



UK

SYLLABUS 2025-2026

Financial Statements

MODULE SPECIFICATION

Module Code	2526_DFC_1_EN_003
Campus	Oxford
Department(s)	Law, Finance and Control
Level / Semester	Undergraduate Year 1 (U1); Equivalent to FHEQ level 4 Semester 01
Language of Instruction	English
Teaching Method	<input checked="" type="checkbox"/> In-person (face-to-face) <input type="checkbox"/> Distance learning (live online) <input type="checkbox"/> e-Learning (asynchronous) <input type="checkbox"/> Hybrid: _____
Pre-requisite(s)?	None
ECTS <i>Reminder: 1 ECTS = between 20 and 30hr- student workload</i>	4
Equivalent FHEQ credits	8
Study Hours	80 hours which comprise of 28 directed learning and 52 independent learning/assessment hours

MODULE DESCRIPTION

Module Aims	This module provides an introduction to the accounting process for preparing financial statements. It is designed to give students a clear understanding of how and why financial statements are created, focusing on meeting both internal business needs and external obligations. The module is essential for all individuals who will be exposed to financial information in an organisation, including future managers, analysts, and auditors. It will provide the foundational
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	knowledge required to prepare and effectively use a company's financial statements.
Teaching Arrangement	<p>Lectures will be the primary learning activity for understanding the content of each topic. Copies of the lecture notes will be available before the lectures to download and preview.</p> <p>Class sessions will involve discussions, debates, and presentations of related topics and current issues related to module content. Students will be notified before attending the lecture which issues will form the basis for discussion.</p> <p>Study materials will occasionally be posted on Upward. Students are expected to read the relevant study materials thoroughly before attending lectures to maximise the benefits.</p>
Learning Outcomes	<p>By the end of this module, students should be able to:</p> <ol style="list-style-type: none"> 1. Understand and articulate the fundamental accounting concepts that underpin financial reporting. 2. Analyse and interpret business transactions involving assets, liabilities, revenues, expenses, and owner's equity. 3. Apply the correct procedures for preparing core accounting records, including the journal, ledger, and trial balance. 4. Understand the process for the preparation of financial statements, including the Balance Sheet, Income Statement, and Cash Flow Statement.
Competency Goals* <i>(Knowledge, expertise and interpersonal skills)</i>	PGE_U_CG02 - Steer economic performance
Alignment with Programme Learning Goals*	PGE_U_CG02_LO01 - Monitor the company's financial performance and anticipate financial risks

SESSION TOPICS / MODULE SCHEDULE

(Please note, a session/sequence may be more than one scheduled class)

<p><u>Session 1: Basic Accounting Concepts</u></p> <p><i>Content:</i></p> <ul style="list-style-type: none"> • The entity concept • The reliability (or objectivity) principle • The cost principle • Going-Concern assumptions • Stable currency assumptions • Ethics: the most fundamental principle of accounting • Forms of business organisations • Users of financial information

Last reviewed: 11/09/2025

References:

- Williams, J., Bettner, M. and Smith, K. (2024) *Financial and managerial accounting: The basis for business decisions*. 20th edn. McGraw Hill. (Chapters 1 and 2)

Assignments:

- Exercises and case study related to Session 1

Session 2: The Accounting Equation

Content:

- Assets
- Liabilities
- Owner's equity
- The accounting equation
- Effects of business transactions on the accounting equation
- Preparing basic financial statements from the accounting equation

References:

- Williams, J., Bettner, M. and Smith, K. (2024) *Financial and managerial accounting: The basis for business decisions*. 20th edn. McGraw Hill. (Chapter 2)

Assignments:

- Exercises and case study related to Session 2

Session 3: The Accounting Cycle (Pt. 1)

Content:

- Analysis of transaction
- Role of accounting records
- Debit and credit entries
- The journal
- Double entry accounting
- The ledger
- Balancing accounts
- Trial balance

References:

- Williams, J., Bettner, M. and Smith, K. (2024) *Financial and managerial accounting: The basis for business decisions*. 20th edn. McGraw Hill. (Chapter 3)

