

ACCT 101: FINANCIAL ACCOUNTING

Citrus College Course Outline of Record

Heading	Value
Effective Term:	Fall 2021
Credits:	4
Total Contact Hours:	72
Lecture Hours :	72
Lab Hours:	0
Hours Arranged:	0
Outside of Class Hours:	144
Strongly Recommended:	ACCT 100 or high school bookkeeping, or related job experience.
Transferable to CSU:	Yes
Transferable to UC:	Yes - Approved
Grading Method:	Standard Letter, Pass/No Pass

Catalog Course Description

The objectives of this course are to learn the content and meaning of the basic financial statements and their impact on the decision-making process in the business environment. This course will provide a broad overview of the importance of accounting in the business process as well as introduce the student to the double entry system of accounting, how to record, process and report on the business transactions and events and to consider the operating cycles in business. Topical areas covered in this class will include cash, accounts, inventory, property, plant and equipment, intangible assets, current liabilities and stockholder equity. The importance of internal controls will be reviewed and the components of the income statement will also be discussed. 72 lecture hours.

Course Objectives

- 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.
- Identify and illustrate issues relating to long-term asset acquisition, use, cost allocation, and disposal.
- Distinguish between capital and revenue expenditures.
- Identify and illustrate issues relating to long-term liabilities, including issuance, valuation, and retirement of debt(including the time value of money).
- Identify and illustrate issues relating to stockholders' equity, including issuance, repurchase of capital stock, and dividends.
- Explain the importance of operating, investing and financing activities reported in the Statement of Cash Flows.
- Interpret company activity, profitability, liquidity and solvency through selection and application of appropriate financial analysis tools.

- Identify the ethical implications inherent in financial reporting and be able to apply strategies for addressing them.
- Define and use accounting and business terminology.
- Explain what a system is and how an accounting system is designed to satisfy the needs of specific businesses and users; summarize the purpose of journals and ledgers.
- Apply transaction analysis, input transactions into the accounting system, process this input, and prepare and interpret the four basic financial statements.
- Distinguish between cash basis and accrual basis accounting and their impact on the financial statements, including the revenue recognition and matching principles.
- Identify and illustrate how the principles of internal control are used to manage and control the firm's resources and minimize risk.
- 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.
- 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.
- Explain the valuation and reporting of current liabilities, estimated liabilities, and other contingencies.

Major Course Content

Course Content: (Representing at least 80% of course coverage)

1. Introduction to Accounting and Business (Purposes and uses of accounting information)
2. Analyzing Transactions
3. The Adjusting Process (Cash and accrual accounting)
4. Completing the Accounting Cycle
5. Accounting for a Merchandising Businesses
6. Inventories
7. Sarbanes-Oxley, Internal Controls, and Cash
8. Receivables
9. Long term assets (Fixed Assets, Investments and Intangible Assets)
10. Current Liabilities and Payroll
11. Corporations: Organization, Stockholders Equity Transactions, and Dividends
12. Long-term Liabilities: Bonds and Notes Payable
13. Statement of Cash Flows
14. Financial Statement Analysis
15. Utilize General Ledger Accounting Software to Record Transactions Related to the Above Areas as well as Prepare Financial Reports and Financial Statements
16. Ethical Issues
17. Financial reporting rules and disclosure, including international standards, such as International Financial Reporting Standards (IFRS)

Suggested Reading Other Than Required Textbook

None

Examples of Required Writing Assignments

This accounting class deals primarily with numbers and calculations. Writing is not generally considered a part of this course, other than writing generally required of accountants, such as preparing financial statements.

Examples of Outside Assignments

Analyze and record a series of business transactions, calculate financial ratios, prepare financial statements from a trial balance, and apply different methods to calculate depreciation.

Instruction Type(s)

Lecture, Online Education Lecture