

ACCT-1311: FINANCIAL ACCOUNTING

Cuyahoga Community College

Viewing: ACCT-1311 : Financial Accounting

Board of Trustees:

January 2023

Academic Term:

Fall 2023

Subject Code

ACCT - Accounting

Course Number:

1311

Title:

Financial Accounting

Catalog Description:

Introduction to methodology and logic of accounting procedures, principles, and standards used in preparing financial information for external users. Emphasis on measuring, describing, recording, interpreting, and analyzing economic activities within for-profit business entities.

Credit Hour(s):

3

Lecture Hour(s):

3

Lab Hour(s):

0

Other Hour(s):

0

Requisites

Prerequisite and Corequisite

MATH-0955 Beginning Algebra or qualified Math placement to enroll in MATH-1000 level Mathematics, and ENG-0990 Language Fundamentals II or appropriate English placement score to enroll in ENG-1010 College Composition I.

Outcomes

Course Outcome(s):

Demonstrate fundamentals of the accounting cycle beginning with recording ordinary business transactions and culminating in the preparation of draft financial statements.

Essential Learning Outcome Mapping:

Quantitative Reasoning: Analyze problems, including real-world scenarios, through the application of mathematical and numerical concepts and skills, including the interpretation of data, tables, charts, or graphs.

Objective(s):

1. Discuss the role of accounting with respect to today's business activities and in the workings of society.
2. Assess the importance of accounting as an information system.
3. Apply the rules and concepts of the double-entry system of accounting.
4. Explain the accounting cycle.
5. Construct the basic financial statements for a corporate entity.
6. Relate accounting concepts, criteria and assumptions to transactions and financial results.
7. Discuss the sources of accounting principles and procedures.
8. Demonstrate the accounting required for the measurement of income in service and merchandising businesses.
9. Discuss general business concepts and processes.

Course Outcome(s):

Interpret information presented on financial statements, apply commonly used financial ratios and analytical tools, evaluate, and communicate the results.

Essential Learning Outcome Mapping:

Quantitative Reasoning: Analyze problems, including real-world scenarios, through the application of mathematical and numerical concepts and skills, including the interpretation of data, tables, charts, or graphs.

Objective(s):

1. Describe and discuss the objectives, form, and interrelationship of financial statements.
2. Organize current and long-term assets and liabilities and equity accounts, presenting them properly in the financial statements.
3. Define and analyze business equity, including the components of stockholder's equity.
4. Analyze the impact of business transactions on the financial statements of a corporation.
5. Evaluate the financial performance of a corporation on the basis of its financial statements.
6. Solve time value of money computations for future and present values.

Methods of Evaluation:

May be selected from the following:

- a. Examinations
- b. Individual and/or group quizzes
- c. Oral presentations
- d. Written case studies
- e. Individual/group projects
- f. Class participation

Course Content Outline:

- a. Accounting in business and society
 - i. Financial information and resource allocation
 - ii. Accounting and the corporation
 - iii. Credibility in reporting
 - iv. Structure of the accounting profession
 - v. Ethics, reputation, and legal liability in accounting
 - vi. Types of business organizations
 - vii. Accounting elements of the annual report
 - viii. Management elements of the annual report
 - ix. SEC reporting requirements
- b. Analysis of business activities and the accounting cycle
 - i. The basic accounting model (balance sheet equation)
 - ii. Income measurement and accrual accounting
 - iii. Impact of simple transactions on balance sheet equation
 - iv. Debits and credits
 - v. Accounting records (journal, ledgers, computer systems)
- c. Service and merchandising businesses; and receivables
 - i. Accounting for service and merchandise revenues
 - ii. Reporting customer receivables, discounts -allowances and write-offs
 - iii. Accounting for the cost of purchases and sales of merchandise
 - iv. Inventory record keepings (perpetual, periodic)
 - v. Inventory cost methods
 - vi. Lower of cost or market valuation
- d. Financial statements and their preparation
 - i. Financial accounting standards as established by the Financial Accounting Standards Board (FASB)
 - ii. Income statement and balance sheet preparation
 - iii. Statement of equity and retained earnings
 - iv. Cash flow statement
- e. Fundamental interpretation and analysis of statements

- i. Measures of working capital
 - ii. Financial ratios - liquidity, profitability, solvency, cash flow adequacy and market strength
 - iii. Earnings per share
- f. Measuring and reporting assets and liabilities
 - i. Classification of current assets and current liabilities
 - ii. Management of working capital
 - iii. Long-term liabilities
 - iv. Internal control of cash
- g. Long Term Assets
 - i. Acquisition cost
 - ii. Depreciation methods
 - iii. Accounting for disposition of assets
 - iv. Intangible assets
- h. Business equity
 - i. Debt and equity financing
 - ii. Types of equity (preferred, common, treasury)
 - iii. Accounting for stock (issuance, retirements, dividends)
 - iv. Book value and market value
- i. Long Term Debt
 - i. The nature of liabilities
 - ii. The nature of long-term liabilities
 1. Bonds
 2. Deferred tax liabilities
 3. Pension
 4. Post-retirement benefit liabilities
 5. Contingent liabilities
 6. Leases

Resources

Wild, John J. *Financial Accounting*. 10th ed. Boston, MA: McGraw-Hill, 2021.

Kimmel, Paul D., Jerry J. Weygandt, and Jill E. Mitchell. *Financial Accounting: Tools for Business Decision Making*. 12th ed. New York: John Wiley and Sons, 2022.

Libby, Robert, Patricia Libby, and Frank Hodge. *Financial Accounting*. 11th ed. Boston, MA: McGraw-Hill, 2023.

Williams, Jan, Sue Haka, Mark S. Bettner, and Joseph V. Carcello. *Financial and Managerial Accounting*. 19th ed. Boston, MA: McGraw Hill, 2020.

Gleim, Irvin N. *Financial Accounting, College Text Supplement*. 22nd. Gainesville, FLA, 2022. 2015.

Resources Other

- a. Various corporate annual reports
- b. Various SEC Forms 10-K and 8-K.
- c. Software and other materials as appropriate.
- d. Journal of Accountancy
- e. Strategic Finance
- f. Aicpa Publications (American Institute of Certified Public Accountants)

Instructional Services

OAN Number:

Transfer Assurance Guide OBU010

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