



Purpose: It is the intention of this Administrative-Master Syllabus to provide a general description of the course, outline the required elements of the course and to lay the foundation for course assessment for the improvement of student learning, as specified by the faculty of Wharton County Junior College, regardless of who teaches the course, the timeframe by which it is instructed, or the instructional method by which the course is delivered. It is not intended to restrict the manner by which an individual faculty member teaches the course but to be an administrative tool to aid in the improvement of instruction.

Course Title – Principles of Financial Accounting

Course Prefix and Number – ACCT 2401

Department - Business and Office Administration

Division - Technology and Business

Course Type: (check one)

- Academic General Education Course (from ACGM – but not in WCJC Core)
- Academic WCJC Core Course
- WECM course (This course is a Special Topics or Unique Needs Course: Y or N)

Semester Credit Hours # : Lecture hours# : Lab/other hours # 4:3:2

Equated Pay hours for course - 4

Course Catalog Description - Accounting concepts and their application in transaction analysis and financial statement preparation; analysis of financial statements; and asset and equity accounting in proprietorships, partnerships, and corporations.

List Lab/ Other Hours
Lab Hours 2
Clinical Hours
Practicum Hours
Other (list)

Prerequisites/Corequisites - THEA reading and math requirements met. Sophomore standing recommended.

Approvals – the contents of this document have been reviewed and are found to be accurate.

Prepared by Mary Wilson	Signature <i>Mary Wilson</i>	Date 7/09
Department Head Mary Wilson	Signature <i>Mary Wilson</i>	Date 7/09
Division Chair	Signature <i>S Dees</i>	Date 7/27/09
Vice President	Signature <i>Jy Pate</i>	Date 7-28-09



I. Topical Outline – Each offering of this course must include the following topics (be sure to include information regarding lab, practicum, clinical or other non lecture instruction):

Upon successful completion of this course, the student will be able to:

- Describe and summarize the development of accounting principles.
- Describe the characteristics of an account, illustrate posting and prepare a trial balance.
- Describe and journalize adjustments and prepare a trial balance.
- Comprehend the flow of data from the trial balance to the financial statements.
- Describe and illustrate accounting for merchandise transactions.
- Determine inventory cost user perpetual and periodic systems.
- Understand the significance of the Sarbanes-Oxley Act of 2002/internal controls/accounting for cash.
- Describe the accounting for receivables and uncollectible accounts.
- Describe the accounting for fixed assets, natural resources and intangible assets.
- Describe current liabilities, payroll accounting and contingent liabilities.
- Describe the nature of the corporate organization.
- Compute earnings per share (EPS); comprehensive income and corporate income taxes.
- Compute the potential impact of long-term borrowing (bonds) on EPS.

II. Course Learning Outcomes

Course Learning Outcome	Method of Assessment
Students will know accounting concepts and their application in transaction analysis and financial statement preparation; analysis of financial statements; and asset and equity accounting in proprietorships, partnerships, and corporations.	Ninety percent of students will correctly answer at least 70% of the questions on a comprehensive, standardized departmental exit exam.

III. Required Text(s), Optional Text(s) and/or Materials to be Supplied by Student.

Fundamental Financial & Managerial Accounting Concepts; 1st Edition, 2007; Edmonds; McGraw Hill
ISBN: 978-0-07-284600-3.

A #2 pencil for completing Scantron forms when testing and Scantron forms for completing the tests.

IV. Suggested Course Maximum - 35

V. List any specific spatial or physical requirements beyond a typical classroom required to teach the course.

A data projector is needed for the teacher to use when presenting concepts and demonstrating problems throughout the course.

VI. Course Requirements/Grading System – Describe any course specific requirements such as research papers or reading assignments and the generalized grading format for the course

Unit Tests = 65%
 Comprehensive final exam = 10%
 Classroom exercises & quizzes = 25%

