

Course Title: Financial Accounting I

Course Code: Acct 301

Credit Hours: 4

Prerequisite: Acct 202

Description:

This course is intermediate level accounting course that presupposes the students' knowledge of sophomore level accounting principles and practice, accounting for merchandising enterprise and analyzing and reporting of accounting data. In this course emphasis is made on accounting theory of financial statements, recognition criteria and measurement, display or reporting requirements of the elements, time value of money, Accounting for cash, Accounting for Receivables and Short term investments.

Course objective

After completing this course students will be able to:

- Understand how the basic accounting principles are developed
- Know the basic contributions of the conceptual framework project of FASB
- Convert accrual basis net income to cash basis net income or vice versa
- Record business transaction; adjust ledger accounts; prepare correcting, closing and reversing entries
- Know the date when revenues and expenses are recognized
- Describe the difference between intra period and inter period tax allocations
- Identify the special problems that may be encountered in the measurement and reporting of income
- Differentiate the alternative forms of income statements, balance sheet and statement of retained earnings
- Prepare bank reconciliation and proof of cash
- Know the different types of short-term investment securities and their accounting treatments
- Understand how receivables could be used as a source of finance
- Describe the accounting for pledging and factoring of receivable
- Determine cost of inventories

Course contents

Chapter I: Accounting principles and professional practice

- 1.1. The environment of Accounting
- 1.2. Conceptual frame work for fanatical accounting and reporting
- 1.3. Federally accepted accounting principles
- 1.4. Cash flows and income measurement

Chapter II: Information Processing and the Accounting Cycle

- 2.1. Recording business Transcript and Events
- 2.2. Adjusting closing and Reversing Entries
- 2.1. Correcting Entries
- 2.2. Work Sheet for a merchandising and Manufacturing Businesses

Chapter III: Revenue and Expense Reorganization Income Measurement and Reporting

- 3.1. Recognition of Reporting
- 3.2. Resigning of Expenses
- 3.3. Income Measurement and Reporting

Chapter IV: Financial Statements and Addition Disclosure

- 4.1. Income Statement
- 4.2. Statement of Retain Earnings
- 4.3. Balance Sheet
- 4.4. Statement of Stockholders' Equity
- 4.5. Additional Disclosure

Chapter V: Time Value of Money

- 5.1. Future and present Values of annuities
- 5.2. Present and future values of annuities
 - 5.2.1. Ordinary annuity
 - 5.2.2. Annuity due
 - 5.2.3. Deferred annuity
 - 5.2.4. Perpetuity
 - 5.2.5. Perpetuity

Chapter VI: Cash and Short-term investments

- 6.1. Management and internal control of cash
- 6.2. Bank reconciliation
- 6.3. Proof of cash/ the four-column bank reconciliation
- 6.4. Accounting for short-term investment

Chapter VII: Receivables

- 7.1. Valuation of receivables
- 7.2. Trade accounts receivable
 - 7.2.1. Recording trade accounts receivable
 - 7.2.2. Measuring trade accounts receivable
- 7.3. Use of receivables as a source of cash
 - 7.3.1. Sale of receivables with recourse of without recourse
 - 7.3.2. Assignment of receivables
 - 7.3.3. Accounting for notes receivables

Chapter VIII: Inventories: Cost and cost flow assumption

- 8.1. Nature of inventors and inventory procedure
- 8.2. Cost and Quantity accumulation
- 8.3. Cost flow-assumptions
 - 8.3.1. First - in first - out
 - 8.3.2. Last - in first - out
 - 8.3.3. Dollar – value LIFO Method
 - 8.3.4. Base Stock Method
 - 8.3.5. Weighted Average Method
 - 8.3.6. Specific Identification Method
- 8.4. Valuation Inventories at Lower of cost or market.

Text: A.N. music, termed ate Accounting, 6th edition, Mc Graw-Hill, 1989

1. A.N. Music & E. John Larson, Intermediate Accounting, 9th edition, Ackla Mc Graw-Hill, International Books Company, 1982
2. Donald E. kiesho and Jerry J. Weygand, Interceding. 9th edition, New York John Wiley & Sons, 1998

3. Deskman, Ducks & David's, Intermediate Accounting 3rd edition, Mc Graw-Hill, 2000
4. Spieled, Sepe & Thomason, Intermediate Accounting 2nd edition, Mc Graw-Hill, 2000
5. Jan R. Williams, Keith G. Stanza & William W. Holder, intermediate Accounting, Sane Diego, Harcourt Brace Jovanovich Publishers, 1984
6. J. M. Smith & K. F. Scones, Intemediate Accounting 7th edition, Cincinnati, South Western Publishing Co., 1981

Methodology

1. Demonstration
2. Self Exercises, tests, quiz or assignments
3. Group Discussion
4. Project Work

Evaluation policy

- Assignment, quizzes & tests 20%
- Mid-term exam 40%
- Final Exam 40%
- Total 100%

Rules of Engagement

1. Tests, quiz, exercises, or assignments will be given at the end of each chapter/section.
2. Students are expected to attend all classes. Absentees are responsible for missed lectures, demonstrations, announcements, tests & quiz or assignments. No makeup will be given for missed quiz, exam or assignments. Missed Quiz or assignment result in a zero mark.
3. Non attendance of classes equal or greater than 25% of the total result in "No Grade (NG)". This means students who are absent for 8 days (16 hours) will et automatic NG.

4. Students are expected to observe standard ethics in class. They are encouraged to actively participate in class. All mobile phones will be switched off in class, including that of the instructor. Students are expected to carry their ID cards at all times.
5. Students are expected to have their own scientific calculators, rulers and other educational materials. These materials cannot be exchanged during exams. Students are not allowed to use mobile phone calculators on exams.
6. Students are expected to observe rules of conduct on Exams. Any one suspected of cheating during exam gets automatic F grade. All are expected to be honest and not try to copy assignments or tests & exams from others.
7. Students have the right to comment on the performance and teaching methodology of the instructor, and give feed back intended to improve the communication and transparency. Students have the right to appeal to the Department regarding unsolved misunderstandings, unfair treatments or other grievances.