

Unit 5: Accounting Principles

Authorised Assignment Brief 1

Student Name/ ID Number	
Unit Number and Title	Unit 5: Accounting Principles
Academic Year	2023 - 2024
Unit Tutor	Melanie Miller
Assignment Title	Accounting in Context and Budgetary Control
Issue Date	30/01/2024
Submission Date	12/03/2024
Submission Format	
<p>The submission is in the form of a portfolio of evidence compiled from the evidence produced for two assignments that include the following.</p> <p>A blog that should make use of headings, sub-sections, columns and appropriate business-related images and illustrations. This format offers the opportunity to present academic and theoretical information in a practical, contextualised and creatively written way. The recommended word limit for the case study is 1,500–2,000 words, although you will not be penalised for going under or exceeding the total word limit. All work must be supported with research and referenced correctly using the Harvard referencing system (or alternative referencing system). You will need to provide a bibliography using the Harvard referencing system (or an alternative referencing system). Inaccurate use of referencing may lead to issues of plagiarism if not applied correctly.</p> <p>You will also submit a memorandum with an accompanying Excel spreadsheet (raw data will be supplied by your tutor). You will insert sections of your spreadsheet into the memorandum. The recommended word limit for the memorandum is 1,000–1,500 words, although you will not be penalised for going under or exceeding the total word limit. Referencing for both submissions should use the Harvard system (or an alternative system).</p>	

Unit Learning Outcomes

LO1 Examine the context and purpose of accounting.

LO4 Prepare budgets for planning, control and decision making using spreadsheets.

Transferable skills and competencies developed

- Reasoning and analytical skills
- Written communication using a range of media
- Manipulation and interpretation of data using spreadsheets
- Effective communication of relevant information across the organisation and to appropriate stakeholders
- Creation and interpretation of information, showing how that information can be used most effectively to add value to an organisation.

Vocational scenario

Organisation:

A large accountancy firm that undertakes extensive business consultancy work for their client base. They have a central London head office and regional offices in the UK in Birmingham and Southampton. Last year, the group turnover was £200 m with 25 per cent deriving from non-UK markets, principally in Southeast Asia. They have a small regional office in Singapore. The firm also has a policy of taking on smaller niche clients, where they feel there is potential for fast growth.

Role

You have recently joined the firm as a Graduate Trainee attached to their UK SME (Small and Medium Enterprises) Unit, offering accountancy and financial services to businesses that typically have a turnover ranging from £0.5 m to £15 m. As part of your ongoing training, you have been asked to undertake some activities.

Assignment activity and guidance

Your supervisor, one of the firm's Key Account Managers, has asked you to prepare a blog that will be used to market and promote its accounting services to new and existing clients. The working title you have been given for the blog is 'The role of accounting in an organisation'. The blog must be presented as an online blog in an engaging and practical way, covering relevant academic theory, making use of, for example, headings, images and illustrations. Your blog should include the following, but is not limited to:

- the purpose and scope of accounting in complex operating environments
- a critical evaluation of the accounting function in informing decision making and meeting stakeholder and societal needs and expectations
- the main branches of accounting and job skillsets and competencies
- accounting systems and the role of technology in modern-day accounting
- issues of ethics, regulation and compliance and the extent to which they are constraints or threats to the organisation.

Having completed the first activity, you have now been asked to work with a hospitality and catering start-up business that your firm has just taken on as a client. The business is particularly in need of support and guidance with budgeting and how it can be used to inform efficient resource allocation and support effective control and decision making. The founder of the business is investing £100,000 of their own capital and has also secured a business loan of £50,000.

(Note: students are to be provided with raw budget data in spreadsheet format, which they will then manipulate and model.)

You have been asked to prepare a memorandum that includes the following.

- Production of a 12-month cash budget that makes use of variance analysis to show the impact of the different individual scenarios below:
 1. discounting prices by 20 per cent, which in turn increases sales volume per month by 10 per cent
 2. increasing the marketing budget by 10 per cent per month, which in turn generates an additional 20 per cent in sales revenue
 3. offering suppliers one-month's trade credit
 4. reducing rental/property related costs by 15 per cent per month.
- An evaluation of the role that budgets play in the effective planning and control of resources in an organisation such as your client's. This will include both benefits and any limitations of using budgets and the extent to which they can help identify problems and corrective actions.
- An outline of a range of budgetary control solutions, with justification, to support organisation decision making and ensure efficient and effective deployment of resources.

Recommended resources

Please note this is not a definitive list of resources but it will help you to start your research by acting as a starting point of reference.

Weblinks:

Accounting Coach courses. Available at: <https://www.accountingcoach.com/accounting-basics/explanation>

The Association of Chartered Certified Accountants ACCA). Available at: <https://www.accaglobal.com/gb/en.html>

Chartered Institute of Management Accountants. Available at: <https://www.cimaglobal.com/>

Indeed Career Guide to Memo Writing. Available at: <https://www.indeed.com/career-advice/career-development/memo-writing-guide>

HubSpot. How to write a memo: Templates & examples. Available at: <https://blog.hubspot.com/marketing/how-write-memo>

HN Global

HN Global (2021) *Reading Lists*. Available at: <https://hnglobal.highernationals.com/learning-zone/reading-lists>

HN Global (2021) *Student Resource Library*. Available at: <https://hnglobal.highernationals.com/subjects/resource-libraries>

HN Global (2021) *Textbooks*. Available at: <https://hnglobal.highernationals.com/textbooks>

Textbooks:

Atrill, P. and McLaney, E. (2018) *Accounting and Finance for Non-Specialists*. 11th Ed. Harlow: Pearson

Weetman, P. (2019). *Financial and Management Accounting: An Introduction*. Harlow: Pearson