Assignments:

- Exercises and case study related to Session 3

Session 4: The Accounting Cycle (Pt. 2)

Content:

- Analysis of transaction
- Role of accounting records
- Debit and credit entries
- The journal
- Double entry accounting
- The ledger
- Balancing accounts
- Trial balance

References:

- Williams, J., Bettner, M. and Smith, K. (2024) *Financial and managerial accounting: The basis for business decisions*. 20th edn. McGraw Hill. (Chapter 3)

Assignments:

- Exercises and case study related to Session 4

Session 5: The Accounting Cycle (Pt. 3)

Content:

- Need for adjusting entries
 - Adjusting entries and time period
- Converting assets to expenses
- Concept of depreciation
- Converting liabilities to revenues
- Accruing unpaid expenses
- Accruing uncollected revenues
- Adjusted trial balance

References:

- Williams, J., Bettner, M. and Smith, K. (2024) *Financial and managerial accounting: The basis for business decisions*. 20th edn. McGraw Hill. (Chapter 4)

Assignments:

- Exercises and case study related to Session 5

Session 6: The Accounting Cycle (Pt. 4)

Content:

- Income statement
- Statement of retained earnings
- The balance sheet
- Relationship among financial statements
- Closing entries for:
 - Revenue accounts
 - Expense accounts
- Closing income summary
- Closing dividends
- After closing trial balance

References:

- Williams, J., Bettner, M. and Smith, K. (2024) *Financial and managerial accounting: The basis for business decisions*. 20th edn. McGraw Hill. (Chapter 5)

Assignments:

- Exercises and case study related to Session 6
- Quiz #1

Session 7: Accounting for Merchandising Organisation

Content:

- The purchase function
- Accounting for:
 - Purchase
 - Stock and cost of goods sold
- Periodic system

- Closing entries
- Perpetual system
- Accounting for sales
- Preparation of financial statements

References:

- Williams, J., Bettner, M. and Smith, K. (2024) *Financial and managerial accounting: The basis for business decisions*. 20th edn. McGraw Hill. (Chapter 6)

Assignments:

- Exercises and case study related to Session 7

Session 8: Accounting for Inventories

Content:

- Inventory defined
- First in, first out
- Last in, first out
- Average-cost method
 - Evaluation of other methods
- Just-in-time inventory
- Taking physical inventory
- Write-downs of inventory

References:

- Williams, J., Bettner, M. and Smith, K. (2024) *Financial and managerial accounting: The basis for business decisions*. 20th edn. McGraw Hill. (Chapter 8)

Assignments:

- Exercises and case study related to Session 8

Session 9: Cash Flow Statement

Content:

- The concept and advantages
- Accounting profit and cash flows
- Preparation of statement of cash flows
- Operating activities
- Investing activities
- Financing activities

References:

- Williams, J., Bettner, M. and Smith, K. (2024) *Financial and managerial accounting: The basis for business decisions*. 20th edn. McGraw Hill. (Chapter 13)

Assignments:

- Exercises and case study related to Session 9
- Quiz #2

KEY TEXTS

1. Williams, J., Bettner, M. and Smith, K. (2024) *Financial and managerial accounting: The basis for business decisions*. 20th edn. McGraw Hill.

SUPPLEMENTARY TEXTS

1. Sangster, A. and Gordon, L. (2025) *Frank Wood's business accounting: An introduction to financial accounting*. 16th edn. Pearson
2. Thomas, C.W., Tietz, W.M., Suwardy, T., Koh, W.C., Harrison, W.T. and Horngren, C.T. (2023) *Financial accounting: International financial reporting standards*. 12th edn. Harlow, United Kingdom: Pearson.

MODES OF ASSESSMENT

Continuous Assessment (40%)	Written exam	20%
	Case study/accounting exercises	20%
Final Exam (60%)	Closed book written exam	

MODULE DESIGN TEAM

- Author: *Zubair Tauni*
- Reviewer: *Epameinondas Katsikas*
- External Reviewer: *Qurat-ul-ain Chohan*