including: <ul style="list-style-type: none"> <li>▪ performance</li> <li>▪ financial position</li> <li>▪ liquidity</li> </ul> </li> </ul> <p><b>Task 2: Test (Week 9)</b></p>   |
| 9     | <p><b>Government and the community: The role and influence of governments and other bodies</b></p> <ul style="list-style-type: none"> <li>• legislation relating to the formation of sole traders and partnership, including: <ul style="list-style-type: none"> <li>▪ <i>GST Act 1999</i> (WA)</li> <li>▪ <i>Business Names Registration Act 2011</i> (Cth)</li> <li>▪ <i>Partnership Act 1895</i> (WA)</li> </ul> </li> <li>• the impact of GST legal requirements on small businesses, including: <ul style="list-style-type: none"> <li>▪ registering for GST</li> <li>▪ Australian Business Number (ABN)</li> </ul> </li> </ul> <p><b>Financial institutions and systems: Financial systems and fundamental principles</b></p> <ul style="list-style-type: none"> <li>• principles and features of the GST, including: <ul style="list-style-type: none"> <li>▪ taxable supplies, GST-free supplies and input taxed supplies</li> <li>▪ accounting and reporting for the GST, including the business activity statement (BAS)</li> </ul> </li> </ul> <p><b>Task 3: Test (Week 10)</b></p>   |
| 10–13 | <p><b>Recording, using and evaluating financial information: Recording, processing and communicating financial information</b></p> <ul style="list-style-type: none"> <li>• calculation of the GST receivable or payable</li> <li>• manual preparation of the general journal and general ledger (including GST) to include: <ul style="list-style-type: none"> <li>▪ entries to commence business</li> <li>▪ cash and credit transactions to include cash receipts, cash payments, sales, purchases, sales returns, purchases returns, discount allowed, discount received</li> <li>▪ perpetual inventory system given the cost of sales</li> <li>▪ purchase of non-current assets</li> <li>▪ write-off bad debts</li> <li>▪ withdrawal of inventory or cash by the proprietor</li> <li>▪ correction of errors</li> <li>▪ closing entries</li> </ul> </li> <li>• manual preparation of trial balance</li> </ul> <p><b>Financial institutions and systems: Financial systems and fundamental principles</b></p> <ul style="list-style-type: none"> <li>• fundamental concepts and conventions of financial accounting, including: <ul style="list-style-type: none"> <li>▪ principles of the perpetual inventory system</li> </ul> </li> <li>• perpetual versus periodic inventory methods</li> <li>• purpose of trial balance <ul style="list-style-type: none"> <li>▪ errors disclosed by the trial balance</li> <li>▪ errors not disclosed by the trial balance</li> </ul> </li> </ul> <p><b>Task 4: Test</b></p> |

| Week | Syllabus content  |
|------|---|
| 14   | <p><b>Recording, using and evaluating financial information: Evaluating financial information for planning, coordinating, controlling and investing</b></p> <ul style="list-style-type: none"> <li>• principles of internal control</li> <li>• application of the principles of internal control over cash, inventory, accounts receivable, accounts payable and non-current assets</li> <li>• limitations of internal control</li> </ul> <p><b>Government and the community: The role and influence of governments and other bodies</b></p> <ul style="list-style-type: none"> <li>• the concept of bankruptcy as defined by the <i>Bankruptcy Act 1966</i> (WA)</li> </ul> <p><b>Task 5: Externally set task</b></p> <p><b>Task 6: Test (Week 15)</b></p> |
| 15   | <p><b>Government and the community: The influence of social, environmental and ethical factors</b></p> <ul style="list-style-type: none"> <li>• costs and benefits for small business of engaging in socially, environmentally and ethically responsible behaviour, including: <ul style="list-style-type: none"> <li>▪ sponsorship</li> <li>▪ resource conservation</li> <li>▪ taxation responsibility</li> </ul> </li> </ul>  |

