

CENTRAL TEXAS COLLEGE
SYLLABUS FOR ACCT 2301
PRINCIPLES OF FINANCIAL ACCOUNTING

Semester Hours Credit: 3

INSTRUCTOR: _____

OFFICE HOURS: _____

I. INTRODUCTION

A. This course is an introduction to the fundamental concepts of **financial accounting** as prescribed by U.S. generally accepted **accounting** principles (GAAP) as applied to transactions and events that affect business organizations. Students will use recorded financial information to prepare a balance sheet, income statement, statement of cash flows, and statement of shareholders' equity to communicate the business entity's results of operations and financial position to users of financial information who are external to the company. Students will study the nature of assets, liabilities, and owners' equity while learning to use reported financial information for purposes of making decisions about the company. Students will be exposed to International Financial Reporting Standards (IFRS).

B. Prerequisite: Meet TSI college-readiness standard for Mathematics; or equivalent.

C. Recommended co-requisite: MATH 1324 Mathematics for Business & Social Science.

D. ACCT 2301 provides an introduction to accounting with an emphasis on the accounting cycle and accounting systems. Topics include cash transactions, receivables, inventories, assets, and liabilities.

E. ACCT 2301 is a required course in Business Administration AA, Business Management AAS, Entrepreneurship Certificate, and Marketing and Sales Management AAS programs.

F. Principles of Financial Accounting is a foundation course for accounting majors. In addition, it is required by many business and computer science curriculums. The first semester is designed to provide the student with an understanding of basic financial accounting methodology and principles.

II. LEARNING OUTCOMES

Upon successful completion of this Principles of Financial Accounting course, you will be able to:

- A. Use basic accounting terminology and the assumptions, principles, and constraints of the accounting environment.
- B. Identify the difference between accrual and cash basis accounting.
- C. Analyze and record business events in accordance with U.S. generally accepted accounting principles (GAAP).
- D. Prepare adjusting entries and close the general ledger.
- E. Prepare financial statements in an appropriate U.S. GAAP format, including the following: income statement, balance sheet, statement of cash flows, and statement of shareholders' equity.
- F. Analyze and interpret financial statements using financial analysis techniques.
- G. Describe the conceptual differences between International Financial Reporting Standards and U.S. generally accepted accounting principles.
- H. Explain what accounting is and describe key principles, adjust accounts and prepare financial statements.
- I. Illustrate transaction analysis and the recording process and prepare basic financial statements.
- J. Analyze and process business transactions, report merchandising operations, classified balance sheets, and multiple-step income statement.
- K. Analyze and report inventory, report receivables, internal controls, and report cash.
- L. Analyze and report long-term assets, calculate depreciation, current and long-term liabilities.
- M. The following SCANS competencies and foundations skills will be covered in this course:

1. Foundation Skills

a. Basic Skills

- (1) Reading (FA1)
- (2) Writing (FA2)
- (3) Mathematics (FA3)
- (4) Listening (FA4)
- (5) Speaking (FA5)

b. Personal Qualities

- (1) Responsibility (FC1)
- (2) Self-esteem (FC2)
- (3) Sociability (FC3)
- (4) Self-management (FC4)
- (5) Integrity/honesty (FC5)

2. Competencies

a. Resources

- (1) Time (CA1)
- (2) Money/budget (CA2)

b. Information

- (1) Acquires/uses (CC1)
- (2) Organizes/maintains (CC2)
- (3) Interprets/communicates (CC3)

Some learning outcomes may be followed by letters and numbers; i.e., C9 or F11. These refer to SCANS foundations skills (F) and workplace competencies (C). View a chart showing these skills at <http://www.ctcd.edu/scans>. For more on the (Labor) Secretary's Commission on Achieving Necessary Skills, or SCANS, go to the U.S. Department of Labor site at <http://wdr.doleta.gov/SCANS/>.

This course has the same content and rigor as that found in a traditional (face-to-face) classroom. The online course is based on the departmental syllabus and uses the same instructional materials.

