# Intermediate Accounting

## 1. Purpose

Intermediate accounting is an advanced course in Principles of Accounting. This course is a required course in selected business and public administration programs.

## 2. Description

<table>
<thead>
<tr>
<th>A. Contact hours per week</th>
<th>B. Duration</th>
<th>C. Number/ type of credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>15 Weeks</td>
<td>3 Credit Hrs. CEU NDU Other</td>
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Lecture ____
Lab ____
OJT ____

D. Catalog Description

An intensive review course on accrual accounting with emphasis on work sheets, adjusting and closing entries, and financial statements. This course leads into an in-depth study of cash and investments, receivables, inventory and fixed assets. It emphasizes the application of generally accepted accounting principles to short- and long-term liabilities, corporate equities, special problems in income reporting and determination, and changes in financial position. Prerequisite: AC 225.

E. Target Population

This advanced accounting course is required for students in selected business and public administration programs.

F. Certificate, Degree, or Other Requirements Met by Course

Intermediate Accounting is a required course for students enrolled in selected Associate of Arts (AA) Degree and certificated programs in business and public administration.

G. Employment Entry or Upgrading If Any

Students satisfactorily completing this course are competent to enter selected business and public administration fields at a decision-making level.
3. COST/ BENEFIT ANALYSIS
   A. Instructor Fees
   B. Materials Fees
   C. Text(s)
   D. Additional Cost to Students
   E. Facility/Laboratory Fee (If any)
   F. Other Costs (If any)

4. NEEDS ASSESSMENT

5. PREREQUISITES / SKILL LEVEL
   A. English Proficiency Level
      W1 R1
      W2 R2
      W3 R3
      Col.
   B. Math

6. INSTRUCTIONAL SUPPLIES, MATERIALS, EQUIPMENT, LIBRARY

7. EVALUATION
   examinations..................60%
   workbook assignments.....30%
   class attendance and participation......................10%
8. COMMENTS ON COURSE ACTIVITIES AND DESIGN

Small and large group activities, including discussions, research assignments, reports and examinations are used throughout the course.

9. STUDENT COMPETENCIES (CONTINUE ON REVERSE IF NECESSARY)

1. Understand and implement corporate accounting procedures
2. Understand and implement simple EDP accounting system
3. Account for stocks and bonds
4. Prepare statements of retained earnings, changes in financial position and cost of goods manufactured
5. Understand cash flow, discounted cash flow and budgeting
6. Prepare analyses for management decision making
7. Understand concepts and procedures of current value accounting.

OPTIONAL:
8. Account for mergers and consolidations
9. Account for taxes and timing differences
10. Be aware of different methods used for individual and not for profit organizations
10. COURSE OUTLINE

1.0 Corporations
   1.1 legal characteristics
   1.2 stock
      1.21 characteristics/rights
      1.22 classes
      1.23 premiums/discounts
      1.24 subscriptions
      1.25 dividends
      1.26 paid in capital
      1.27 splits
      1.28 earnings per share
      1.29 treasury stock
   1.3 retained earnings statement
   1.4 unusual items
      1.41 prior period adjustments
      1.42 extraordinary items
      1.43 discontinued operations
   1.5 taxes
   1.6 appropriation of retained earnings
   1.7 review of financial statements
   1.8 auditors function and reports

2.0 EDP Systems
   2.1 reviews of systems and imput/output devices
   2.2 procedures/controls
   2.3 implementation, testing and interpretation of results

3.0 Long-Term Liabilities and Investments
   3.1 bonds
      3.11 characteristics/rights
      3.12 issuance (discounted cash flow)
      3.13 sinking fund
      3.14 redemption
   3.2 stock investments
      3.21 cost method
      3.22 equity method

4.0 Departments
   4.1 purpose
   4.2 allocation of expenses
      4.2 direct
      4.22 indirect
   4.3 interpretation of departmental margin

5.0 Manufacturing Cost System
   5.1 overview
   5.2 inventories
   5.3 direct materials, direct labor, factory overhead
   5.4 job order systems
   5.5 process cost systems
6.0 Cash Flow and Budgeting
   6.1 contrast cash flow and income statements
   6.2 budgets
      6.21 objectives
   6.22 types
      6.23 flexible
   6.3 standard costs
   6.4 variance analysis
7.0 Management Decision Making
   7.1 absorption versus direct costing
   7.2 differential analysis for make/buy, keep/replace decisions
   7.3 sales mix
   7.4 cost volume profit analysis
   7.5 ratio/trend analysis
8.0 Statement of Changes in Financial Position
   8.1 working capital basis
   8.2 cash basis
9.0 Current Value Accounting
   9.1 price level changes
   9.2 replacement cost
   9.3 interpretation of financial statements
10.0 Mergers/Consolidations (Optional)
    10.1 parent/subsidiary relationships
    10.2 purchase method
    10.3 pooling of interests method
11.0 Corporate Taxes (Optional)
    11.1 gross receipts tax
    11.2 comparison to U.S. system
    11.21 tax computation
    11.22 interperiod tax allocation
12.0 Accounting for Individual & Non-Profit Organizations (Optional)
    12.1 individuals
    12.2 charitable organizations
    12.3 government