## Semester 2 – Unit 4

| Week | Syllabus content  |
|------|---|
| 1    | <p>Introduction to the unit</p> <p><b>Government and the community: The role and influence of governments and other bodies</b></p> <ul style="list-style-type: none"> <li>• the role of the professional accounting and financial associations, including: <ul style="list-style-type: none"> <li>▪ CPA Australia</li> <li>▪ Chartered Accountants Australia and New Zealand</li> <li>▪ The Institute of Public Accountants</li> <li>▪ Financial Planning Association of Australia Limited</li> </ul> </li> </ul> <p><b>Government and the community: The influence of social, environmental and ethical factors</b></p> <ul style="list-style-type: none"> <li>• the nature and purpose of the professional codes of conduct for members of professional accounting service providers associations</li> </ul> <p><b>Task 7: Project (Weeks 1–2)</b></p>  |
| 2    | <p><b>Financial institutions and systems: Financial systems and fundamental principles</b></p> <ul style="list-style-type: none"> <li>• accrual basis of accounting as per the <i>Conceptual Framework for Financial Reporting</i> (the <i>Conceptual Framework</i>)</li> <li>• the distinction between cash and accrual methods of accounting</li> <li>• definition, as per the <i>Conceptual Framework</i>, of: <ul style="list-style-type: none"> <li>▪ assets</li> <li>▪ liabilities</li> <li>▪ equity</li> <li>▪ income</li> <li>▪ expenses</li> </ul> </li> <li>• recognition criteria, as per the <i>Conceptual Framework</i>, for: <ul style="list-style-type: none"> <li>▪ assets</li> <li>▪ liabilities</li> </ul> </li> <li>• classification of income, expenses, assets and liabilities by nature and function</li> </ul>   |
| 3–6  | <p><b>Financial institutions and systems: Financial systems and fundamental principles</b></p> <ul style="list-style-type: none"> <li>• purpose and nature of the following balance day adjustments: <ul style="list-style-type: none"> <li>▪ accrued expenses</li> <li>▪ prepaid expenses</li> <li>▪ stock of supplies</li> <li>▪ accrued income</li> <li>▪ income in advance</li> <li>▪ depreciation</li> </ul> </li> </ul> <p><b>Recording, using and evaluating financial information: Recording, processing and communicating financial information</b></p> <ul style="list-style-type: none"> <li>• manual preparation of general journal and ledger entries for balance day adjustments (asset and liability method only) to prepare financial reports (GST not included)</li> <li>• manual preparation of closing general journal entries</li> <li>• manual preparation of trial balance</li> </ul> <p><b>Task 8: Project (Weeks 3–4)</b></p> <p><b>Task 9: Test (Week 7)</b></p> |
| 7–8  | <p><b>Recording, using and evaluating financial information: Recording, processing and communicating financial information</b></p> <ul style="list-style-type: none"> <li>• manual preparation of general journal and general ledger entries for recording of depreciation (straight line method only)</li> </ul> <p><b>Task 10: Test (Week 9)</b></p>  |
| 9–11 | <p><b>Recording, using and evaluating financial information: Recording, processing and communicating financial information</b></p> <ul style="list-style-type: none"> <li>• manual preparation of classified financial statements for a sole trader, including balance day adjustments</li> </ul>   |

| Week  | Syllabus content  |
|-------|---|
|       | <ul style="list-style-type: none"> <li>▪ income statements</li> <li>▪ statement of financial position for a trading/merchandising/service business</li> </ul> <p><b>Task 11: Test (Week 12)</b></p>   |
| 12–13 | <p><b>Recording, using and evaluating financial information: Evaluating financial information for planning, coordinating, controlling and investing</b></p> <ul style="list-style-type: none"> <li>• interpretation of the following ratios to evaluate the profitability and stability of a business: <ul style="list-style-type: none"> <li>▪ profitability ratios <ul style="list-style-type: none"> <li>○ profit formula <math display="block">\frac{\text{profit}}{\text{net sales}}</math> </li> <li>○ gross profit formula <math display="block">\frac{\text{gross profit}}{\text{net sales}}</math> </li> <li>○ expense formula <math display="block">\frac{\text{operating expenses}}{\text{net sales}}</math> </li> <li>○ rate of return on assets formula <math display="block">\frac{\text{profit}}{\text{average total assets}}</math> </li> </ul> </li> <li>▪ liquidity ratios: <ul style="list-style-type: none"> <li>○ working capital formula <math display="block">\frac{\text{current assets}}{\text{current liabilities}}</math> </li> <li>○ quick asset formula <math display="block">\frac{\text{current assets} - \text{inventory and prepayments}}{\text{current liabilities} - \text{bank overdraft}}</math> </li> </ul> </li> <li>▪ leverage ratio: <ul style="list-style-type: none"> <li>○ debt to equity formula <math display="block">\frac{\text{total liabilities}}{\text{total equity}}</math> </li> </ul> </li> </ul> </li> </ul> <p><b>Task 12: Test</b></p> |
| 14–15 | <p><b>Financial institutions and systems: Financial institutions</b></p> <ul style="list-style-type: none"> <li>• nature, benefits and risks to small business of the following types of electronic processing: <ul style="list-style-type: none"> <li>▪ EFTPOS</li> <li>▪ bill payments – electronic payment system</li> <li>▪ credit cards</li> <li>▪ online banking</li> <li>▪ direct debits</li> </ul> </li> </ul> <p><b>Recording, using and evaluating financial information: Recording, processing and communicating financial information</b></p> <ul style="list-style-type: none"> <li>• using an established chart of accounts and the perpetual inventory system, apply double entry principles using Mind Your Own Business (MYOB) or QuickBooks® to electronically record financial data and produce financial reports</li> </ul>   |