**ACTG 51A: INTERMEDIATE ACCOUNTING I**

**Foothill College Course Outline of Record**

<table>
<thead>
<tr>
<th>Heading</th>
<th>Value</th>
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<tr>
<td>Effective Term:</td>
<td>Summer 2022</td>
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<tr>
<td>Units:</td>
<td>5</td>
</tr>
<tr>
<td>Hours:</td>
<td>5 lecture per week (60 total per quarter)</td>
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<tr>
<td>Prerequisite:</td>
<td>ACTG 1B or 1BH.</td>
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<tr>
<td>Degree &amp; Credit Status:</td>
<td>Degree-Applicable Credit Course</td>
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<td>Foothill GE:</td>
<td>Non-GE</td>
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<tr>
<td>Transferable:</td>
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<tr>
<td>Grade Type:</td>
<td>Letter Grade (Request for Pass/No Pass)</td>
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<td>Repeatability:</td>
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**Student Learning Outcomes**

- Explain intermediate financial accounting terminology, concepts, principles, and frameworks.
- Perform related calculations and demonstrate the ability to use methods and /or procedures to solve intermediate financial accounting problems.

**Description**

Review of financial accounting standards, accounting information processing systems and the resulting financial statements. Selected topics related to present value applications, valuation techniques, and revenue recognition. Also covered: accounting for cash, receivables, and inventory.

**Course Objectives**

The student will be able to:

a. describe the purpose of each of the financial statements and its elements.

b. research the relevant financial accounting standard(s) as they relate to questions, problems, or other accounting issues.

c. apply financial accounting standards in solving problems and cases.

d. present financial statements, including appropriate disclosures, as required by the related financial accounting standards.

e. account for cash, receivables, and inventories.

f. describe the direct and indirect effect(s) of transactions on the financial statements and their elements.

**Course Content**

a. Financial Accounting and Accounting Standards
   i. Identify the major financial statements and other means of financial reporting
   ii. Explain how accounting assists in the efficient use of scarce resources
   iii. Identify the objective of financial reporting
   iv. Explain the need for accounting standards

v. Identify the major policy-setting bodies and their role in the standard-setting process

vi. Explain the meaning of Generally Accepted Accounting Principles (GAAP) and the role of the Codification for GAAP

vii. Describe the impact of user groups on the rule-making process

viii. Describe some of the challenges facing financial reporting

ix. Understand issues related to ethics and financial accounting

   i. Describe the usefulness of a conceptual framework
   ii. Describe the FASB’s efforts to construct a conceptual framework
   iii. Understand the objective of financial reporting
   iv. Identify the qualitative characteristics of accounting information
   v. Define the basic elements of financial statements
   vi. Describe the basic assumptions of accounting
   vii. Explain the application of the basic principles of accounting
   viii. Describe the impact that the cost constraint has on reporting accounting information

c. The Accounting Information System
   i. Understand basic accounting terminology
   ii. Explain double-entry rules
   iii. Identify steps in the accounting cycle
   iv. Record transactions in journals, post to ledger accounts, and prepare a trial balance
   v. Explain the reasons for preparing adjusting entries and identify major types of adjusting entries
   vi. Prepare financial statements from the adjusted trial balance
   vii. Prepare closing entries
   viii. Prepare financial statements for a merchandising company

d. Balance Sheet and Statement of Cash Flows
   i. Explain the uses and limitations of a balance sheet
   ii. Identify the major classifications of the balance sheet
   iii. Prepare a classified balance sheet using the report and account formats
   iv. Indicate the purpose of the statement of cash flows
   v. Identify the content of the statement of cash flows
   vi. Prepare a basic statement of cash flows
   vii. Understand the usefulness of the statement of cash flows
   viii. Determine which balance sheet information requires supplemental disclosure
   ix. Describe the major disclosure techniques for the balance sheet

e. Accounting and the Time Value of Money
   i. Identify accounting topics where the time value of money is relevant
   ii. Distinguish between simple and compound interest
   iii. Use appropriate compound interest tables
   iv. Identify variables fundamental to solving interest problems
   v. Solve future and present value of 1 problem
   vi. Solve future value of ordinary and annuity due problems
   vii. Solve present value of ordinary and annuity due problems
   viii. Solve present value problems related to deferred annuities and bonds
   ix. Apply expected cash flows to present value measurement

f. Cash and Receivables
i. Identify items considered cash
ii. Indicate how to report cash and related items
iii. Define receivables and identify the different types of receivables
iv. Explain accounting issues related to recognition of accounts receivable
v. Explain accounting issues related to valuation of accounts receivable
vi. Explain accounting issues related to recognition and valuation of notes receivable
vii. Explain the fair value option
viii. Explain accounting issues related to disposition of accounts and notes receivable
ix. Describe how to report and analyze receivables

g. Valuation of Inventories: A Cost-Basis Approach
   i. Identify major classifications of inventory
   ii. Distinguish between perpetual and periodic inventory systems
   iii. Determine the goods included in inventory and the effects of inventory errors on the financial statements
   iv. Understand the items to include as inventory cost
   v. Describe and compare the cost flow assumptions used to account for inventories
   vi. Explain the significance and use of a LIFO reserve
   vii. Understand the effect of LIFO liquidations
   viii. Explain the dollar-value LIFO method
   ix. Identify the major advantages and disadvantages of LIFO
   x. Understand why companies select given inventory methods

h. Revenue Recognition
   i. Describe and apply the revenue recognition principles
   ii. Describe accounting issues for revenue recognition at point of sale
   iii. Apply the percentage-of-completion method for long-term contracts
   iv. Apply the completed-contract method for long-term contracts
   v. Identify the proper accounting for losses on long-term contracts
   vi. Describe the installment-sales method of accounting
   vii. Explain the cost-recovery method of accounting
   viii. Apply the percentage-of-completion method for long-term contracts
   ix. Apply the completed-contract method for long-term contracts
   x. Under this method, companies recognize revenue and gross profit only at point of sale
   xi. Identify the proper accounting for losses on long-term contracts

Midterm exam
Final exam
Quizzes
Projects
Computerized assignments
Research activities (online and traditional)
Presentations
Writing assignments
Student participation
Group work

Method(s) of Instruction
Methods of Instruction may include but are not limited to the following:

Lecture
Discussion
Cooperative learning exercises
Self-paced
Electronic discussions/chat
Independent study

Representative Text(s) and Other Materials

Types and/or Examples of Required Reading, Writing, and Outside of Class Assignments

a. Reading of corporate annual reports
b. Reading and written analysis of Financial Accounting Standards Board (FASB) statements and other Generally Accepted Accounting Principles (GAAP) literature
c. Reading of internet articles and writing on accounting topics or accounting-related current events and/or careers

Discipline(s)
Accounting

Lab Content
Not applicable.

Special Facilities and/or Equipment
1. Access to spreadsheet, word-processing, and presentation software.
2. When taught as an online distance learning section, students and faculty need reliable and ongoing internet (Java-enabled) and email access.

Method(s) of Evaluation
Methods of Evaluation may include but are not limited to the following: