

IGCSE Accounting 0452

Unit no1: The purpose of accounting

Recommended prior knowledge

A general business awareness of how businesses operate.

Context

Students should be able to describe a business, how it operates and how it makes a profit.

Outline

Students will be introduced to the role of the book keeper and the role of the accountant. They will look at how these two roles differ, the functions they perform and how the information they produce is used.

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Learning outcomes

To understand and explain the difference between book-keeping and accounting

Suggested teaching activities

As an introduction students may be asked what they think is the difference between bookkeeping and accounting. Then develop their thoughts.

Students should be asked to list all the businesses in their local high street, retail park, shopping centre or manufacturing businesses in order to illustrate the need for all businesses to maintain books and records in order to calculate the business profit /loss.

Learning resources

Textbooks

IGCSE & O Level Accounting – Catherine Coucom Chapter 1
IGCSE & O Level Accounting Workbook Catherine Coucom – Question 1
Frank Wood's Book-keeping and Accounts – Sheila Robinson & Frank Wood Chapter 1
Frank Wood's Business Accounting 1
Frank Wood and Alan Sangster Chapter 1

Past examination question:

http://teachers.cie.org.uk/login/login_for_m?came_from=http%3A//teachers.cie.org.uk/index.html

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- To be able to explain the role of accounting in providing information for monitoring progress and decision-making

A question and answer on why records are maintained, why accounts are prepared and who is interested in the accounts that are prepared.

Online

<http://www.bbc.co.uk/dragonsden/business/glossaryb#bookkeepinga#accounts>