III. INSTRUCTIONAL MATERIALS

- A. The instructional materials identified for this course are viewable through www.ctcd.edu/books.
- B. Required: Financial/Managerial Accounting Wiley Plus Access Code-includes the e-book.

IV. COURSE REQUIREMENTS

- A. Reading Assignments: Read text assignments prior to class and be prepared to discuss the text material, answering instructor questions with well-organized thoughts and ideas. (CC3, FA1 & 5)
- B. Homework Assignments: Instructor will assign homework exercises which must be completed and turned in as scheduled. Extensions will not be granted. Homework assignments count 20% toward the final grade average. (FA2, FA3, FC1, CA1, CC1 through CC3)

V. EXAMINATIONS/HOMEWORK (CC1 through CC3; CA1, CA2; FA1 through FA5)

- A. There will be four major exams, to include a comprehensive final. They will be multiple choice type exams. Each exam is worth 20 % of the overall grade. Exams must be taken by the deadlines indicated. Make-up exams will not be given.

- B. Ten Graded Homework Assignments will be completed in the homework manager Wiley PLUS. This will be 20% of the student's grade.

VI. SEMESTER GRADE COMPUTATIONS

- A.
- | | |
|----------------------|-------------|
| Exam 1 | 20 % |
| Exam 2 | 20 % |
| Exam 3 | 20 % |
| Final Exam | 20 % |
| Graded Homework (10) | <u>20 %</u> |
| TOTAL | 100 % |
- B. Letter grades will be assigned based on the following percentages:
- | | |
|-----------|-----|
| 90-100% | = A |
| 80- 89% | = B |
| 70- 79% | = C |
| 60- 69% | = D |
| BELOW 60% | = F |

VII. NOTES AND ADDITIONAL INSTRUCTIONS FROM COURSE INSTRUCTOR

- A. Course Withdrawal: It is the student's responsibility to officially withdraw from a class if circumstances prevent attendance. Any student who desires to officially withdraw from a course after the first scheduled class meeting must file a Student Application for Withdrawal through e-forms.

The form will be accepted at any time prior to Friday of the 12th week of classes during the 16-week fall and spring semesters. The deadline for sessions of other lengths is as follows.

10-week session	Friday of the 8th week
8-week session	Friday of the 6th week
5-week session	Friday of the 4th week

The specific last day to withdraw is published each semester in the Schedule Bulletin.

A student who officially withdraws will be awarded the grade of "W", provided the student's attendance and academic performance are satisfactory at the time of official withdrawal. Students must file a student withdrawal form with the

College before they may be considered for withdrawal.

A student may not withdraw from a class for which the instructor has previously issued the student a grade of "F".

- B. Administrative Withdrawal: An administrative withdrawal may be initiated when the student fails to meet College attendance requirements before the census date.

For online courses, students must complete one academically related activity (graded or non-graded) PRIOR to the census date. Classroom students may meet this requirement by attending class.

Incomplete Grade: The College catalog states, "An incomplete grade may be given in those cases where the student has completed the majority of the course work but, because of personal illness, death in the immediate family, or military orders, the student is unable to complete the requirements for a course..." Prior approval from the instructor is required before the grade of "IP" is recorded. A student who merely fails to show for the final examination will receive a zero for the final and an "F" for the course.

- D. American's With Disabilities Act (ADA): Disability Support Services provide services to students who have appropriate documentation of a disability. Students requiring accommodations for class are responsible for contacting the Office of Disability Support Services (DSS) located on the central campus. This service is available to all students, regardless of location. Explore the website at www.ctcd.edu/disability-support for further information. Reasonable accommodations will be given in accordance with the federal and state laws through the DSS office.

- E. Instructor Discretion: The instructor alone reserves the right to make the final decisions regarding course requirements and the final course grade.

- F. Civility: **(FC3)** Individuals are expected to be cognizant of what a constructive educational experience is and respectful of those participating in a learning environment. Failure to do so may result in disciplinary action up to and including expulsion.

