

# Unit 5: Accounting Principles

<b>Unit code</b>	<b>Y/618/5038</b>
<b>Unit type</b>	<b>Core</b>
<b>Unit level</b>	<b>4</b>
<b>Credit value</b>	<b>15</b>

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## Introduction

Management accounting is a profession that supports management decision making, planning and performance management systems. Management accountants provide expertise in financial reporting and control to assist management in the formulation and implementation of an organisation's strategy by providing appropriate financial information and undertaking related accounts administration.

The overall aim of this unit is to introduce fundamental accounting principles that underpin financial operations and support good and sustainable decision making in any organisation. Students will develop a theoretical and practical understanding of a range of financial and management accounting techniques.

On successful completion of this unit, students will be able to assist senior colleagues in producing and analysing budgets, drawing up simple financial statements and using financial ratios to interpret performance. Students will also explore wider aspects of accountancy, especially ethics, transparency and sustainability, and gain fundamental knowledge and skills that will enable them to progress to a higher level of study.

## **Learning Outcomes**

By the end of this unit a student will be able to:

- LO1 Examine the context and purpose of accounting
- LO2 Prepare basic financial statements for unincorporated and small business organisations in accordance with accounting principles, conventions and standards
- LO3 Interpret financial statements
- LO4 Prepare budgets for planning, control and decision making using spreadsheets.