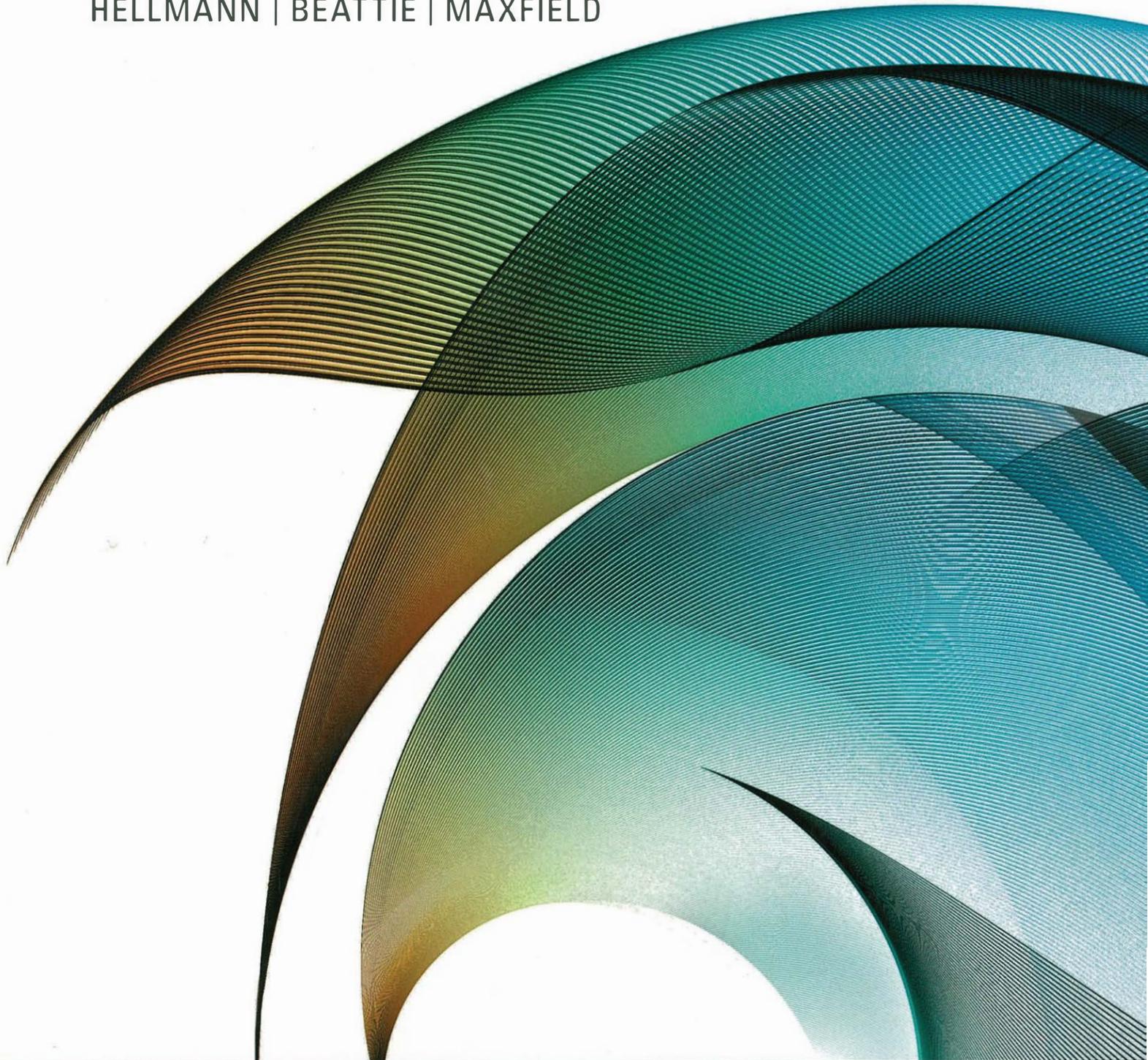


# Accounting

9TH  
EDITION

HOGGETT | EDWARDS | MEDLIN | CHALMERS  
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WILEY

# Accounting

9TH EDITION

JOHN HOGGETT

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JOHN MEDLIN

KERYN CHALMERS

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CLAIRE BEATTIE

JODIE MAXFIELD

WILEY

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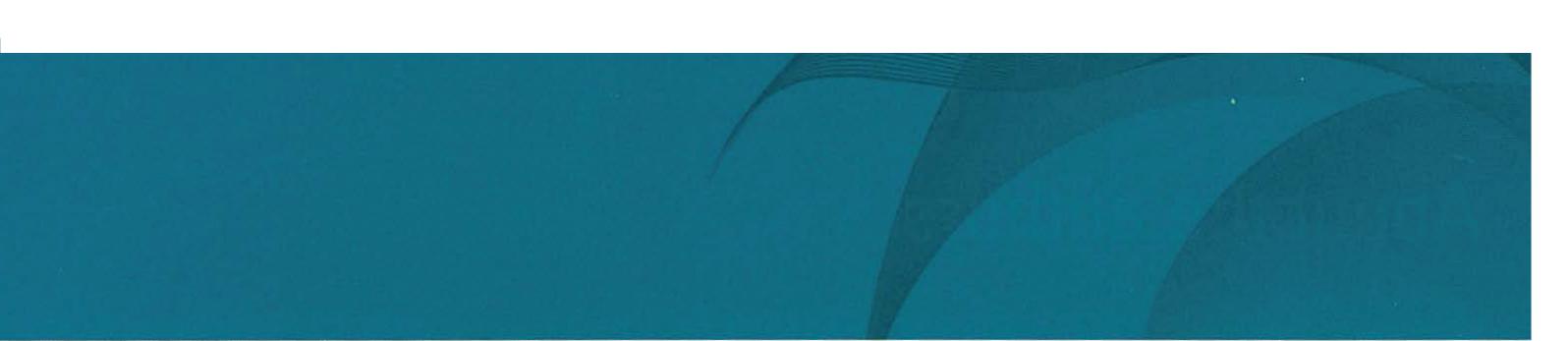
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# Preface

Our main purpose in writing this book is to provide an introductory but comprehensive description of the purpose, practice and process of contemporary international financial and management accounting in an Australian context. With the increased emphasis on the globalisation of business, the material is ideal for the study of introductory accounting in a broad international context.