- G. Honesty and Integrity: **(FC5)** All students are required and expected to maintain the highest standards of scholastic honesty in the preparation of all course work and during examinations. The following will be considered examples of scholastic dishonesty:

- a. Plagiarism: The taking of passages from writing of others without giving proper credit to the sources. This includes submitting online solutions as the student's own work.
- b. Collusion: Using another's work as one's own; or working together with

another person in the preparation of work, unless joint preparation is specifically approved in advance by the instructor.

- c. Cheating: Giving or receiving information on examinations.

Students guilty of scholastic dishonesty will be administratively dropped from the course with a grade of “F” and will be subject to disciplinary action up to and including expulsion. **(FC5)**

VIII. COURSE OUTLINE

Unit One: Accounting in Action.

1. Learning Outcomes: Upon successful completion of this unit, the student will be able

- a) Explain the three principal types of business activity.
- b) Identify the users and uses of accounting information.
- c) Discuss generally accepted accounting principles.
- d) Illustrate transaction analysis.
- e) Describe the content and purpose of the financial statements.
- f) Define assets, liabilities, and stockholders' equity, and state the basic accounting equation.

These objectives reflect the important concepts of this lesson and should be used to guide your studies and your preparation for examinations.

2. Learning Activities:

- a) Read Chapter 1 in your textbook assignments **(FA1, FC1)**.
 - 1) As you complete each major section in the chapter, answer the *DO IT!* review questions . . . questions that check your understanding of the material you have read. If you can't answer the questions, you should go back and read the section again.
 - 2) Look over the chapter review materials at the end of the chapter. These include:
 - i. Comprehensive *DO IT!* review questions
 - ii. Learning Objectives Review
 - iii. Glossary Review
 - iv. Practice Multiple-Choice Questions
- b) Review the PowerPoint slideshow for Chapter 1.
- c) Discuss the lesson question in the Lesson 1 Discussion with your classmates to ensure your understanding of the lesson content. This discussion is also located in the Discussion Board on the course menu **(FA5, CC1 through CC3)**.
- d) Complete the assignments. Work the assigned problems that are found in the *Assignments Due* section below. You will be able to view the solutions in WileyPLUS after the third attempt **(FC1, FC2, FC4, CA1, CA2)**.

3. Unit Outline: Follow the sequence of unit learning outcomes.

Unit Two: The Recording Process.

1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:

- a) Explain what an account is and how it helps in the recording process.
- b) Define debits and credits and explain how they are used to record business transactions.
- c) Analyze the effects of business transactions on the basic accounting equation.
- d) Identify the basic steps in the recording process.
- e) Explain what a journal is and how it helps in the recording process.
- f) Explain what a ledger is and how it helps in the recording process.
- g) Explain what posting is and how it helps in the recording process.
- h) Prepare a trial balance.

These objectives reflect the important concepts of this lesson and should be used to guide your studies and your preparation for examinations.

2. Learning Activities:

- a) Read Chapter 2 in your textbook (**FA1, FC1**).
 - 1) As you complete each major section in the chapter, answer the *DO IT!* review questions . . . questions that check your understanding of the material you have read. If you can't answer the questions, you should go back and read the section again.
 - 2) Look over the chapter review materials at the end of the chapter. These include:
 - i. Comprehensive *DO IT!* review questions
 - ii. Learning Objectives Review
 - iii. Glossary Review (**FA1**).
 - iv. Practice Multiple-Choice Questions
- b) Review this PowerPoint slideshow for Chapter 2:
- c) Discuss the lesson question in the Lesson 2 Discussion with your classmates to ensure your understanding of the lesson content. The Discussion Board is located on the course menu. This discussion is also located in the Discussion Board on the course menu (**FA5, CC1 through CC3**).
- d) Complete the assignments. Work the assigned problems that are found in the *Assignments Due* section below. You will be able to view the solutions in WileyPLUS after the third attempt (**FC1, FC2, FC4, CA1, CA2**).

3. Unit Outline: Follow the sequence of unit learning outcomes.

Unit Three: Adjusting the Accounts.

1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:

- a) Differentiate between the accrual basis and cash basis of accounting.
- b) Illustrate adjusting entries for deferrals and accruals.
- c) Distinguish between revenues and expenses.
- d) Illustrate the preparation of the adjusted trial balance.
- e) Prepare the financial statements.

