

## COURSE OUTLINE

Intermediate Accounting I  
Course Title

BA 212  
Dept. & Course No.

I. COURSE DESCRIPTION:

This course covers basic accounting principles of financial accounting and techniques within a framework of modern theory. Upon a completion of this course the student should be able to demonstrate knowledge and understanding of recording and reporting accounting information, preparing and analyzing financial statements, accounting cycle, accounting for merchandise enterprises, and the use of computerized accounting system.

II. SEMESTER CREDITS: 3

III. CONTACT HOURS PER WEEK: 2 3 5  
Lecture Lab Total

IV. PREREQUISITE: BA 131

V. STUDENT LEARNING OUTCOME:

VI. COURSE CONTENT:

Upon completion of this course, the student will be able, with 65% accuracy, to:

1. Describe the main purpose of accounting and list its main fields.

A. Introduction to Business Accounting and Ethics

1. Accounting: Its role in an organization and serving both internal and external needs of business.
2. Fields of Accounting
3. Ethics and its importance to accounting and business.

2. Explain accounting principles and interpret information presented in financial statements.

B. Principles & Financial Statements

1. Income Statements
2. Balance Sheet
3. Statement of Cash Flow
4. Accepted Principles

3. Explain and illustrate how debit and credit are used record their effects on accounts.

C. Record Transactions

1. Accounting Process
  - a. Business transactions and other related matters
  - b. Source documents and business papers

4. Explain why some accounts need to be adjusted at the end of an accounting period; prepare adjusting entries and financial statements.
5. Describe a worksheet; explain and illustrate how it is prepared.
6. Analyze the effect of financial statements of merchandising activities and record purchases and sales of merchandise.
7. Explain components of an accounting system; explain and illustrate the use of special journals and controlling accounts.
8. Explain the need for internal control procedures and procedures use to protect cash.
9. Prepare journal entries to account for short-term investments, credit card sales, sales on account, bad debts expenses and notes receivable.

#### D. Accounts & Financial Statement

1. Accounting & Fiscal Periods
2. Adjusting specific accounts
3. Adjusting trial balance

#### E. Worksheet & Closing Process

1. Steps
2. Closing entries and post-closing trial balance.

#### F. Accounting for Merchandising Activities

1. Purchase of Merchandise
  - a. Purchase discounts
  - b. Purchase returns and allowance.
2. Sales of merchandise
  - a. Sales returns and allowance
  - b. Sales discounts
3. Cost of good sold

#### G. Accounting Systems

1. Components
  - a. Source documents
  - b. Input devices
  - c. Data processor
  - d. Data storage
  - e. Output devices
2. Special journals and controlling accounts

#### H. Accounting for Cash and Principles of Internal Control

1. Broad principles of internal control
2. Internal control for:
  - a. Cash receipts and disbursements
  - b. Petty cash
  - c. Bank reconciliation

#### I. Short-term Investment and Receivables

1. Temporary investments
2. Credit sales & receivables
3. Bad debts expenses
4. Notes receivables
  - a. Interest computation
  - b. Maturity date & value

10. Illustrate how a matching principle relates to accounting for merchandise; calculate cost of merchandise inventory using different bases.

11. Explain depreciation accounting; calculate and record depreciation expenses.

J. Inventories & Cost of Goods Sold

1. Sales and merchandise sold
2. Inventory costing method
3. Inventory systems:
  - a. Periodic
  - b. Perpetual
4. Estimating ending inventories
  - a. Retail methods
  - b. Gross profit method

K. Plant and Equipment

1. Cost of plant asset
2. Nature and causes of depreciation
3. Methods of depreciating asset
4. Revenue and capital expenditure
5. Disposal of plant asset.

VI. MATERIALS AND EQUIPMENT

- a. Routine classroom materials
- b. Workbook(student furnished)
- c. Mini calculator(student furnished)
- d. Foot ruler(student furnished)
- e. TV and VCR
- f. Films

VII. TEXT(S) AND REFERENCE(S)

A. Text:

Larson, Kermit D. et al. Fundamental Accounting Principles Volume I, Chapter 1 – 12, 16<sup>th</sup> Edition, Austin, Texas: Irwin Professional Publishing 2002

B. References:

Needles, Berverd E., Jr. et al. Principles of Accounting 4<sup>th</sup> Edition, Boston, Massachusetts: Houghton Mifflin Company 1990.

VIII. METHODS OF INSTRUCTION:

- A. Lecture
- B. Discussion
- C. Board work: problem solving illustration
- D. Individual/group activities (seatwork/lab)
- E. Guest speakers
- F. Show films and discuss

## IX. METHODS OF EVALUATION

Assignments .....	20%
Participation .....	10%
Tests .....	20%
Midterm .....	25%
Final Exam .....	<u>25%</u>
	100%

Transmutation of percent to letter-grade is as follows:

90 – 100% .....	A
80 – 89% .....	B
70 – 79% .....	C
65 – 69% .....	D
0 – 64% .....	F



## TASK LIST

**BA 212 – INTERMEDIATE ACCOUNTING I**  
Course No & Title

CREDIT:    2    1    48  
                  Lec.    Lab    Total Lab Hrs.

