



## **SAMPLE COURSE OUTLINE**

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**ACCOUNTING AND FINANCE**

**ATAR YEAR 11**

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### **Acknowledgement of Country**

Kaya. The School Curriculum and Standards Authority (the Authority) acknowledges that our offices are on Whadjuk Noongar boodjar and that we deliver our services on the country of many traditional custodians and language groups throughout Western Australia. The Authority acknowledges the traditional custodians throughout Western Australia and their continuing connection to land, waters and community. We offer our respect to Elders past and present.

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## Sample course outline

### Accounting and Finance – ATAR Year 11

#### Semester 1 – Unit 1

Week	Key teaching points
1	<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, including: <ul style="list-style-type: none"> <li>▪ manufacturing</li> <li>▪ trading/retailing</li> <li>▪ service providing</li> </ul> </li> </ul>
2	<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 <ul style="list-style-type: none"> <li>○ collateral</li> <li>○ liquidity</li> <li>○ history</li> <li>○ guarantors</li> </ul> </li> <li>▪ return <ul style="list-style-type: none"> <li>○ interest rate</li> <li>○ future business</li> </ul> </li> </ul> </li> </ul> <p><b>Task 1: Project (Weeks 2–3)</b></p>
3	<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	Key teaching points
4–6	<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 7)</b></p>
7	<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> (Cth)</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> <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> </ul>
8–11	<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 (Note: no requirement to teach inventory costing systems, such as Last-in First-out, First-in First-out and weighted average)</li> <li>▪ purchase of non-current assets</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>• 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 3: Test (Week 12)</b></p>

Week	Key teaching points
12–13	<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 the general journal and general ledger (including GST) to include: <ul style="list-style-type: none"> <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> </ul> <p><b>Task 4: Test (Week 14)</b></p>
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 (WA)</i></li> </ul>
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>
16	<p><b>Task 5: Semester 1 Examination</b></p>

## Semester 2 – Unit 2

Week	Key teaching points
1	<p>Introduction to the course, distribution of syllabus, course outline and assessment outline</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 6: Project (Weeks 2–3)</b></p>
2–6	<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> <li>▪ income</li> <li>▪ expenses</li> </ul> </li> <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>▪ doubtful debts</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 7: Test (Week 7)</b></p>

Week	Key teaching points
7–9	<p><b>Financial institutions and systems: Financial systems and fundamental principles</b></p> <ul style="list-style-type: none"> <li>• purpose and nature of balance day adjustments <ul style="list-style-type: none"> <li>▪ depreciation</li> </ul> </li> <li>• nature of depreciable non-current assets</li> <li>• nature of depreciation expense</li> <li>• determining the cost of a depreciable non-current asset</li> <li>• identification of the more appropriate method of depreciation to apply <ul style="list-style-type: none"> <li>▪ straight line</li> <li>▪ reducing/diminishing balance</li> </ul> </li> <li>• identification of over or under depreciation on sale of non-current asset</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 general ledger entries for recording of depreciation and disposal of a single depreciable asset, including cost of a depreciable non-current asset, depreciation expense, disposal of depreciable asset using the sale of asset method</li> </ul> <p><b>Task 8: Test (Week 10)</b></p>
10–11	<p><b>Financial institutions and systems: Financial systems and fundamental principles</b></p> <ul style="list-style-type: none"> <li>• classification of income, expenses, assets and liabilities by nature and function</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 classified financial statements for a sole trader, including balance day adjustments <ul style="list-style-type: none"> <li>▪ income statements</li> <li>▪ statement of financial position for a trading/merchandising/service business</li> </ul> </li> </ul> <p><b>Task 9: Test (Week 12)</b></p>
12–13	<p><b>Recording, using and evaluating financial information: Recording, processing and communicating financial information</b></p> <ul style="list-style-type: none"> <li>• preparation of the following ratios: <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> </ul> </li> </ul>

Week	Key teaching points
	<ul style="list-style-type: none"> <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> <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</li> <li>○ gross profit</li> <li>○ expense</li> <li>○ rate of return on assets</li> </ul> </li> <li>▪ liquidity ratios: <ul style="list-style-type: none"> <li>○ working capital</li> <li>○ quick asset</li> </ul> </li> <li>▪ leverage ratio: <ul style="list-style-type: none"> <li>○ debt to equity</li> </ul> </li> </ul> </li> </ul>
14–15	<p><b>Financial institutions and systems: Financial systems and fundamental principles</b></p> <ul style="list-style-type: none"> <li>• concept of inventory costing methods <ul style="list-style-type: none"> <li>▪ weighted average</li> <li>▪ First-in First-out</li> </ul> </li> </ul> <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 accounting software such as Mind Your Own Business (MYOB) or QuickBooks® to electronically record financial data and produce financial reports</li> </ul> <p><b>Task 10: Test</b></p>
16	<b>Task 11: Semester 2 Examination</b>