

# ACCT C114: INTERMEDIATE ACCOUNTING 3

Item	Value
Curriculum Committee Approval Date	02/22/2007
Top Code	050200 - Accounting
Units	3 Total Units
Hours	54 Total Hours (Lecture Hours 54)
Total Outside of Class Hours	0
Course Credit Status	Credit: Degree Applicable (D)
Material Fee	No
Basic Skills	Not Basic Skills (N)
Repeatable	No
Grading Policy	Standard Letter (S), • Pass/No Pass (B)

## Course Description

Foundation acquired in ACCT C101 will be further developed through more detailed principles. Topics covered are revenue recognition, accounting for income taxes, accounting for pensions and postretirement benefits, accounting for leases, accounting changes and error analysis, statement of cash flows and full disclosure in financial reporting. This is the third semester of a three-semester sequence that will explore topics in intermediate accounting. ADVISORY: ACCT C101. Transfer Credit: CSU.

## Course Level Student Learning Outcome(s)

1. Apply key concepts of Generally Accepted Accounting Principles (G.A.A.P.)
2. Prepare and use Statement of Cash Flows.

## Course Objectives

- 1. Define financial reporting standards under GAAP and IAS (international accounting standards).
- 2. Explain concepts and assumptions used in accounting.
- 3. Recognize an ethical situation and illustrate an ethical resolution by identifying and analyzing the principle elements.
- 4. Prepare a classified balance sheet and a statement of cash flows.
- 5. Apply principles of revenue recognition as outlined by GAAP and IAS.
- 6. Explain the three categories of investments and explain how they are expressed within the financial statements.
- 7. Demonstrate understanding of the complexities of accounting for income taxes.
- 8. Prepare and analyze post-retirement benefits and healthcare benefits.
- 9. Define and apply lease accounting principles.
- 10. Prepare corrected financial statements and demonstrate understanding of accounting changes.

## Lecture Content

Revenue Recognition The current environment Revenue recognition at point of sale Revenue recognition before delivery Revenue recognition

after delivery Accounting for Income Taxes Fundamentals of accounting for income taxes Accounting for net operation losses Financial statement presentation Review of the Asset-Liability Method Accounting for Pensions and Postretirement Benefits Nature of pension plans Accounting for pensions Using and pension worksheet Minimum liability Reporting pension plans in financial statements Accounting for Leases The leasing environment Accounting by the lessee Accounting by the lessor Special accounting problems Lease Accounting – Unsolved problems Accounting Changes and Error Analysis Changes in accounting principle Changes in accounting estimate Reporting a change in entity Reporting a correction of an error Motivations for change of accounting method Balance sheet errors Income statement errors Preparation of financial statements with error corrections Statement of Cash Flows Usefulness of the statement of cash flows Classification of cash flows Format of the statement of cash flows Steps in preparation Sources of information for the statement of cash flows Net cash flow from operating activities – indirect versus direct method Full Disclosure in Financial Accounting Full disclosure principle Notes to the financial statements Disclosure issues Auditors and managements reports Current reporting issues

## Method(s) of Instruction

- Lecture (02)
- DE Online Lecture (02X)

## Instructional Techniques

A variety of instructional techniques will be used to cover different student learning styles. These may include, but are not limited to, lecture, discussion, recitation, and small group activities. Instruction will be supplemented, where appropriate, by PowerPoint presentations, electronic resources and technologies, guest speakers, and field trips. Demonstration may also be implemented where applicable and at facilitators sole discretion.

## Reading Assignments

Students will read assigned textbooks, complete assigned homework/projects, and participate in class discussions and skills demonstrations.

## Writing Assignments

Written assignments and/or projects related to course content.

## Out-of-class Assignments

Students will be required to complete homework assignments and do research for projects and for written assignments and may give individual or group presentations.

## Demonstration of Critical Thinking

Quizzes, Midterm, and Final M/C evaluate students understanding of course concepts. Midterm and Final Exam essay questions that evaluate students ability to formulate solutions to accounting scenarios. A written analysis/project related to text material/concepts and/or skills demonstration.

## Required Writing, Problem Solving, Skills Demonstration

Assignments include: 1. Homework exercises and problems - Homework problems to be completed using general ledger software. 2. Multiple choice questions requiring theory applications and calculations. 3. Critical thinking paper. 4. Multiple choice questions requiring theory application and calculation along with written problems requiring detailed calculation and presentation of answers. 5. There will be a presentation assignment (optional). 6. For skills demonstration, there

will be homework problems to be completed using an online homework manager. 7. For the Final Examination, there will be multiple choice questions requiring theory application and calculation along with problems requiring detailed calculation and presentation of answers.

### **Eligible Disciplines**

Accounting: Masters degree in accountancy or business administration with accounting concentration OR bachelors degree in business with accounting emphasis or business administration with accounting emphasis or economics with an accounting emphasis AND masters degree in business, business administration, business education, economics, taxation, or finance OR the equivalent. Masters degree required. (NOTE: A bachelors degree in accountancy or business administration with accounting concentration, with a CPA license is an alternative qualification for this discipline)

### **Textbooks Resources**

1. Required Kieso, Donald; Weygandt, Jerry; Warfield, Terry. Intermediate Accounting, Volume 1, 16th ed. Jon Wiley Sons, 2017

### **Other Resources**

1. Coastline Library