The book is designed for tertiary students interested in an accounting career and for those wanting a general understanding of the production and use of accounting information in the business sector. This ninth edition considers more fully the need for accounting knowledge by students undertaking business studies in areas other than accounting. The book is suited to a two-semester course at both the undergraduate level and the postgraduate level as it provides a general understanding of the role of financial and management accounting information systems in any business sector.

The ninth edition builds on the strengths of previous editions with a strong focus on the decision-making role of accounting as well as on a student's acquisition of generic skills such as communication, analysis and problem solving, critical thinking, judgement, and an appreciation of ethical issues. The opportunity to develop these generic skills is provided by the range of end-of-chapter activities. The authors, however, believe that competency in the technical skills of accounting should remain as the core objective, and the book therefore continues to provide appropriate discussion of key technical issues. It is our belief that a person equipped with knowledge of technical material in accounting possesses a powerful tool for making economic decisions and for analysing and solving business problems. These technical skills are used in the book to provide clear and detailed explanations of the accounting concepts that form the basis of the practice of accounting. The use of the technical skills of accounting in teaching concepts gives students a practical foundation from which to build their understanding.

As in the previous edition, the book provides an easy-to-use format for most introductory accounting courses at a tertiary level. The chapters on management accounting and decision making in business are introduced early in the book and have been simplified to provide a strong focus on the role of accounting in business decision making. We continue to believe that this is a more interesting approach to the teaching of an introductory accounting course. The coverage of regulatory issues and the application of accounting standards in an external reporting context are addressed at a later stage of the book. Hence, the focus is on coverage of management accounting and decision-making issues initially, with more emphasis on financial accounting issues later. We believe that this structure helps students gain a greater appreciation of the contribution of accounting to the way businesses operate.

The book is organised in six parts as follows, with emphasis on decision making in a business enterprise before consideration of external reporting issues.

Part 1: Accounting for decision making (chapters 1–2)

Part 2: Accounting systems and processes (chapters 3–9)

Part 3: Financial planning, control and decision making (chapters 10–14)

Part 4: Equity in business (chapters 15–16)

Part 5: Accounting regulation of assets and liabilities (chapters 17–22)

Part 6: External reporting and performance evaluation (chapters 23–25).

Based on feedback from users of the previous editions of this book, there remains in the ninth edition a strong focus on:

1. service organisations operating in the business and not-for-profit sectors
2. the use of accounting information by non-accountants, both in text examples and in end-of-chapter activities
3. the impact of the goods and services tax (GST) on business records in a number of exercises and problems

4. the effect of accounting information on decisions made in business (segments in each chapter provide links to business activities, and each chapter contains a scene setter)
5. the effect on accounting systems of improvements in information technology
6. the impact of developments in the regulation of accounting standards at national and international levels.

We have continued to improve the readability of the book without compromising the integrity of its theoretical and practical content, and have continued the policy of including detailed learning objectives.

Many chapters provide a discussion of the impact of the GST on business, especially on small business. However, instructors can ignore the effects of the GST if they wish to pay attention to the other accounting issues in each chapter. An introductory coverage of the GST is provided as an appendix to chapter 3. Many exercises and problems permit lecturers to select where GST is included and where it is excluded.

## Changes from the previous edition

The major features of this ninth edition include the following.

- Material has been extensively rewritten in relation to the new regulatory arrangements for the development of accounting standards globally and in the Australian context.
- 'Scene setters' at the beginning of each chapter have been updated to help students understand the relevance of the accounting material in that chapter to the issues faced by accountants in practice.
- Additional and new 'business knowledge' vignettes in each chapter show the relevance of accounting to the practical world of business.
- Learning checks have been added to summarise the key points from the preceding section.
- Approximately half of the discussion questions, exercises and problems in many chapters are new.
- In the end-of-chapter case material, several decision analysis cases, critical thinking cases, communication and leadership activities and ethics and governance issues are either new or updated. Web-based activities are included in several chapters. In addition, the financial analysis is based on the latest JB Hi-Fi Limited annual report, which is available on its website, [www.jbhifi.com.au](http://www.jbhifi.com.au).
- All the exercises and problems are now tagged by learning objective.

## Supplementary materials

*Accounting 9th edition* is supported with an extensive teaching and learning resources supplementary package.

- *WileyPLUS* is a research-based online environment for effective teaching and learning. With *WileyPLUS*, lecturers can prepare, assign and grade accounting activities simply and in a time efficient manner. *WileyPLUS* increases student confidence through an innovative design that allows greater engagement, which leads to improved learning outcomes. For more information, contact your John Wiley & Sons sales consultant or visit [www.wileyplus.com](http://www.wileyplus.com).
- A solutions manual containing worked solutions to all end-of-chapter discussion questions, exercises, problems, case studies and activities is available for lecturers who prescribe this text. The solution manual has been thoroughly checked for accuracy and correctness.
- PowerPoint Presentation contains over 1000 slides with summaries of key concepts and processes presented in the chapter as well as key diagrams and worked examples from the text.

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*John Hoggett, Lew Edwards, John Medlin, Keryn Chalmers,  
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