

FINANCIAL ACCOUNTING AND ENTREPRENEURIAL SET UP IN RIVERS STATE**Dr. Kaine Awuli Horsfall****Department of Accountancy, Faculty of Business Studies****Ignatius Ajuru University of Education, Port Harcourt, Rivers State, Nigeria****ABSTRACT**

The study determined how financial accounting education curriculum can be beneficial to the youths on entrepreneurial set up in Rivers State. Financial accounting curriculum influences entrepreneurial set ups, business start ups and employment opportunities of business education youths. Also management education accounting curriculum influences entrepreneurial set ups, business start ups and employment opportunities of business education youths. Accounting education curriculum is a useful tool for employment opportunities of business education youths, therefore, the government through the Nigerian University commission should establish a viable curriculum that will promote youths of business education through job creation. In summary, it was found out that influence of cost accounting curriculum on employment opportunities, entrepreneurial set-ups and business start-ups of business education youths was at a high extent. Also, both financial accounting curriculum and management accounting curriculum influences on employment opportunities, entrepreneurial set-ups and business start-ups were at a high extent. Finally, it was also found out, that government policies affect quality education delivery especially in the area of the release of fund for proper planning of the accounting education curriculum in respect of the employment of business education youths.

Keywords: Financial Accounting, Entrepreneurial Set Up, Youth Empowerment, Curriculum

INTRODUCTION

The eclectic nature of the field of curriculum makes it a difficult phenomenon to define. However the word "curriculum" is derived from the Latin word "currere" meaning "to run" (to run a course). So, the school curriculum refers to the ground covered by students in their race towards the finishing line (a certificate, diploma or degree). The field of curriculum is interesting because it deals with education issues which demand knowledge of other field of endeavour such as philosophy, psychology, sociology, history and so on. Ajoku et al, (2013). With reference to the various components of the education process, the term "curriculum" seems to be the most ambiguous and most difficult to define. This is so because the curriculum is a reflection of societal characteristic and trends. People, therefore, tend to look at the curriculum based on their educational aims and objectives and how these are executed. It should be noted that the objectives of education vary from society to society based on their problems and needs. So also does the school curriculum change in consonance with the dynamism of society. All these are pointers to the variations in the definition of curriculum.

In the formal educational set-up teaching and learning are carefully and deliberately planned in order to meet the needs of society. This planned activity is what we generally refer to as the curriculum. Some educators view the curriculum as the syllabus or scheme of work. This narrow view equates the curriculum with the list of subjects, which constitute the content to be mastered by the learners. Surely, the subject matter or content should be considered as part of the curriculum and not the curriculum itself. Others view the curriculum as the work to be done in a particular class or grade level such as the primary

school curriculum. The junior secondary school curriculum, the senior secondary school curriculum, etc. Others equally view it as the content of a particular subject or chemistry curriculum, mathematics curriculum, etc. while it is true that there can be individual subject based curriculum, this view of the school curriculum is limited in that it does not see the learner being subjected to a total teaching-learning situation which involves his exposure to a wide variety of activities initiated and organized by the school, Ajoku et al (2013).

Although, educators or curriculum experts have not agreed about the exact meaning and definition of the term, many specialists in the field seem to have reach some understanding as to what constitutes the curriculum. They view it as the vehicle through which the school strives towards the achievement of its educational objectives.