Chapter	
1	Explain the role of accounting in society. Distinguish among the different accounting entities involved in business events. Name and define the major elements of financial statements. Describe the relationships expressed in the accounting equation. Record business events in general ledger accounts organized under an accounting equation. Explain how the historical cost and reliability concepts affect amounts reported in financial statements. Classify business events as asset source, use, or exchange transactions and use general ledger account information to prepare four financial statements. Record business events using a horizontal financial statements model. Explain the importance of ethics to the accounting profession. Identify three types of business organizations and some of the technical terms they use in their real world financial reports.
2	Record the basic accrual and deferral events in a horizontal financial statement model. Organize general ledger accounts under an accounting equation. Prepare financial statements based on accrual accounting. Describe the closing process, the accounting cycle, and the matching concept. Prepare a vertical financial statement model. Explain how business events affect financial statements over multiple accounting cycles. Explain how to use the price-earnings ratio and growth percentage analysis to assess the market value of common stock. Classify accounting events.
1 & 2	TEST 1
3	Explain the fundamental concepts associated with double-entry accounting systems. Describe business events using debit/credit terminology. Record transactions in T-accounts. Identify the events that need adjusting entries and record them. Record transactions using the general journal format. Prepare and interpret a trial balance. State the need for and record closing entries. Analyze financial statements and make meaningful comparisons between companies by using a debt to assets ratio, a return on assets ratio, and a return on equity ratio.
4	Identify and explain the primary features of the perpetual inventory system. Record and report inventory transactions in the double-entry accounting system. Explain the meaning of terms used to describe transportation costs, cash discounts, returns or allowances, and financing costs. Compare and contrast single and multi-step income statements. Show the effect of lost, damaged, or stolen inventory on financial statements. Use common size financial statements to evaluate managerial performance. Use ratio analysis to evaluate managerial performance. Identify the primary features of the periodic inventory system.
3 & 4	TEST 2
5	Explain how different inventory cost flow methods affect financial statements. Demonstrate the computational procedure of FIFO, LIFO, and weighted average. Apply the lower-of-cost-or-market rule to inventory valuation. Explain how fraud can be avoided through inventory control. Use the gross margin method to estimate ending inventory. Explain the importance of inventory turnover to a company's profitability. Explain how accounting for investment securities differs when the securities are classified as held to maturity, trading, or available to sale.
6	Identify the key elements of a strong system of internal control. Identify special internal controls for cash. Prepare a bank reconciliation. Explain the use of petty cash funds. Describe the auditor's role in financial reporting.
5 & 6	TEST 3
7	Explain the importance of offering credit terms to customers. Explain how the allowance method of accounting for uncollectible accounts affects financial statements. Show how the direct write-off method of accounting for uncollectible

	accounts affects financial statements. Explain how accounting for notes receivable and accrued interest affects financial statements as well as how accounting for credit card sales affects financial statements.
8	Identify different types of long-term operational assets and determine the cost of long-term operational assets. Explain how different depreciation methods affect financial statements. Determine how gains and losses on disposals of long-term operational assets affect financial statements. Identify some of the tax issues that affect long-term operational assets and how revising estimates affects financial statements. Explain how continuing expenditures for operational assets affect financial statements. Explain how expense recognition for natural resources (depletion) affects financial statements. Explain how expense recognition for intangible assets (amortization) affects financial statements. Understand how expense recognition choices and industry characteristics affect financial performance measures.
7 & 8	TEST 4
9	Show how notes payable, related interest expense sales tax liabilities, and warranty obligations affect financial statements. Define contingent liabilities and explain how they are reported on financial statements. Define basic terms and identify common documents associated with payroll accounting and explain how payroll accounting affects financial statements. Compute FICA and unemployment payroll taxes. Distinguish between current and noncurrent assets and liabilities and prepare a classified balance sheet. Use the current ratio to assess the level of liquidity. Show how discount notes and related interest charges affect financial statements.
10	Show how the amortization of long-term notes and how a line of credit affects financial statements. Describe different types of bonds that companies issue and how bond liabilities and their related interest costs affect financial statements. Explain how to account for bonds and their related interest costs and why bonds are issued at face value, at discount, or at premium. Explain the advantages and disadvantages of debt financing and the time value of money.
9 & 10	TEST 5
11	Identify the primary characteristics of sole proprietorships, partnerships, corporations and analyze financial statements to identify the different types of business organizations. Explain the characteristics of major types of stock issued by corporations. Explain how to account for different types of stock issued by corporations including how treasury stock transactions affect a company's financial statements. Explain the effects of declaring and paying cash dividends and explain the effects of stock dividends and stock splits on a company's financial statements. Show how the appropriation of retained earnings affects financial statements. Explain some uses of accounting information in making stock investment decisions. Explain accounting for not-for-profit entities and governmental organizations.
12	Identify the types of business events that are reported in the three sections of the statements of cash flows. Convert account balances from accrual to cash. Use the T-account method to prepare a statement of cash flow. Explain how the indirect method differs from the direct method in reporting cash flow from operating activities. Explain how the statement of cash flows could mislead decision makers if not interpreted with care.
11 & 12	TEST 6
	Standardized, comprehensive departmental exit exam

VII. Curriculum Checklist

- **Academic General Education Course** (from ACGM – but not in WCJC Core)
No additional documentation needed

- **Academic WCJC Core Course**
Attach the Core Curriculum Checklist, including the following:

- Basic Intellectual Competencies
- Perspectives
- Exemplary Educational Objectives

- **WECM Courses**
Attach the following:

- Program SCANS Matrix
- Course SCANS Competencies Checklist