**ACCOUNTING**

**Units 1 & 2:** This study aims to enable students to acquire knowledge and skills to record and report financial data and information in a manner that is appropriate for the needs of the user. Students develop an understanding of the role of accounting in the management and operation of a small business. They also develop skills in the use of information and communication technology in an accounting system and the capacity to identify, analyse and interpret financial data and information.

**Unit 1 - Establishing and operating a service business:** The focus of this unit is on the establishment of a small business and the accounting and financial management of the business. Students are introduced to the process of gathering, recording, reporting and analysing financial data and information used by internal and external users. The role of accounting in decision-making process using single entry recording of financial data and information for the owner of a service business.

**Unit 2 - Accounting for a trading business:** The focus of this unit is on accounting for a single activity sole trader. Using the accrual approach, students use a single entry recording system for the recording and reporting of cash and credit transactions. Students evaluate the performance of a business using financial and nonfinancial information and make recommendations to the owner on how to improve the performance of the business. Students develop their understanding of the importance of ICT in the accounting process by using a commercial accounting software package.

**Units 3 & 4:** This study aims to enable students to acquire knowledge and skills to record and report financial data and information in a manner that is appropriate for the needs of the user. Students develop an understanding of the role of accounting in the management and operation of a small business. They also develop skills in the use of information and communication technology in an accounting system and the capacity to identify, analyse and interpret financial data and information.

**Unit 3 - Recording and reporting for a trading business:** The focus of this unit is on financial accounting for a single activity trading business as operated by a sole trader and emphasis the role of accounting as an information system. Students are introduced to the double entry system of recording using the accrual basis of accounting. The perpetual method of stock recording with the First in First out (FIFO) method is used.

**Unit 4 - Control and analysis of business performance:** The focus of this unit is an extension of the recording and reporting processes from Unit 3 and the use of financial and non-financial information in assisting management in the decision-making process. Students learn about the role and importance of budgeting for the business and undertake the practical completion of budgets for cash, financial performance and financial position. Students evaluate prepared information and analyse the results in order to suggest strategies to the owner.