<b><u>Task:</u></b>	<b><u>Time:</u></b>
<b>Objective # 1:</b>	3 hrs.
1. Determine missing items in an accounting equation. 2. Prepare simple income statement and balance sheet.	
<b>Objective # 2:</b>	4 hrs.
1. Analyze business transactions into debit and credit parts. 2. Record and post transactions using a journal, ledger, and chart of accounts.	
<b>Objective # 3:</b>	4 hrs.
1. Prepare entries to adjust some accounts. 2. Prepare income statements, balance sheet, and statement of changes in owner's equity.	
<b>Objective # 4:</b>	3 hrs.
1. Prepare worksheets, closing entries and posting closing trial balance.	
<b>Objective # 5:</b>	2 hrs.
1. Record purchases and sales of merchandise; compute cost of goods sold.	
<b>Objective # 6:</b>	3 hrs.
1. Record business transactions in special journals.	
<b>Objective # 7:</b>	3 hrs.
1. Establish and replenish a petty cash fund. 2. Prepare a bank reconciliation statement.	
<b>Objective # 8:</b>	4 hrs.
1. Prepare entries to record short-term investments, credit cards sales, sales on account, bad debts, notes receivables, and interest.	
<b>Objective # 9:</b>	3 hrs.
1. Compute cost of merchandise inventory using various methods.	
<b>Objective # 10:</b>	4 hrs.
1. Compute depreciation expense of plant asset. 2. Record depreciation expense and disposition of plant asset.	
<b>Objective # 11:</b>	15 hrs.
1. Apply accounting principles, procedures, and methods in solving "Emerald Computer Services", a serialized problem and "Regis Company", a comprehensive problem.	

**PALAU COMMUNITY COLLEGE  
INTERMEDIATE ACCOUNTING I (BA 212)  
STUDENT COMPETENCY PROFILE**

**Student's Name:** \_\_\_\_\_ **Semester/Year:** \_\_\_\_\_

**Instructor's Name (Print):** \_\_\_\_\_

**Directions:** This record is intended to serve as a method of noting student achievement of the competencies in BA 212 (Intermediate Accounting I). Please rate the student on the following competencies (circle one number for each competency). The numerical ratings of 5, 4, 3, 2, and 1 are not intended to represent the grading system of A, B, C, D, and F. The descriptions associated with each of the numbers focus on the level of student performance for each of the competencies listed below.

**Rating Scale:** 5 - Excellent  
4 - Above average  
3 - Average  
2 - Below average  
1 - Unacceptable

**Competency # 1.**

Numerical Value	Describe the role of accounting in business organization and how it is used in identifying, measuring, recording, and communicating business financial data to interested users of the information.
5	<ol style="list-style-type: none"><li>1. Describe the accounting profession and its specialized fields.</li><li>2. Explain why ethics and social responsibility are crucial to accounting.</li><li>3. Explain the aim and influence of accounting in the information age.</li><li>4. Describe the development of accounting concepts and principles.</li><li>5. Identify and apply generally accepted accounting principles.</li><li>6. Identify and explain the content and reporting aims of financial statements.</li><li>7. Identify users and uses of accounting.</li><li>8. Explain the role of accounting in making business decisions.</li></ol> <ul style="list-style-type: none"><li>▪ Complete all the tasks with 90% or above accuracy.</li></ul>
4	<ul style="list-style-type: none"><li>▪ Complete 7 out of 8 tasks with 80% - 89% accuracy.</li></ul>
3	<ul style="list-style-type: none"><li>▪ Complete 6 out of 8 tasks with 70% - 79% accuracy.</li></ul>
2	<ul style="list-style-type: none"><li>▪ Complete 5 out of 8 tasks with 65% - 69% accuracy.</li></ul>
1	<ul style="list-style-type: none"><li>▪ Complete 4 out of 8 tasks with 64% or below accuracy.</li></ul>

**Competency # 2.**

Numerical Value	Prepare and analyze financial statements (income statements, balance sheet, owner's equity, and cash flow) in accordance with Generally Accepted Accounting Principles (GAAP).
5	<ol style="list-style-type: none"> <li>1. Apply knowledge of fundamental concepts of financial accounting.</li> <li>2. Identify the elements of the accounting equation.</li> <li>3. Explain how the accounting equation relates to the construction of financial statements.</li> <li>4. Analyze business transactions and make appropriate accounting entries including transactions involving cash and accounts and notes receivable.</li> <li>5. Record, value, and report items classified as payroll, inventory, property, and plant and equipment.</li> <li>6. Apply the principles of revenue and expense recognition.</li> <li>7. Adjust accounts in anticipation of preparing financial statements.</li> <li>8. Implement and maintain paper and computerized accounting records.</li> <li>9. Prepare income statement, balance sheet, owner's equity, and cash flow statement according to accounting principles.</li> </ol> <ul style="list-style-type: none"> <li>▪ Complete all the tasks with 90% or above accuracy.</li> </ul>
4	<ul style="list-style-type: none"> <li>▪ Complete 8 out of 9 tasks with 80% - 89% accuracy.</li> </ul>
3	<ul style="list-style-type: none"> <li>▪ Complete 7 out of 9 tasks with 70% - 79% accuracy.</li> </ul>
2	<ul style="list-style-type: none"> <li>▪ Complete 6 out of 9 tasks with 65% - 69% accuracy.</li> </ul>
1	<ul style="list-style-type: none"> <li>▪ Complete 5 out of 9 tasks with 64% or below accuracy.</li> </ul>

