

Certificate in Computerised Accounting

Subject	UBS Computerised Accounting
Code	CCA1101
Subject Status	Core
Level	Foundation
Pre-requisite	None
Objectives	<p>On completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> • understanding the basic concept of Computerised Accounting • track department and job profitability • enter transaction data • managing debtors and creditors • month end processing • year end processing • generate a variety of reports
Course Framework	<p>1) Introduction of Computerised Accounting</p> <ul style="list-style-type: none"> - Basic Concept of Computerised Accounting - Comparison between Manual and Computerised Accounting - Chart of Accounts Grouping - Procedures in Computerised Accounting
	<p>2) General Setup</p> <ul style="list-style-type: none"> - System Setup - Multi-Company Setting - Users Control Setup - Company Profile Setting - Change Password - General Ledger Account Maintainance - Backup and Restore
	<p>3) Preliminary Transactions</p> <ul style="list-style-type: none"> - Debtors File Maintainance - Creditors File Maintainance - Opening Balance - Distribute Debtors Aging Analysis - Distribute Creditors Aging Analysis - Maintain Stocks Values
	<p>4) Transactions Processing</p> <ul style="list-style-type: none"> - Organise Batches - Modify Batches - Delete Batches - Enter Transactions - Modify Transactions - Delete Transactions
	<p>5) Modify Setting and Period End Adjustment</p> <ul style="list-style-type: none"> - Change Account Type Descriptions - Lock Batches - Unlock Batches - Depreciations - Provision for Doubtful Debts - Month End Processing - Year End Processing
	<p>6) Departmental Account</p> <ul style="list-style-type: none"> - Departmental Account Setting - Maintain Project Titles - Transation Processing Consolidated Departmental Statement

Certificate in Computerised Accounting

Subject	Accounting Foundation
Code	CCA1102
Subject Status	Core
Level	Foundation
Pre-requisite	None
Objective	<p>a) to prepare and record business transactions</p> <p>b) to complete a variety of pro-forma business documents</p> <p>c) understanding of the basic principles underlying the recording of business transactions</p> <p>d) ability to maintain the books of, and prepare final accounts for sole traders and non-trading organizations.</p>
Course Framework	<p>Topics</p> <p><u>1. Introduction of Book-Keeping</u></p> <ul style="list-style-type: none"> - explanation and use of terms debtor, creditor, asset, liability and capital; the Accounting equation and effect upon basic business and dual type transactions - purpose and use of debit and credit; T-type accounts; double entry transactions; debit and credit entries - account balance: T-type ledger accounts; particular account balances; running balance account; transfer a balance to Trading Account or P and L Account; other end-of-period balancing and ruling off - purchases; show effects on accounts; return of goods or allowance; inward and outward returns and effects on accounts; invoice and credit note; trade discount and calculations of - functions of reasons for sub-dividing; Debtors, Creditors, Nominal and Private Ledgers; different types of ledger accounts; personal, real and nominal accounts; Sales Ledger and its sub-division and recording of transactions <p><u>2. The Journal</u></p> <ul style="list-style-type: none"> - main uses and advantages of; prepare entries in standard format; understanding and function of Books of Original Entry - functions of Purchases, Sales, Returns Outwards/Inwards Day Books ; recording transactions; individual postings to Purchases, Sales and Return Accounts in General Ledger; maintenance of separate Returns Accounts - Dual role of Cash Book; 3 column Cash Book and individual transactions to the Ledger; transfer between Cash and Bank Accounts; withdrawal of funds for business and private use; immediate and delayed banking of cash; show entries on transfer of funds between bank accounts; cash discount allowed/received and calculations of; trade/cash discount; dishonored cheques; column analysis of expenditure and periodic balancing and posting <p><u>3. Bank Account</u></p> <ul style="list-style-type: none"> - types and key features of bank accounts; methods of payment and receipts of money and differences between; bank overdraft and how might arise; interest receivable/payable; bank charges; naming and use of following abbreviations: DD or D/D, CT or C/T, ST or S/O and DIV , bank paying-in book; bankers orders; cheque book counterfoils/stubs ; counter credits; drawer/drawee and remittance - need for; unrepresented/cheques paid in; reconciling Cash Book and draft in Bank Statement <p><u>4. Petty Cash</u></p> <ul style="list-style-type: none"> - need for and use of; sequentially numbered vouchers and authorization for payment; limits allowed in reimbursement; float; petty cash outlay and totaling of analysis columns; totals to Ledger accounts; dual role of Petty Cash Book

5. Year End Adjustment

5.1 Adjusting for accruals and prepayments

- nature and adjustments of accruals; expenses prepayment and adjustments; income account accruals/prepayment and adjustments; Rent and Rates Account

