

ACCT 203: INTERMEDIATE ACCOUNTING I

Citrus College Course Outline of Record

Heading	Value
Effective Term:	Fall 2023
Credits:	3
Total Contact Hours:	54
Lecture Hours :	54
Lab Hours:	0
Hours Arranged:	0
Outside of Class Hours:	108
Prerequisite:	ACCT 101 or equivalent course.
Transferable to CSU:	Yes
Transferable to UC:	No
Grading Method:	Standard Letter, Pass/No Pass

Catalog Course Description

This intermediate financial accounting course further explores financial accounting principles and topics introduced in financial accounting. The course provides an in-depth review and examination of topics that include FASB conceptual framework and FASB pronouncements, the accounting process, the components of an accounting system, financial statements, current asset, current liabilities, property, plant and equipment, depreciation, intangibles, other long-term assets, and the time value of money. This course is designed for individuals who desire to enter the accounting or a finance related profession and those interested in furthering their knowledge and understanding of financial accounting. 54 lecture hours.

Course Objectives

- Explain key differences between generally accepted accounting principles (GAAP) and International Financial Reporting Standards (IFRS).
- Describe the fundamental components of the FASB conceptual framework for financial accounting and reporting, including the objectives, qualitative characteristics of accounting information and accounting assumptions.
- Explain the components of an accounting system, the accounting process and illustrate the steps of the accounting cycle.
- Prepare a classified balance sheet illustrating how elements are measured and items are classified and reported.
- Describe the statement of stockholders' equity, its elements, its relationship with the balance sheet and income statement, how it is used to satisfy the information needs of investors, creditors, and other users.
- Prepare an income statement and explain its elements, the major components and how it is used to satisfy the information needs of investors, creditors, and other users.
- Prepare a statement of cash flows and explain its content, form, and purpose and how it is used to satisfy the information needs of investors, creditors, and other users.

- Explain the nature of current assets including definition, measurement and reporting and apply the importance of current assets in evaluating financial liquidity.
- Explain the time value of money and apply the use of the present value and future value concepts to a single sum and an annuity.
- Explain the nature of cash & cash equivalents and demonstrate how it is measured, reported and analyzed to assess the financial condition of a company.
- Explain the nature of receivables and demonstrate how it is measured, reported and analyzed to assess the financial condition of a company.
- Compare and contrast the methods applied to account for uncollectible receivables and bad debts expense.
- Explain the nature of inventory and demonstrate how it is measured, reported and analyzed to assess the financial condition of a company.
- Demonstrate the different inventory cost flow assumptions (FIFO, LIFO & Average Cost) and explain the lower-of-cost or market used to determine the value of inventory reported on the balance sheet.
- Explain the nature of current liabilities and demonstrate how it is measured, reported and analyzed to assess the financial condition of a company.
- Explain the nature of property, plant & equipment and demonstrate how it is measured, reported and analyzed to assess the financial condition of a company.
- Classify expenditures as either revenue or capital expenditures and compute the cost basis of property, plant and equipment to be reported on the balance sheet.
- Compare three different depreciation methods used to calculate annual depreciation expense and accumulated depreciation.
- Identify the ethical implications inherent in financial reporting and identify and evaluate courses of action when faced with ethical challenges.

Major Course Content

1. The need for financial accounting information
2. FASB Conceptual Framework
3. The Accounting System and Account Cycle
4. The Balance Sheet and Statement of Stockholders' Equity
5. The Income Statement and the Statement of Cash Flows
6. Time Value of Money
7. Accounting for Cash and Receivables
8. Accounting for Inventories: measurement, reporting and valuation
9. Accounting for Current Liabilities: measurement and reporting
10. Accounting for Property, Plant and Equipment
11. Accounting for Depreciation, Impairment and Disposal

Suggested Reading Other Than Required Textbook

Journal of Accountancy

Examples of Required Writing Assignments

A friend of yours who is not an accounting major states, "I always thought that a company recognizes revenues at the time of sale.

Recently, however, I heard that there are five specific steps for revenue recognition and that included in the steps is something about performance obligations to customers (whatever that means). Does that mean companies only recognize revenue when they get paid? But then I also heard that revenue may be recognized before or after the sale. I am confused. Please explain revenue recognition to me.”

Required: Prepare a written response for your friend and explain the revenue recognition criteria. Also include a discussion of the reasons for, and alternative methods of, recognizing revenue in a period other than the period of sale.

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 the net realizable value of accounts receivable

Instruction Type(s)

Lecture, Online Education Lecture