These objectives reflect the important concepts of this lesson and should be used to guide your studies and your preparation for examinations.

2. Learning Activities:

- a) Read Chapter 3 in your textbook (**FA1, FC1**).
 - 1) As you complete each major section in the chapter, answer the *DO IT!* review questions . . . questions that check your understanding of the material you have read. If you can't answer the questions, you should go back and read the section again.
 - 2) Look over the chapter review materials at the end of the chapter. These include:
 - i. Comprehensive *DO IT!* review questions
 - ii. Learning Objectives Review
 - iii. Glossary Review (**FA1**)
 - iv. Practice Multiple-Choice Questions
- b) Review this PowerPoint slideshow for Chapter 3:
- c) Discuss the lesson question in the Lesson 3 Discussion with your classmates to ensure your understanding of the lesson content. This discussion is also located in the Discussion Board on the course menu (**FA5, CC1 through CC3**).
- d) Complete the assignments. Work the assigned problems that are found in the *Assignments Due* section below. You will be able to view the solutions in WileyPLUS after the third attempt (**FC1, FC2, FC4, CA1, CA2**).

3. Unit Outline: Follow the sequence of unit learning outcomes.

Unit Four: Completing the Accounting Cycle.

- 1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:
 - a) Explain the use of a worksheet.
 - b) Use the worksheet to prepare adjusting entries and financial statements.
 - c) Prepare closing entries and the post-closing trial balance.
 - d) Explain reversing and correcting entries.
 - e) Prepare a classified balance sheet.

These objectives reflect the important concepts of this lesson and should be used to guide your studies and your preparation for examinations.

3. Learning Activities:

- a) Read Chapter 4 in your textbook (**FA1, FC1**).
 - 1) As you complete each major section in the chapter, answer the *DO IT!* review questions . . . questions that check your understanding of the material you have read. If you can't answer the questions, you should go back and read the section again.
 - 2) Look over the chapter review materials at the end of the chapter. These include:
 - i. Comprehensive *DO IT!* review questions
 - ii. Learning Objectives Review
 - iii. Glossary Review (**FA1**)
 - iv. Practice Multiple-Choice Questions
- b) Review the PowerPoint slideshow for Chapter 4.
- c) Discuss the lesson question in the Lesson 4 Discussion with your classmates to ensure your understanding of the lesson content. This discussion is also located in the Discussion Board on the course menu (**FA5, CC1 through CC3**).
- d) Complete the assignments. Work the assigned problems that are found in the *Assignments Due* section below. You will be able to view the solutions in WileyPlus after the third attempt (**FC1, FC2, FC4, CA1, CA2**)

3. Unit Outline: Follow the sequence of unit learning outcomes.

Unit Five: Accounting for Merchandising Operations.

1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:

- a) Describe the flow of costs in perpetual and periodic inventory systems.
- b) Describe the characteristics of a merchandising company.
- c) Record purchases, purchase returns, purchase discounts, and freight.
- d) Record sales revenues, sales returns, and sales discounts.
- e) Distinguish between a single-step and a multiple-step income statement.

These objectives reflect the important concepts of this lesson and should be used to guide your studies and your preparation for examinations.

2. Learning Activities:

- a) Read Chapter 5 in your textbook (**FA1, FC1**).
 - 1) As you complete each major section in the chapter, answer the *DO IT!* review questions . . . questions that check your understanding of the material you have read. If you can't answer the questions, you should go back and read the section again.
 - 2) Look over the chapter review materials at the end of the chapter. These include:
 - i. Comprehensive *DO IT!* review questions
 - ii. Learning Objectives Review
 - iii. Glossary Review (**FA1**).
 - iv. Practice Multiple-Choice Questions

- b) Review the PowerPoint slideshow for Chapter 5.
- c) Discuss the lesson question in the Lesson 5 Discussion with your classmates to ensure your understanding of the lesson content. This discussion is also located in the Discussion Board on the course menu (**FA5, CC1 through CC3**).
- d) Complete the assignments. Work the assigned problems that are found in the *Assignments Due* section below. You will be able to view the solutions in WileyPLUS after the third attempt (**FC1, FC2, FC4, CA1, CA2**).