**Competency # 3.**

Numerical Value	Record business transactions using T-accounts, postings, journals, ledgers and trial balance and analyze the impact of transactions on accounts and financial statements.
5	<ol style="list-style-type: none"> <li>1. Apply the debit and credit rules to Assets, Liabilities and Owner's Equity accounts.</li> <li>2. Explain the connection between double-entry accounting and ledgers and journals.</li> <li>3. Prepare journal entries to record transactions affecting balance sheet accounts.</li> <li>4. Post information from the journal to ledger accounts.</li> <li>5. Prepare a trial balance and explain its purpose.</li> <li>6. Explain the purpose of adjusting entries.</li> <li>7. Journalize and post adjusting entries associated with: revenue, liabilities, assets, and expenses.</li> <li>8. Prepare a worksheet/spreadsheet, explain its purpose, and relate it to financial statement preparation.</li> <li>9. Explain the purpose of closing entries.</li> <li>10. Journalize and post closing entries.</li> </ol> <ul style="list-style-type: none"> <li>▪ Complete all the tasks with 90% or above accuracy.</li> </ul>



4	<ul style="list-style-type: none"> <li>Complete 8 out of 10 tasks with 80% - 89% accuracy.</li> </ul>
3	<ul style="list-style-type: none"> <li>Complete 7 out of 10 tasks with 70% - 79% accuracy.</li> </ul>
2	<ul style="list-style-type: none"> <li>Complete 6 out of 10 tasks with 65% - 69% accuracy.</li> </ul>
1	<ul style="list-style-type: none"> <li>Complete 5 out of 10 tasks with 64% or below accuracy.</li> </ul>

#### Competency # 4.

Numerical Value	Analyze and record merchandising transactions using perpetual and periodic system and explain the adjustments and closing process for a merchandising company.
5	<ol style="list-style-type: none"> <li>Describe merchandising activities and identify components of income for a merchandising company.</li> <li>Identify and explain the inventory asset of merchandising company.</li> <li>Analyze and record purchases and sales of merchandise using both periodic and perpetual merchandise inventory accounts.</li> <li>Identify the costs of merchandising inventory.</li> <li>Explain how the display of Cost of Goods sold might be influenced by the type of inventory method used (periodic or perpetual).</li> <li>Analyze the effects of inventory errors on current and future financial statements.</li> <li>Asses inventory management using both inventory turnover and day's sales in inventory.</li> <li>Compute inventory using the methods of specific identification, FIFO, LIFO, and weighted average.</li> <li>Prepare adjustments and close accounts for merchandising company.</li> <li>Prepare financial statements for a merchandising company.</li> </ol> <ul style="list-style-type: none"> <li>Complete all the tasks with 90% of above accuracy.</li> </ul>
4	<ul style="list-style-type: none"> <li>Complete 8 out of 10 tasks with 80% - 89% accuracy.</li> </ul>
3	<ul style="list-style-type: none"> <li>Complete 7 out of 10 tasks with 70% - 79% accuracy.</li> </ul>
2	<ul style="list-style-type: none"> <li>Complete 6 out of 10 tasks with 65% - 69% accuracy.</li> </ul>
1	<ul style="list-style-type: none"> <li>Complete 5 out of 10 tasks with 64% or below accuracy.</li> </ul>



**Competency # 5.**

Numerical Value	Explain how technology-based information system is used to maintain accounting records and preparing financial statements.
5	<ol style="list-style-type: none"><li>1. Understand basic computer programs and how to apply them to accounting practices.</li><li>2. Identify components of accounting information system.</li><li>3. Use accounting software to maintain accounting records and prepare financial statements.</li><li>4. Use electronic spreadsheets to prepare financial information.</li><li>5. Explain transactions processing within the accounting information system for a variety of organizations.</li></ol> <ul style="list-style-type: none"><li>▪ Complete all the tasks with 90% or above accuracy.</li></ul>
4	<ul style="list-style-type: none"><li>▪ Complete 4 out of 5 tasks with 80% - 89% accuracy.</li></ul>
3	<ul style="list-style-type: none"><li>▪ Complete 3 out of 5 tasks with 70% - 79% accuracy.</li></ul>
2	<ul style="list-style-type: none"><li>▪ Complete 2 out of 5 tasks with 65% - 69% accuracy.</li></ul>
1	<ul style="list-style-type: none"><li>▪ Complete 1 out of 5 tasks with 64% or below accuracy.</li></ul>

I certify that the student has completed all the competencies in this course and has achieved ratings as shown in each respective competency.

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Instructor's Signature

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Date