



## Course Outline

### BASIC COURSE INFORMATION

**Course Number:** ACCT 201A  
**Course Title:** FINANCIAL ACCOUNTING  
**C-ID Number:** C-ID ACCT 110

Total Student Hours and Credit			
		Hours/Week	Hours/Term
Lecture Hours	in-class	4.00	72.00
	out-of-class	8.00	144
Lab Hours	in-class	0	0
	out-of-class	0	0
Activity Hours	in-class	0	0
	out-of-class	0	0
TBA Hours Per Term			0
Total Student Hours Per Term:			216.00
Hours-per-unit Divisor			54.00
Units of Credit:			4.00

Fall semester term is 18 weeks. Spring semester term is 17 weeks. The term length multiplier is 17.5 weeks.  
 Curriculum is calculated based on 18 weeks.

#### **Catalog Description:**

Explores what financial accounting is, why it is important, and how it is used by investors and creditors to make decisions. Covers the accounting information system and the recording and reporting of business transactions with a focus on the accounting cycle, the application of generally accepted accounting principles, the classified financial statements, and statement analysis. Includes issues relating to asset, liability and equity valuation, revenue and expense recognition, cash flow, internal controls and ethics.

#### **Schedule Description:**

Provides basic principles of financial accounting. Advisories: ENGL 156 and MATH 123.  
 Transfer: CSU; UC. (Formerly BUS 201A)

**Advisories:**

- ENGL 156: COLLEGE READING AND WRITING  
and
- MATH 123: ELEMENTARY ALGEBRA

**Division:** Business Education  
**Department:** Accounting  
**Minimal Qualification  
Discipline Designation  
(MQDD):** Accounting  
**Degree Applicability:** Credit - Degree Applicable  
**Methods of Instruction:**

- Lecture and/or discussion
- Distance Education

**Grading Method:**

- Letter Grade or P/NP

**Repeatability:** 0  
**Course Cap:** 40  
**Face-to-Face Modality  
Limit:** 40  
**DE Modality Limit:** 40

**STUDENT LEARNING OUTCOMES**

1. Demonstrate understanding of accounting terminology, principles and procedures.
2. Prepare accounting information following generally accepted accounting principles.
3. Analyze accounting information.
4. Demonstrate effective written and oral communication. This includes demonstrating professional and ethical behaviors and using technology effectively.

**COURSE CONTENT****Objectives:**

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

1. Explain the nature and purpose of generally accepted accounting principles (GAAP) and International Financial Reporting Standards (IFRS). Explain and apply the components of the conceptual framework for financial accounting and reporting, including the qualitative characteristics of accounting information, the assumptions underlying accounting, the basic principles of financial accounting, and the constraints and limitations on accounting information;

- Class Performance(s)
  - Group Work
  - Quizzes/Exams
  - Written/Typed Homework
2. Define and use accounting and business terminology.
    - Class Performance(s)
    - Group Work
    - Quizzes/Exams
    - Written/Typed Homework
  3. Explain what an accounting system is and how it is designed to satisfy the needs of specific businesses. Summarize the purpose of a journal and a ledger.
    - Class Performance(s)
    - Group Work
    - Quizzes/Exams
    - Written/Typed Homework
  4. Apply transaction analysis, input transactions into the accounting system, process this input to prepare and interpret the four basic financial statements.
    - Class Performance(s)
    - Group Work
    - Quizzes/Exams
    - Written/Typed Homework
  5. Distinguish between cash basis and accrual basis accounting and their impact on the financial statements, including the revenue recognition and matching principles.
    - Class Performance(s)
    - Group Work
    - Quizzes/Exams
    - Term or Other Papers
    - Written/Typed Homework
  6. Identify and illustrate how the principles of internal control are used to manage and control the firm's resources and minimize risk.
    - Class Performance(s)
    - Group Work
    - Quizzes/Exams
    - Written/Typed Homework
  7. Explain the content, form and purpose of the basic financial statements (including footnotes) and the annual report, and how they satisfy the information needs of investors, creditors and other users.
    - Class Performance(s)
    - Group Work
    - Quizzes/Exams
    - Written/Typed Homework
  8. Explain the nature of current assets and related issues, including the measurement and reporting of cash and cash equivalents, receivables and bad debts, and inventory and cost of goods sold.
    - Class Performance(s)
    - Group Work
    - Quizzes/Exams
    - Written/Typed Homework