Financial Accounting

Financial accounting is the field of accounting concerned with the summary, analysis and reporting of financial transactions related to a business. This involves the preparation of financial statements available for public use, the Wharton school, (2018).According www.freshbooks.com/hub, financial accounting is the process of recording, summarizing and reporting a company's business transactions through financial statements. These statement are: the income statement, the balance sheet, the cash flow statement and the statement of retained earnings. Financial accounting utilizes a series of established accounting principles. The selection of accounting principles to use during the course of financial accounting depends on the regulatory and reporting requirements the business faces. For U.S. public companies, businesses are required to perform financial accounting in accordance with generally accepted accounting principles (GAAP).The establishment of these accounting principles is to provide consistent information to investors, creditors, regulators, and tax authorities. Financial Accounting follows the either the accrual basis or the cash basis of accounting. Nonprofits, corporations, and small businesses use financial accountants. Financial reporting occurs through the use of financial statements in five distinct areas.The financial statements used in financial accounting present the five main classifications of financial data: revenues, expenses, assets, liabilities and equity. Revenues and expenses are accounted for and reported on the income statement. They can include everything from R&D to payroll. International public companies also frequently report financial statements in accordance with International Financial Reporting Standards. Financial accounting results in the determination of net income at the bottom of the income statement. Assets, liabilities and equity accounts are reported on the balance sheet. The balance sheet utilizes financial accounting to report ownership of the company's future economic benefits. Financial accounting may be performed using either the accrual method, cash method or a combination of the two. Accrual accounting entails recording transactions when the transactions have occurred and the revenue is recognizable. Cash accounting entails recording transactions only upon the exchange of cash. Revenue is only recorded upon the receipt of payment, and expenses are only recorded upon the payment of the obligation. The key difference between financial and managerial accounting is that financial accounting aims at providing information to parties outside the organization, whereas managerial accounting Information is aimed at helping managers within the organization make decisions. Financial statement preparation using accounting principles is most relevant to regulatory organizations and financial institutions. Because there are numerous accounting rules that do not translate well into business operation management, different accounting rules and procedures are utilized by internal management for internal business analysis.The most common accounting designation

demonstrating an ability to perform financial accounting within the United States is the Certified Public Accountant (CPA) license. Outside of the United States, holders of the Chartered Accountant (A) license demonstrate the ability as well. The Certified Management Accountant (CMA) designation is more demonstrative of an ability to perform internal management functions than financial accounting.

Entrepreneurial Set Ups

The term "startup" refers to a company in the first stages of operations. Startups are founded by one or more entrepreneurs who want to develop a product or service for which they believe there is demand. These companies generally start with high costs and limited revenue, which is why they look for capital from a variety of sources such as venture capitalists, Harroch, (2018)

A startup is a company that's in the initial stages of business. Until the business gets off the ground, a startup is often financed by its founders and may attempt to attract outside investment.

The many funding sources for startups include family and friends, venture capitalists, crowd funding, and loans.

Startups must also consider where they'll do business and their legal structure. Startups come with high risk as failure is very possible but they can also be very unique places to work with great benefits, a focus on innovation, and great opportunities to learn.

Understanding Startups

Startups are companies or ventures that are focused on a single product or service that the founders want to bring to market. These companies typically don't have a fully developed business model and, more crucially, lack adequate capital to move onto the next phase of business. Most of these companies are initially funded by their founders. Many startups turn to others for more funding: family, friends, and venture capitalists. Silicon Valley is known for its strong venture capitalist community and is a popular destination for startups, but is also widely considered the most demanding arena. Startups can use seed capital to invest in research and to develop their business plans. Market research helps determine the demand for a product or service, while a comprehensive business plan outlines the company's mission statement, vision, and goals, as well as management and marketing strategies. Examples of Startups; Dotcoms were a common startup in the 1990s. Venture capital was extremely easy to obtain during this time due to a frenzy among investors to speculate on the emergence of these new businesses. Unfortunately, most of these Internet startups eventually went bust due to major flaws in their business plans, such as lacking a path to sustainable revenue. However, a handful of companies survived when the dotcom bubble burst. Both Amazon (AMZN) and eBay (EBAY) are examples.

The first few years are very important for startups—a period during which entrepreneurs should concentrate on raising capital and developing a business model. Many startups fail within the first few years. That's why this initial period is important. Entrepreneurs need to find money, create a business model and business plan, hire key personnel, work out intricate details such as equity stakes for partners and investors, and plan for the long run. Many of today's most successful companies—Microsoft (MSFT), Apple (AAPL), and Facebook (FB), to name a few—began *as* startups and ended up becoming publicly traded companies.

