

AC-320 Intermediate Accounting I

Course Description:

This is a one-semester course that builds on the understanding of accounting principles developed in the first and second financial accounting courses as well as the course on managerial accounting. Topics covered will include exploring the financial reporting environment, the conceptual framework of financial reporting, a detailed theoretical study of the financial statements, of cash and receivables, inventories, property plant and equipment (including depreciation and depletion), intangible assets and current liabilities.

A. PROGRAM LEARNING OUTCOMES(PLOs):

The student will be able to:

1. Demonstrate an understanding of *intermediate accounting* principles by describing the financial reporting environment and the conceptual framework of financial accounting, analyzing financial statements in detail, and accounting for cash and receivables, inventories, property, plant and equipment, intangibles, liabilities, stockholders' equity, and other special areas.
2. Demonstrate an understanding of *cost accounting* systems relevant to managerial-decision making, planning and control by solving problems involving various costing and budgeting methods; by applying financial, inventory and production management techniques in cost accounting; and by accurately measuring short- and long-term organizational performance.
3. Demonstrate competence in analyzing and recording various transactions for state and local *governments*, the federal government, colleges and universities, and other *nonprofit organizations*; in preparing and interpreting financial statements; and in explaining differences between public and private sector accounting.
4. Demonstrate an understanding of wide range of tax concepts with special focus on the *taxation* of business entities in the United States and the Federated States of Micronesia and a minor emphasis on the individual taxation in the two countries.
5. Demonstrate an understanding of the *statistical methods* of sampling and estimating population statistics and competence in using computer software to calculate point estimates and confidence intervals and use statistical methods to test hypotheses, recognize trends and make forecasts to support decisions in the business/economics environment
6. Apply knowledge acquired from accounting and other courses by solving real world accounting and general workplace problems in a particular organization in the COM-FSM *Internship Program*.

B. STUDENT LEARNING OUTCOMES (SLOs) -GENERAL:

The student will be able to:

1. Develop and demonstrate general understanding of financial reporting and its environment
2. Explain the details of accounting and reporting for cash and receivables, inventories, property plant and equipment (including depreciation and depletion), intangibles, and current liabilities.

SLO	PLO1	PLO2	PLO3	PLO4	PLO5	PLO6
1	DM					DM
2	DM					DM

I = Introduced

D = Demonstrated

M = Mastered

C. STUDENT LEARNING OUTCOMES (SLOs) – SPECIFIC:

The student will be able to:

General SLO 1. Develop and demonstrate general understanding of financial reporting and its environment.

Student Learning Outcomes	Assessment Strategies
1.1 Explain the purpose of financial accounting and the ethical issues facing financial accountants.	Pre-/Post-Testing
1.2 Explain the sources of Generally Accepted Accounting Principles (GAAP) and the individual components of conceptual framework of financial reporting.	Pre-/Post-Testing
1.3 Explain the entire accounting cycle and how the effectiveness of the accounting information system can affect the quality and accuracy of accounting information.	Pre-/Post-Testing
1.4 Explain the uses and limitations of, and prepare income statement and statement of other accumulated comprehensive income in accordance with GAAP.	Pre-/Post-Testing
1.5 Explain the uses and limitations of, and prepare cash flow statement and balance sheet in accordance with GAAP.	Pre-/Post-Testing
1.6 Explain the need for, and prepare notes to financial statements.	Pre-/Post-Testing

General SLO 2. Explain the details of accounting and reporting for transactions involving cash and receivables, inventories, property plant and equipment (including depreciation and depletion), intangibles, and current liabilities.

Student Learning Outcomes	Assessment Strategies
2.1 Identify cash and cash equivalents, prepare entries arising from petty cash transactions, correctly prepare a bank reconciliation statement and bring the cashbook balance to its adjusted amount, and explain how cash is presented in the balance sheet.	Pre-/Post-Testing
2.2 Correctly account for transactions involving accounts receivable, interest bearing and non-interest bearing notes receivable; and explain how receivables should be presented in financial statements.	Pre-/Post-Testing
2.3 Distinguish inventory from non-inventory items; identify major classifications of inventory; and account for inventory transactions using perpetual and periodic inventory using FIFO, LIFO, and Average and Specific Identification cost flow assumptions.	Pre-/Post-Testing
2.4 Explain how to report and analyze inventory, using actual inventory balances and if not available, using various methods of inventory estimation, which considers previous purchase commitments made.	Pre-/Post-Testing
2.5 Describe property, plant and equipment, correctly calculate their related acquisition and after-acquisition costs to be, and account for all property, plant and equipment transactions.	Pre-/Post-Testing
2.6 Explain the nature of, and issues associated with depreciation, asset impairment, and depletion; compute and compare depreciation using activity, straight-line and decreasing-charge methods of depreciation and explain how to report and analyze property, plant and equipment, and asset impairment in financial statements.	Pre-/Post-Testing
2.7 Describe intangible assets and the different types of intangible assets; calculate their costs and amortization; explain the accounting issues related to intangible asset impairments; and present of intangible assets and related items in financial statements.	Pre-/Post-Testing
2.8 Discuss the nature, type and valuation of current liabilities; and present and analyze liabilities and contingencies.	Pre-/Post-Testing

D. COURSE CONTENT

1. The Financial Accounting and Accounting Standards
2. The Conceptual Framework Underlying Financial Reporting
3. Accounting Information System
4. The Income Statement and Related Information

5. Balance Sheet and Statement of Cash Flows
6. Cash and Receivables
7. Valuation of Inventories: A Cost-Basis Approach
8. Inventories: Additional Valuation Issues
9. Acquisition and Disposition of Property, Plant and Equipment
10. Depreciation, Impairments and Depletion
11. Intangible Assets
12. Current Liabilities and Contingencies

E. METHODS OF INSTRUCTION

Lectures and electronic presentations

Simulation activities (ex. problem solving)

Provide student learning resources online.

F. REQUIRED TEXT(S) AND COURSE MATERIALS

Kieso, Weygant & Warfield: **Intermediate Accounting**, 14th Edition, Wiley, USA: 2009 (or most recent edition).

Calculator, pens, pencil and ruler

G. REFERENCE MATERIALS

Nikolai, Bazley & Jones: **Intermediate Accounting** 10th Edition, Thomson South-Western, USA: 2007 (or most recent edition).

Stice & Stice: **Intermediate Accounting** 17th Edition, South-Western College Publishers: 2009 (or most recent edition).

H. INSTRUCTIONAL COSTS

None

I. EVALUATION

None

J. CREDIT BY EXAMINATION

None