3. Unit Outline: Follow the sequence of unit learning outcomes.

Unit Six: Inventories.

1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:

- a) Describe the determination of inventory quantities.
- b) Record accounting for inventories and the application of inventory cost flow methods.
- c) Explain the financial statement and tax effects of each of the inventory cost flow assumptions.
- d) Explain the lower-of-cost-or-net-realizable value (lower-of-cost-or-market basis) of accounting for inventories.
- e) Describe the income statement and balance sheet effects of inventory errors.

These objectives reflect the important concepts of this lesson and should be used to guide your studies and your preparation for examinations.

2. Learning Activities:

- a) Read Chapter 6 in your textbook (**FA1, FC1**).
 - 1) As you complete each major section in the chapter, answer the *DO IT!* review questions . . . questions that check your understanding of the material you have read. If you can't answer the questions, you should go back and read the section again.
 - 2) Look over the chapter review materials at the end of the chapter. These include:
 - i. Comprehensive *DO IT!* review questions
 - ii. Learning Objectives Review
 - iii. Glossary Review (**FA1**)
 - iv. Practice Multiple-Choice Questions
- b) Review the PowerPoint slideshow for Chapter 6:
- c) Discuss the lesson question in the Lesson 6 Discussion with your classmates to ensure your understanding of the lesson content. This discussion is also located in the Discussion Board on the course menu (**FA5, CC1 through CC3**).
- d) Complete the assignments. Work the assigned problems that are found in the *Assignments Due* section below. You will be able to view the solutions in WileyPLUS after the third attempt (**FC1, FC2, FC4, CA1, CA2**).

4. Unit Outline: Follow the sequence of unit learning outcomes.

Unit Seven: Fraud, Internal Control, and Cash.

1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:

- a) Identify the principles of internal control.
- b) Explain the applications of internal controls to cash receipts and cash payments.
- c) Discuss the control features involved in the use of a bank.
- d) Prepare a bank reconciliation.
- e) Explain the reporting of cash.

These objectives reflect the important concepts of this lesson and should be used to guide your studies and your preparation for examinations.

2. Learning Activities:

- a) Read Chapter 7 in your textbook (**FA1, FC1**).
 - 1) As you complete each major section in the chapter, answer the *DO IT!* review questions . . . questions that check your understanding of the material you have read. If you can't answer the questions, you should go back and read the section again.
 - 2) Look over the chapter review materials at the end of the chapter. These include:
 - i. Comprehensive *DO IT!* review questions
 - ii. Learning Objectives Review
 - iii. Glossary Review (**FA1**)
 - iv. Practice Multiple-Choice Questions
- b) Review the PowerPoint slideshow for Chapter 7.
- c) Discuss the lesson question in the Lesson 7 Discussion with your classmates to ensure your understanding of the lesson content. This discussion is also located in the Discussion Board on the course menu (**FA5, CC1 through CC3**).
- d) Complete the assignments. Work the assigned problems that are found in the *Assignments Due* section below. You will be able to view the solutions in WileyPLUS after the third attempt (**FC1, FC2, FC4, CA1, CA2**).

3. Unit Outline: Follow the sequence of unit learning outcomes.

Unit Eight: Accounting for Receivables.

1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:

- a) Identify the different types of receivables.
- b) Record the recognition, valuation, and disposition of receivables.
- c) Describe the methods used to account for bad debts.
- d) Determine maturity date, simple interest, and maturity value of notes receivable.
- e) Explain the financial statement presentation of receivables.

These objectives reflect the important concepts of this lesson and should be used to guide your studies and your preparation for examinations.

