

ACTG 51B: INTERMEDIATE ACCOUNTING II

Foothill College Course Outline of Record

Heading	Value
Effective Term:	Summer 2024
Units:	5
Hours:	5 lecture per week (60 total per quarter)
Prerequisite:	ACTG 1B or 1BH.
Degree & Credit Status:	Degree-Applicable Credit Course
Foothill GE:	Non-GE
Transferable:	CSU
Grade Type:	Letter Grade (Request for Pass/No Pass)
Repeatability:	Not Repeatable

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

Accounting for property, plant, and equipment (PP&E), intangible assets, current liabilities, long-term liabilities, and equity.

Course Objectives

The student will be able to:

1. research the relevant financial accounting standard(s) as they relate to questions, problems, or other accounting issues.
2. apply financial accounting standards in solving problems and cases.
3. present financial statements, including appropriate disclosures, as required by the related financial accounting standards.
4. account for PP&E, intangible assets, current liabilities, long-term liabilities, and equity.
5. describe the direct and indirect effect(s) of transactions on the financial statements and their elements.

Course Content

1. Income Statement and Related Information
 - a. Understand the uses and limitations of an income statement
 - b. Describe the content and format of an income statement
 - c. Prepare an income statement
 - d. Explain how to report various income items
 - e. Identify where to report earnings per share information
 - f. Understand the reporting of accounting changes and errors
 - g. Prepare a retained earnings statement
 - h. Explain how to report other comprehensive income
2. Current Liabilities and Contingencies

- a. Describe the nature, type, and valuation of current liabilities
 - b. Explain the classification issues of short-term debt expected to be refinanced
 - c. Identify types of employee-related liabilities
 - d. Identify the criteria used to account for and disclose gain and loss contingencies
 - e. Explain the accounting for different types of loss contingencies
 - f. Indicate how to present and analyze liabilities and contingencies
3. Acquisition and Disposition of Property, Plant, and Equipment (PP&E)
 - a. Describe property, plant, and equipment
 - b. Identify the costs to include in initial valuation of property, plant, and equipment
 - c. Describe the accounting problems associated with self-constructed assets
 - d. Describe the accounting problems associated with interest capitalization
 - e. Understand accounting issues related to acquiring and valuing plant assets
 - f. Describe the accounting treatment for costs subsequent to acquisition
 - g. Describe the accounting treatment for the disposal of property, plant, and equipment
 4. Depreciation, Impairments, and Depletion
 - a. Explain the concept of depreciation
 - b. Identify the factors involved in the depreciation process
 - c. Compare activity, straight-line and decreasing-charge methods of depreciation
 - d. Explain special depreciation methods
 - e. Explain the accounting issues related to asset impairment
 - f. Explain the accounting procedures for depletion of natural resources
 - g. Explain how to report and analyze property, plant, equipment, and natural resources
 - h. Describe income tax methods of depreciation
 5. Intangible Assets
 - a. Describe the characteristics of intangible assets
 - b. Identify the costs to include in the initial valuation of intangible assets
 - c. Explain the procedure for amortizing intangible assets
 - d. Describe the types of intangible assets
 - e. Explain the accounting issues for recording goodwill
 - f. Explain the accounting issues related to intangible-asset impairments
 - g. Identify the conceptual issues related to research and development costs
 - h. Describe the accounting for research and development and similar costs
 - i. Indicate the presentation of intangible assets and related items
 6. Current Liabilities and Contingencies
 - a. Describe the nature, type, and valuation of current liabilities
 - b. Explain the classification issues of short-term debt expected to be refinanced
 - c. Identify types of employee-related liabilities
 - d. Identify the criteria used to account for and disclose gain and loss contingencies

- e. Explain the accounting for different types of loss contingencies
- f. Indicate how to present and analyze liabilities and contingencies
- 7. Long-Term Liabilities
 - a. Describe the formal procedures associated with issuing long-term debt
 - b. Identify various types of bond issues
 - c. Describe the accounting valuation for bonds at date of issuance
 - d. Apply the methods of bond discount and premium amortization
 - e. Describe the accounting for the extinguishment of debt
 - f. Explain the accounting for long-term notes payable
 - g. Describe the accounting for the fair value option
 - h. Explain the reporting of off-balance sheet financing arrangements
 - i. Indicate how to present and analyze long-term debt
- 8. Stockholders' Equity
 - a. Discuss the characteristics of the corporate form of organization
 - b. Identify the key components of stockholders' equity
 - c. Explain the accounting procedures for issuing shares of stock
 - d. Describe the accounting for treasury stock
 - e. Explain the accounting for and reporting of preferred stock
 - f. Describe the policies used in distributing dividends
 - g. Identify the various forms of dividend distributions
 - h. Explain the accounting for small and large stock dividends, and stock splits
- 9. Dilutive Securities and Earnings Per Share
 - a. Describe the accounting for the issuance, conversion, and retirement of convertible securities
 - b. Explain the accounting for convertible preferred stock
 - c. Contrast the accounting for stock warrants and for stock warrants issued with other securities
 - d. Describe the accounting for stock compensation plans
 - e. Discuss the controversy involving stock compensation plans
 - f. Compute earnings per share in a simple capital structure
 - g. Compute earnings per share in a complex capital structure

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) access and working email.

Method(s) of Evaluation

Methods of Evaluation may include but are not limited to the following:

Midterm exam(s)
 Final exam
 Quizzes
 Computerized assignments
 Research activities (online and traditional)
 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
 Electronic discussions/chat
 Independent study

Representative Text(s) and Other Materials

Gordon, Raedy, and Sannella. *Intermediate Accounting*, 2nd ed.. 2019.

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

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

Discipline(s)

Accounting