5.2 Depreciation of fixed assets

- straight-line method and calculation of annual depreciation; accounting entries; reducing balance method and calculation of annual depreciation; accounting entries; Provision for Depreciation and Asset Disposal Accounts; entries in Profit and Loss Account and Balance Sheet; aggregate depreciation and net book value
- meaning and purpose of; methods and effect on profit and loss account and balance sheet; relationship between asset chosen and method chosen; depreciation expenses account and account for the accumulated provision; entries in and transfer to profit and loss account at financial year end; asset disposal account; entries for assets sold for cash/traded in/exchanged for a replacement asset; profit/loss on the disposal of an asset; entries for a change in method of depreciation; control accounts

5.3 Bad debts and provision for doubtful debts

- irrecoverable and written off; accounting entries in Bad Debts Account; creation/adjusting/provision for doubtful debts; account entries in P and L Account and Balance Sheet; provision for specific/doubtful debts; accounting entries relating to recovery of debts previously written off
- meaning of bad debt and loss to business; bad debts account and transfer to profit and loss at financial year end; entries relating to; specific provision/debt and general provision; Provision for Doubtful Debts; Account and affect on debtors

6. Manufacturing Account

- prepare in vertical and T-account format
- cost accounting terms
- work-in-progress
- completed production at cost
- cost plus a margin of profit
- appropriate entries
- provision for unrealized manufacturing profit

7. Non-trading organizations

- Need for accounts
- Receipts and payments account
- cash and bank transactions; capital and revenue items; cash paid to and withdrawals of from bank; reconciliation of receipts and payments account with balance at bank and cash in hand
- The accumulated fund
- meaning of and causes for an increase/decrease; entries for donations
- Trading activities within a non-trading organization, eg a restaurant trading account
- adjustments to cash paid/received to obtain purchases/sales; properly chargeable expenses; calculation and treatment of trading profit
- Income and expenditure account
- nature and purpose; subscriptions; donations; appropriate expenses to and calculation of income and expenditure account; balance as surplus/deficit
- Preparation of a balance sheet for a non-trading organization
- assets/liabilities; lifetime and present subscriptions in arrears and advance on balance sheet

8. Stock Valuation

- Importance of; current asset on the balance sheet
- Stock valued at cost on net realizable value
- meaning of cost, realizable and net realizable value
- Physical stocktaking as a basis for stock valuation
- adjustment for physical and year end; effect on stock valuation
- Stock losses
- cost of good stolen from stock; loss arising from fire; flood etc and recording entries as for an insurance claim

9. Branch Accounts

- meaning of branch
- control of cash, stock and selling price of goods at the branch;
- record branch/transactions in Head Office ledger
- record Head Office transactions and prepare Head Office Trading Account
- charging goods from Head Office to branch at cost
- branch stock account in columnar form; relationship between gross profit mark-up and margin use of goods to branch account; branch debtors control/branch cash control and profit and loss accounts
- charging goods from Head Office to branch at selling price, where selling prices are set to give a consistent margin of gross profit
- two-column branch account; authorized reductions of normal selling prices; identify and record stock losses; branch stock adjustment account

10. Sole-Proprietorship

10.1 Trial Balance

- purpose and preparation of; recognize errors and show effect; revised and final Trial Balance; limitations as a means of check

10.2 Trading and Profit and Loss Accounts

- understanding as part of double-entry system; income, costs and profit in a business; returns inwards/outwards; valuation concept of stock; calculation and make-up of cost of goods sold; trading income and other income; Gross/Net Profit; function of Stock Account and relationship with Trading Account carriage inwards/outwards and entries in Trading and Profit and Loss Accounts; expenses accounts between P and L Account and individual expenses accounts; Trading and/or Profit and Loss Account in vertical format

10.3 The Balance Sheet

- function outside the double-entry system; fixed and current assets; longer-term liabilities and amounts payable within 12 months; prepare showing appropriate grouping of items within; cost, aggregate depreciation and net book value; prepayments and accruals

11. Incomplete Records

- why incomplete?
- calculation of net profit in the absence of proper records statement of affairs; capital as net tangible assets plus goodwill; apparent profit; adjustments for drawings and new capital introduced
- factors in the production of detailed final accounts from incomplete records
- opening and closing debtors/creditors; cash received from customers; bad debts written off; discounts allowed; opening and closing creditors; cash paid to suppliers; discount received; expense accounts; trading and profit and loss account and balance sheets for sole trader and partnership

12. Control Account

- terms used, purpose and importance of; items under sales/purchases ledger control accounts and transfer between; credit/debit balances on respective ledgers; relationship between fixed control account and plant register and accumulated provision for depreciation on the plant register

