



MERCER
COUNTY COMMUNITY COLLEGE

COURSE OUTLINE

Course Number ACC 111	Course Title Principles of Financial Accounting	Credits 4
Hours: 4/0 Lecture	Prerequisite: MAT 037 or MAT 042 or equivalent proficiency	Implementation Semester Spring 2022

Catalog description:

Study of the accounting cycle and how accounting data impacts business decisions. Emphasis on understanding the "why" of accounting as well as the "how".

General Education Category:
Not Gen Ed

**Course coordinator: Josie Mathias, 609-570-3341,
mathiasj@mccc.edu**

Required texts & Other materials:

Wild, John J., Financial Accounting Fundamentals 7th Ed McGraw Hill Education, 2019
ISBN: 9781260482867

Course Student Learning Outcomes (SLO):

Upon successful completion of this course, the student will be able to:

1. Define the basic principles and concepts as they relate to practical accounting problems.(ILG #2) (PLO#1)
2. Demonstrate an understanding of the concepts of accrual accounting. (ILG #2) (PLO#2)
3. Explain how accounting can be used as a tool to assist in making business decisions. (ILG #9) (PLO#3)
4. Complete the accounting cycle: journalize entries, post to general ledger, adjust accounts, and prepare financial statements. (ILG #10) (PLO#1,PLO #2)
5. After analyzing case study situations, recommend to management a possible accounting solution. (ILG #1, ILG #11) (PLO#3)

Course-specific Institutional Learning Goals (ILG):

Institutional Learning Goal 1. Written and Oral Communication in English. Students will communicate effectively in both speech and writing.

Institutional Learning Goal 2. Mathematics. Students will use appropriate mathematical and statistical concepts and operations to interpret data and to solve problems.

Institutional Learning Goal 9. Ethical Reasoning and Action. Students will understand ethical frameworks, issues, and situations.

Institutional Learning Goal 10. Information Literacy: Students will recognize when information is needed and have the knowledge and skills to locate, evaluate, and effectively use information for college level work.

Institutional Learning Goal 11. Critical Thinking: Students will use critical thinking skills understand, analyze, or apply information or solve problems.

Program Learning Outcomes for AAS Accounting (PLO)

1. Perform all the steps of the accounting cycle for sole proprietorships, partnerships, and corporations;
2. Compute and record financial transactions that are unique to governmental and not-for-profit institutions such as hospitals, colleges, and universities;
3. Analyze financial statements, prepare managerial reports, and suggest appropriate actions to alleviate or eliminate problems;
4. Implement an effective system of internal control;
5. Utilize the computer to record accounting information and perform spreadsheet analysis;
6. Research printed and electronic resources, evaluate the quality of the information, and report findings orally and/or in written reports.

Units of study in detail – Unit Student Learning Outcomes:

Unit I. Explain what accounting information is, its uses, and users [Supports Course SLO #1]

The student will be able to:

- a. Describe the purpose of accounting
- b. Identify the primary users of accounting information
- c. Discuss General Accepted Accounting Principles.
- d. Apply the accounting equation to transactions

Unit II Describe the components of basic financial statements [Supports Course SLOs #1, #2],

The student will be able to:

- a. Describe the basic elements, uses, and limitations of the balance sheet.
- b. Describe the basic elements and uses of the income statement.
- c. Define individual cash flow items used in the statement of cash flows.
- d. Explain the fundamental concepts and assumptions that underlie financial accounting.

Unit III Perform the mechanics of accounting [Supports Course SLOs #2, #4]

The student will be able to:

- a. Record the effects of transactions using journal entries.
- b. Summarize the resulting journal entries through posting and prepare a trial balance.

Unit IV Complete the accounting cycle [Supports SLOs #2, #4]

The student will be able to:

- a. Describe how accrual accounting allows for timely reporting.
- b. Calculate and journalize adjusting entries for: Unrecorded receivables, unrecorded liabilities, prepaid expense, unearned revenues
- c. Explain the preparation of financial statements.

Unit V Describe the accounting for the selling of a product or service [Supports Course SLOs #2, #4, #5]

The student will be able to:

- a. Discuss the nature of the operating cycle
- b. Journalize sales transactions
- c. Prepare financial statements for a merchandising firm
- d. Assess how well companies manage their receivables.

Unit VI. Explain the process of accounting for inventory [Supports Course SLOS #2, #4, #5]

The student will be able to:

- a. Identify what costs should be included in inventory and cost of goods sold.
- b. Account for purchases of inventory using the perpetual inventory method.
- c. Calculate the cost of goods sold and ending inventory using the FIFO, LIFO and weighted average methods.
- d. Complete the closing process in the accounting cycle for a merchandising organization.
- e. Assess how well companies manage their inventories.
- f. Explain the gross margin method of estimating inventories.

Unit VII. Perform the activities related to receivables [Supports Course SLOs #2, #4, #5]

The student will be able to:

- a. Discuss the classification of Receivables
- b. Apply the GAAP as they relate to uncollectible Accounts Receivable
- c. Account for Notes Receivable
- d. Calculate and explain the significance of Accounts Receivable Turnover and Number of Days' Sales in Receivables

Unit VIII Describe the accounting procedures for long-term operating assets [Supports Course SLOs #2, #3, #4]

The student will be able to:

- a. Identify the two major categories of long-term operating assets: property, plant, and equipment and intangible assets.
- b. Account for the acquisition of property, plant, and equipment.
- c. Compute straight-line, units of production declining-balance depreciation expense for plant and equipment.
- d. Account for the disposal of property, plant, and equipment.
- e. Discuss the acquisition and amortization of intangible assets.

Unit IX. Explain the concepts related to current liabilities, long-term liabilities, and Payroll
[Supports Course SLOs #2, #3, #4]

The student will be able to:

- a. Use present value concepts to measure long-term liabilities.
- b. Account for: installment notes receivable
- c. Discuss the nature of bonds.
- d. Determine the issuance price of bonds.
- e. Describe the accounting for bonds issued at face value.
- f. Use debt related ratios to determine the degree of a company's leverage and its ability to repay loans.
- g. Account for current liabilities: accounts payable, short-term notes payable.
- h. Applies the GAAP for payroll and payroll taxes.

Unit X Discuss equity financing [Supports SLOs #2, #3, #4]

The student will be able to:

- a. Describe the basic characteristics of a corporation and the nature of common and preferred stock.
- b. Account for the issuance and repurchase of common and preferred stock.
- c. Record the entries for cash dividends.
- d. Calculate the dividend payout ratio.

Unit XI Explain the procedures used to ensure the integrity of financial information [Supports SLOs #1, #3, #5]

The student will be able to:

- a. Discuss the requirements of the Sarbanes-Oxley Act .
- b. Describe the safeguards employed to ensure that financial statements are free from problems.
- c. Apply the purpose and principles of Internal Control.
- d. Complete the reconciliation of a bank statement as part of the internal control of cash.
- e. Calculate and explain the Ratio of Cash to Monthly Cash Expenses.

Evaluation of student learning:

All course student learning outcomes will be assessed by the following activities.
Test questions will be selected to evenly assess all expected outcomes.
Grades will be assigned as detailed below

Tests	60%
Written Project	15%
Quizzes	5%
Final Exam	20%