2. Learning Activities:

- a) Read Chapter 8 in your textbook (**FA1, FC1**)
 - 1) As you complete each major section in the chapter, answer the *DO IT!* review questions . . . questions that check your understanding of the material you have read. If you can't answer the questions, you should go back and read the section again.
 - 2) Look over the chapter review materials at the end of the chapter. These include:
 - i. Comprehensive *DO IT!* review questions
 - ii. Learning Objectives Review
 - iii. Glossary Review (**FA1**)
 - iv. Practice Multiple-Choice Questions
- b) Review the PowerPoint slideshow Chapter 8.
- c) Discuss the lesson question in the Lesson 8 Discussion with your classmates to ensure your understanding of the lesson content. This discussion is also located in the Discussion Board on the course menu (**FA5, CC1 through CC3**).
- d) Complete the assignments. Work the assigned problems that are found in the *Assignments Due* section below. You will be able to view the solutions in WileyPLUS after the third attempt (**FC1, FC2, FC4, CA1, CA2**)

3. Unit Outline: Follow the sequence of unit learning outcomes.

Unit Nine: Plant Assets, Natural Resources, and Intangible Assets.

1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:

- a) Determine the cost of plant assets.
- b) Explain the concept of depreciation.
- c) Compute depreciation using the straight-line, units of activity, and declining balance methods of depreciation.
- d) Calculate depletion of natural resources and amortization of intangible assets.
- e) Describe the revision of depreciation.
- f) Explain how to account for the disposal of plant assets.
- g) Describe the balance sheet presentation of fixed assets.

These objectives reflect the important concepts of this lesson and should be used to guide your studies and your preparation for examinations.

2. Learning Activities:

- a) Read Chapter 9 in your textbook (**FA1, FC1**).

- 1) As you complete each major section in the chapter, answer the *DO IT!* review questions . . . questions that check your understanding of the material you have read. If you can't answer the questions, you should go back and read the section again.
- 2) Look over the chapter review materials at the end of the chapter. These include:
 - i. Comprehensive *DO IT!* review questions
 - ii. Learning Objectives Review
 - iii. Glossary Review (**FA1**)
 - iv. Practice Multiple-Choice Questions
- b) Review the PowerPoint slideshow for Chapter 9.
- c) Discuss the lesson question in the Lesson 9 Discussion with your classmates to ensure your understanding of the lesson content. This discussion is also located in the Discussion Board on the course menu (**FA5, CC1 through CC3**).
 Complete the assignments. Work the assigned problems that are found in the *Assignments Due* section below. You will be able to view the solutions in WileyPLUS after the third attempt (**FC1, FC2, FC4, CA1, CA2**).

3. Unit Outline: Follow the sequence of unit learning outcomes.

Unit Ten: Liabilities.

1. Learning Outcomes: Upon successful completion of this unit, the student will be able to:

- a) Differentiate between current and long-term liabilities.
- b) Account for current and long-term liabilities.
- c) Describe bond basics.
- d) Account for the issuance and retirement of bonds.
- e) Account for bond interest expense and the amortization of bond premiums and discounts.
- f) Illustrate financial statement presentation of liabilities.

These objectives reflect the important concepts of this lesson and should be used to guide your studies and your preparation for examinations.

2. Learning Activities:

- a) Read Chapter 10 in your textbook (**FA1, FC1**).
 - 1) As you complete each major section in the chapter, answer the *DO IT!* review questions . . . questions that check your understanding of the material you have read. If you can't answer the questions, you should go back and read the section again.
 - 2) Look over the chapter review materials at the end of the chapter. These include:
 - i. Comprehensive *DO IT!* review questions
 - ii. Learning Objectives Review
 - iii. Glossary Review (**FA1**)
 - iv. Practice Multiple-Choice Questions
- b) Review the PowerPoint slideshow for Chapter 10.

- c) Discuss the lesson question in the Lesson 10 Discussion with your classmates to ensure your understanding of the lesson content. This discussion is also located in the Discussion Board on the course menu (**FA5, CC1 through CC3**).

Complete the assignments. Work the assigned problems that are found in the *Assignments Due* section below. You will be able to view the solutions in WileyPLUS after the third attempt (**FC1, FC2, FC4, CA1, CA2**)

3. Unit Outline: Follow the sequence of unit learning outcomes.