9. Explain the valuation and reporting of current liabilities, estimated liabilities and other contingencies.
  - Class Performance(s)
  - Group Work
  - Quizzes/Exams
  - Written/Typed Homework
10. Identify and illustrate issues relating to long-term asset acquisition, use, cost allocation and disposal.
  - Group Work
  - Quizzes/Exams
  - Written/Typed Homework
11. Distinguish between capital and revenue expenditures.
  - Quizzes/Exams
  - Written/Typed Homework
12. Identify and illustrate issues relating to long-term liabilities including issuance, valuation and retirement of debt.
  - Quizzes/Exams
  - Written/Typed Homework
13. Identify and illustrate issues relating to stockholders equity including issuance, repurchase of capital stock and dividends.
  - Quizzes/Exams
  - Written/Typed Homework
14. Explain the importance of operating, investing and financing activities reported in the Statement of Cash Flows.
  - Group Work
  - Quizzes/Exams
  - Written/Typed Homework
15. Interpret company activity, profitability, liquidity and solvency through selection and application of appropriate financial analysis tools.
  - Group Work
  - Quizzes/Exams
  - Written/Typed Homework
16. Identify the ethical implication inherent in financial reporting and be able to apply strategies for addressing them.
  - Class Performance(s)
  - Group Work
  - Term or Other Papers
  - Written/Typed Homework
17. Demonstrate effective written and oral communication through class activities, presentations and written assignments.
  - Class Performance(s)
  - Term or Other Papers
  - Written/Typed Homework

## Topics & Scope:

1. Accounting in Business
  1. Accounting Fundamentals - GAAP
  2. Ethics in Accounting
  3. Transaction Analysis
  4. Financial Statements
  5. Professional Behaviors(Obj 1, 2, 3, 7, 16)
2. Accounting for Business Transactions
  1. Analyzing and Reporting Accounts
  2. Analyzing and Processing Transactions
  3. Preparing a Trial Balance(Obj 2, 3, 4)
3. Adjusting Accounts for Financial Statements
  1. Accrual Basis versus Cash Basis
  2. Adjusting Accounts
  3. Closing Process
  4. Classified Balance Sheet(Obj 1, 2, 4, 5, 7, 17)
4. Accounting for Merchandising Operations
  1. Merchandising Activities
  2. Accounting for Purchases
  3. Accounting for Sales
  4. Accounting Cycle
  5. Financial Statement Formats(Obj 1, 2, 4, 7, 8)
5. Inventories and Cost of Sales
  1. Inventory Costing under a Perpetual System
  2. Valuing Inventory at LCM(Obj 2, 4, 8)
6. Cash and Internal Controls
  1. Internal Control
  2. Control of Cash
  3. Banking Activities as Controls(Obj 6, 8)
7. Accounting for Receivables
  1. Accounts Receivable
  2. Notes Receivable
  3. Disposal of Receivables(Obj 1, 7, 8)
8. Accounting for Long-Term Assets
  1. Plant Assets
    1. Cost
    2. Depreciation
    3. Expenditures
    4. Disposals
  2. Intangible Assets

(Obj 2, 10, 11)

9. Accounting for Current Liabilities

1. Known Liabilities
2. Estimated Liabilities
3. Contingent Liabilities

(Obj 7, 9)

10. Accounting for Long-Term Liabilities

1. Basics of Bonds
2. Bond Issuances
3. Bond Retirement
4. Long-Term Notes Payable

(Obj 2, 10)

11. Corporate Reporting and Analysis

1. Corporate Form of Organization
2. Common Stock
3. Dividends
4. Preferred Stock
5. Treasury Stock
6. Reporting of Equity

(Obj 2, 7, 13)

12. Reporting Cash Flows

1. Cash Flows from Operating
2. Cash Flows from Investing
3. Cash Flows from Financing

(Obj 2, 7, 14, 15)

13. Analysis of Financial Statements

1. Basics of Analysis
2. Horizontal Analysis
3. Vertical Analysis
4. Ratio Analysis

(Obj 7, 15)

14. Effective Communication

1. Professional Behaviors
2. Ethical Behaviors
3. Business Writing
4. Business Presentations
5. Using Technology to Communicate

(Obj 2, 16, 17)

**Assignments:**

Examples of independent assignments to fulfill 144 total hours of required out-of-class work:

1. Read assigned material each week from the selected text. (Obj 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16)
2. Complete problems/exercises as assigned and be prepared to discuss them during scheduled class sessions. (Obj 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16)

Class participation and assignments require and develop critical thinking.

1. Problem solving requires analysis of text material. (Obj 4, 5, 8, 9, 12, 13)
2. Homework requires ability to apply the principles of accounting. (Obj 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16)
3. Financial statement analysis requires interpretation of computed values. (Obj 14, 15)

**Methods of Evaluation:**

- Written/Typed Homework
- Class Performance(s)
- Quizzes/Exams
- Performance Exams

**Texts, Readings, and Materials:**

- **Textbooks**  
Wild, Shaw, Chiapetta *Financial & Managerial Accounting* (current/e). McGraw-Hill Education, New York (2016).

**UC Transfer Course**

**University of California, Santa Barbara**

**CSU Transfer Course**

**California Polytechnic State University**