Special Considerations Location

Startups must decide whether their business is conducted online, in an office or home office, or in a store. The location depends on the product or service being offered. For example, a technology startup selling virtual reality hardware may need a physical storefront to give customers a face-to-face demonstration of the product's complex features.

Legal Structure

Startups need to consider what legal structure best fits their entity. A sole proprietorship is suited for a founder who is also the key employee of a business. Partnerships are available legal structure for businesses that consist of several people who have joint ownership, and they're also fairly straightforward to establish. Personal liability can be reduced by registering a startup as a limited

liability company (LLC).

Startups often raise funds by turning to family and friends or by using venture capitalists. This is a group of professional investors that specialize in funding startups. Crowdfunding has become available way for many people to get access to the cash they need to move forward in the business process. The entrepreneur sets up a crowd funding page online, allowing people who believe in the company to donate money.

Indicators of Entrepreneurial Setups as used in this study include the following:

The Self Employment Rate: This is Self and Medicare Taxes -Employment Tax (Social Security). It should be noted that anytime self-employment tax is mentioned, it only refers to Social Security and Medicare taxes and does not include any other taxes that self-employed individuals may be required to file. The list of items below should not be construed as all-inclusive. Other information may be appropriate for your specific type of business.

The questions are, what is Self-Employment Tax, who must pay Self-Employment Tax and how do I pay Self-Employment Tax?

Self-employment tax is a tax consisting of Social Security and Medicare taxes primarily for individuals who work for themselves. It is similar to the Social Security and Medicare taxes withheld from the pay of most wage earners.

You figure self-employment tax (SE tax) yourself using Schedule SE (Form 1040 or 1040-SR). Social Security and Medicare taxes of most wage earners are figured by their employers. Also, you can deduct the employer-equivalent portion of your SE tax in figuring your adjusted gross income. Wage earners cannot deduct Social Security and Medicare taxes.

The self-employment tax rate is 15.3%. The rate consists of two parts: 12.4% for social security (old-age, survivors, and disability insurance) and 2.9% for Medicare (hospital insurance).

For 2020, the first \$137,700 of your combined wages, tips, and net earnings is subject to any combination of the Social Security part of self-employment tax, Social Security tax, or railroad retirement (tier 1) tax. The amount increased to \$142,800 for 2021. (For SE tax rates for a prior year, refer to the Schedule SE for that year). All your combined wages, tips, and net earnings in the current year are subject to any combination of the 2.9% Medicare part of Self-Employment tax, Social Security tax, or railroad retirement (tier 1) tax. If your wages and tips are subject to either social security tax or the Tier 1 part of

railroad retirement tax, or both, and total at least \$137,700, do not pay the 12.4% social security part of the SE tax on any of your net earnings. However, you must pay the 2.9% Medicare part of the SE tax on all your net earnings. An additional Medicare tax rate of 0.9 % applies to wages, compensation, and self-employment income above a threshold amount received in taxable years beginning after Dec. 31, 2012. See the Questions and Answers for the Additional Medicare Tax page for more information. If you use a tax year other than the calendar year, you must use the tax rate and maximum earnings limit in effect at the beginning of your tax year. Even if the tax rate or maximum earnings limit changes during your tax year, continue to use the same rate and limit throughout your tax year. Self-Employment Tax Deduction; You can deduct the employer-equivalent portion of your self-employment tax in figuring your adjusted gross income. This deduction only affects your income tax. It does not affect either your net earnings from self-employment or your self-employment tax. If you file a Form 1040 or 1040-SR Schedule C, you may be eligible to claim the Earned Income Tax Credit (EITC). Learn more about EITC or use the EITC Assistant to find out if you are eligible. Self-Employment Health Insurance Tax Deduction; Under Section 2042 of the Small Business Jobs Act, a deduction, for income tax purposes, is allowed to self-employed individuals for the cost of health insurance. This deduction is taken into account in calculating net earnings from self-employment. See the Form 1040 or 1040-SR and Schedule SE instructions for calculating and claiming the deduction.