13. Partnerships

- nature, meaning and significance
- the partnership agreement
- why needed and what included; where none exists
- formation of a partnership
- journal and ledger entries upon formation; sole trader assets and liabilities; capital introduced; meaning and effect of goodwill; capital and current accounts and preparation of
- preparation of partnership final accounts
- distinction between profit and loss and appropriation accounts; interest on a loan made by partner; allowing interest on capital and current account balances; charging interest on drawings; entries in current and appropriation accounts
- retirement of a partner at the end of a financial year
- revaluation Account; adjustments for goodwill; amounts due
- admission of a new partner at the beginning of a financial year
- revaluation Account; adjustments for goodwill; record cash and other assets/liabilities
- change in the ratio in which profits and losses are shared adjustments and write-off of goodwill
- dissolution of Partnership
- distinction between ceasing to exist and sold as going concern; dissolution or realization account; entries in ledgers; treatment of goodwill; concept of sale to going concern; rule in Garner v Murray; purchase consideration; transfer of securities

14. Limited liability companies

- formation of a company - meaning, purpose and effect
- distinction between private/public company; preference/ordinary share capital; authorized and called up share capital; share/loan capital; types of loan capital; loan interest and change to profit and loss account; directors fees/salaries and charge to profit and loss account
- preparation of final accounts for a limited company
- purpose of appropriation section; dividends and calculations of; interim and recommended final dividend; retained profit; creditors amounts; provisions and reserves; Capital and reserve fixed and current assets working capital or net current assets

15. Correction of Errors

- types of error; effect of errors; correction of errors through the journal and suspense accounts

16. Accounting Ratios Analysis

- use of ratios in financial statements
- ROCE (return on capital employed)
- profit as percentage of capital employed; ways of calculating and what figure is compared
- ROCE for the sole trader or partnership
- calculation where funds are borrowed/not borrowed
- ROCE for a limited company
- return on ordinary and shareholders' funds; total capital employed
- profit to sales
- gross/net profit as a percentage of sales and cost and before interest charges
- sales to capital employed
- measuring sales against each \$ of capital employed; turnover of capital employed; relationship between ROCE, profit to sales and sales to capital employed
- current ratio
- understand and calculate current ratio; effect of certain transactions upon ratio
- liquidity ratio
- importance and calculation of; effect of certain transaction upon ratio
- rate of stock turnover
- importance; calculation of average stocks, annual rate of stocks, annual stock turnover and average time that goods are carried in stock against annual rate

Certificate in Computerised Accounting

Subject Status	Costing Foundation
Code	CCA1103
Subject Status	Core
Level	Foundation
Pre-requisite	None
Objectives	<p>a) A detailed understanding of how financial transaction data may be processed to provide Cost Accounting Data</p> <p>b) A basic understanding of how cost accounting information can be used for planning and Control within business organisations</p> <p>c) The ability to apply this understanding of planning and control in a variety of business setting</p>
Course Framework	<p>Topics</p> <p><u>1. Cost Accounting Introduction</u> - Cost units. Cost centres. Cost classification into direct or indirect by function, or into cost behaviour categories. Elements of cost. Coding. Graphical representation of cost/volume relationships.</p> <p><u>2. Materials Costing</u> - Ordering, receiving, inspection, storage and issues procedures. Documents involved in stores routine. Perpetual inventory records. Continuous stock taking and treatment of discrepancies. Methods of pricing stores issues and effect on reported profits. Maximum stock, minimum stock and re-order levels.</p> <p><u>3. Labour Costing</u> - Time and output records. Methods of remuneration and effect on unit cost. Payroll preparation and wages analysis. Treatment of overtime premium, shift premium and idle time.</p> <p><u>4. Overheads Costing</u> - aim sources of total overhead, including depreciation, using a fixed assets register. The calculation of the depreciation charge. Use of production and service cost centres. Allocation. Apportionment. Re-apportionment of service cost centres. Basis for and calculation of absorption rates. Use of absorption rates. Under or over absorption.</p> <p><u>5. Costing methods</u> Specific orders - Job, batch and contract. Continuous processes</p> <p><u>6. Performance Evaluation</u> - introduction of Centralised and Decentralised Organisations - the Method of Performance Evaluation - the Reason for Performance Evaluation</p> <p><u>7. Breakeven Analysis</u> - introduction the concept of Breakeven Point - variable costs , fixed costs and contribution - calculation method to obtain breakeven point - graphical method to obtain breakeven point - understand and explain the limitations of such graphs and charts - variation of breakeven analysis</p>