Theoretical Review

A theory is a set of statements or principles devised to explain a group of facts of phenomena, especially tested or is widely accepted and the used to make predications about natural phenomena (Creswell, 2006).The study of accounting education curriculum and youth empowerment provides an understanding of implementing accounting curriculum and the challenges laid upon it, especially with regard to youth development programs. For the purpose of determining the accounting education curriculum and youth empowerment in Rivers State, the researcher decided to use am empowerment theory that suggests that engaging youth in pro-social, meaningful and community-enhancing activities that the youth themselves define and control helps youth gain vital skills, responsibilities and confidence necessary to become productive and healthy adults. Empowerment theory focuses on process that enable participation; enhance control through shared decision making; and create opportunities to learn, practice and increase skills.

Empowerment theory

Empowerment theory is an element of empowerment. Yousafzai (2021) said that empowerment theory focusses on processes that enable participation enhances control through shared decision making; and create opportunities to learn, practice, and increase skills. Empowerment theory suggests that engaging youth in pro-social, meaningful, and community enhancing activities that the youths themselves define and control, helps, youths gain vital skills, responsibilities, and confidence necessary to become productive and healthy adults, Yousafzai, (2021).Youth empowerment examines six types of interdependent dimensions: Psychological, community, organizational, economic, social and cultural. Psychological empowerment enhances individual's consciousness, belief in self-efficacy, awareness and knowledge of problems and solutions and how individuals can address problems that harm the quality of life. This dimension aims to create confidence and give youth the skills to acquire knowledge. Community empowerment focuses on

enhancing the community through leadership development, improving communication and creating a network of support to mobilize the community to address concerns. Organizational empowerment aims to create a base of resources for a community, including voluntary organizations, unions and associations that aim to protect, promote and advocate for the powerless. Economic empowerment teaches entrepreneurial skills, how to take ownership of their assets and how to have income security. Social empowerment teaches youth about social inclusion and literacy as well as helping kids find the resources to be proactive in their communities. Cultural empowerment aims to recreate cultural practices and redefine cultural rules and norms for youth. Through these dimensions of empowerment, programs can work on empowering youth in one or more aspects of their lives.

According to Ijiri (2001), accounting theories are developed from empirical observations of situations yearning to be address through a frame work as reference for the practice. Accounting theory is a set of assumptions, frame works, and methodologies used in the study and application of financial reporting principles. The accounting curriculum is a mix of general education courses, business classes such as Business Finance and organizational behaviour and specialized accounting classes such as Financial Accounting; Managerial Accounting; Fundamentals of Tax; Auditing and control and financial statement Analysis. Accounting theory operates in levels: syntactical, interpretational or semantical and behavioural or pragmatic theories.

The aim of accounting education is to help students learn to learn to become professional accountants. The teacher should often mix theory with practice (the why and the how) and often indicate the contact of the course with accounting courses. The five (5) principles of accounting are; Revenue Recognition principle, Historical cost principle, Matching principle, Full disclosure principle and objectivity principle. The basic accounting concepts are: Accruals concept; Revenue is recognized when earned, and expenses are recognized when assets are consumed, Conservatism concept, Consistency concept, Economic entity concept, Going-concern concept, Matching Concept, Materiality concept. In accounting, theory is formulated by an approach that begins basic accounting prepositions (Assumption) and proceeds to derive by logical means the accounting principle.

Principles are derived by deductive process while the general prepositions are formulated through an inductive process. The three (3) fundamental concepts of accounting (major elements of accounting) are: assets, liabilities and capital. These terms are used widely so it is necessary that we take a look at each element. Accounting research in curriculum can be very important. For example, academic accounting research "can improve the understanding of how stake holders actually use the information accountants provide", and the prior academic studies have contributed to fraud risk assessment, the future direction of the profession and the impact of changing accounting standards. According Ilidio Silva (2018), in Millennium Journal of Education Technologies and Health: applied in accounting education; he posits that "having expertise in accounting is not enough to be an effective accounting educator". Knowing about learning theories, learning styles, different types of assessment, and the variety of available teaching methods, is also fundamental to be a good accounting educator. In his objectives, he analyses which theories can be applied in accounting education and how they can help accounting educators to improve the learning process according with their competences. Also in his method, literature review about the professional accountant competencies and analysis of the learning theories application in accounting education. Ilidio Silva's results are based on certain learning theories (behaviourism, humanism, cognitivism, social cognitivism, and constructivism). Provide a set of recommendations to accounting educators in order to

improve the learning process. Ilidio Silva (2018) concludes that "even if an educator has a very good academic background, and significant professional experience in the teaching area; even if he uses innovative teaching technologies, if the educator does not listen learners; if the educator does not understand that each individual learner has a different background, cultural experience and way of learning; if the educator does not understand that there is no standardized way to teach, this educator will not succeed". Indra Abeysekera and Seedwell Tanaka Muyako Sithole; one of Charles Darwin University, Australia and the other of university of Tasmania, talking about "Accounting Education: A cognitive theory load theory perspective", predicated that "this book provides a comprehensive and authoritative source of reference for students and instructors on designing instructional material in the area of accounting and business". A critical overview of poor design where students are required to split their attention between several sources of information found in textbooks and other documents is provided. The book illustrates how learners need to mentally integrate two or more distinct terms of information, placing unnecessary demands on cognitive load. Cognitive load in Accounting discusses cognitive load theory which assumes that the task of mental integration increases the load on already limited working memory, and it does so to such an extent that learning may be severely impeded. Experiments presented in this book investigate how students could deal with cognitive overload when learning introductory accounting using three instructional design formats, the split – attention format, the integrated format, and the self-managed format. The results of these experiments established the presence of the split-attention effect in accounting. A strong transfer effect when student's self-manage instructions is also discussed. Abeysekera et al (2017). Babalola et al (2012) in a British Journal of Economics, Finance and Management services employed the empirical survey to investigate the educational system at the higher institutions and professional levels in Nigeria. The role of Nigeria higher institutions has significantly provoked development of accounting profession. The educational system has evolved, but the relationship between the profession and the universities continues to be problematic for the accounting profession to achieve its goals in Nigeria economic development. There is a weak nexus between instruction, practical and research, lack of balance of theory and practice in curriculum, university rules and regulations are rigid and no dedicated effort for doctoral research. Accounting professional bodies are at rivalry and have little linkage with existing research findings and innovations in accounting. What is required is a dynamic development of curriculum, a good synergy of research and practice in accounting Babalola et al (2012).

CONCLUSION

Based on the findings made, it is concluded among others that accounting education curriculum was beneficial to the youths of business education in tertiary institutions in Rivers state. accounting education curriculum have made a significant impact on the economic growth and sustainability of youths of business education as widely reported in the literature reviewed. It is also concluded that accounting education curriculum was a viable curriculum used by youths of business education in tertiary institutions to strive in bid to achieve economic growth and development.

RECOMMENDATIONS

Based on the conclusion of the study, the following recommendations are made:

1. Nigerian University Commission should establish a viable curriculum that will promote youths of business education through job creation.

2. Financial accounting should be thought effectively in tertiary institutions for business start ups.
3. Tertiary institution should always review lecturers' workload distribution on a periodic basis to ensure equitable distribution of tasks to lecturers and help to make them more productive in delivering the accounting education curriculum. Nigerian University Commission through tertiary institution should conduct periodic review of accounting education curriculum with a view to update them in tertiary institutions in Rivers State.
4. Cost accounting should be thought effectively in tertiary institutions for business start ups
5. Management accounting should be thought effectively in tertiary institutions for entrepreneurship set ups.

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