

Course Competency

ACG 2170 FIN STATEMENT ANALYS

Course Description

Basic instruction in analyzing statements in order to make sound judgments on the financial condition of specific businesses.(3 hr.lecture)

Course Competency	Learning Outcomes
<p>Competency 1:The student will demonstrate a knowledge of the usefulness of financial statements by:</p>	<ol style="list-style-type: none"> 1. Numbers / Data 2. Information Literacy 3. Communication 4. Computer / Technology Usage
<ol style="list-style-type: none"> 1. Listing the potential users. 2. Illustrating the purpose of financial statements for each user. 3. Describing the function of each financial statement. 4. Differentiating between internal and external users. 	
<p>Competency 2:The student will analyze and interpret generally accepted accounting principles by:</p>	<ol style="list-style-type: none"> 1. Numbers / Data 2. Critical thinking 3. Information Literacy 4. Ethical Issues
<ol style="list-style-type: none"> 1. Illustrating Business entity and concern or continuity. 2. Differentiating Monetary unit, conservation, realization, matching, consistency, and full disclosure. 3. Distinguishing materiality, cash basis, and accrual basis. 	
<p>Competency 3:The student will demonstrate a knowledge of the effects of globalization on financial statements by:</p>	<ol style="list-style-type: none"> 1. Numbers / Data 2. Cultural / Global Perspective

	3. Computer / Technology Usage
1. Describing the establishment of international accounting standards, describing the objectives of the International Accounting Standards Committee, describing the role of the United Nations in harmonization of international accounting standards, and describing the method of accounting for foreign currency exchange gains and losses.	
Competency 4: The student will demonstrate an understanding of the Balance Sheet by properly preparing this financial statement after application of skills in computing the balances of the accounts, including:	1. Numbers / Data 2. Computer / Technology Usage
1. Cash, marketable securities, accounts receivables, inventories, prepaids, tangible long-term assets, investments, intangibles, payables, unearned Income, bond, beferred taxes, preferred stock, common stock, donated capital, , retained earnings, and treasury. Stock	
Competency 5: The student will demonstrate ability to synthesize the financial statement process by:	1. Numbers / Data 2. Computer / Technology Usage
1. Generating a multi-step income statement, disclosing the effect on the income statement of: 1. discontinued operations 2. extraordinary items. 3. cumulative effect of changes in accounting principles. 4. unrealized gains and losses 5. deferred income tax 6. pension plans 7. fifo vs. lifo inventor valuation 8. disclosing the effect on retained earnings of gains and losses from prior period adjustments.	
Competency 6: Student will apply knowledge of the basic analysis techniques by:	1. Aesthetic / Creative Activities

	<ol style="list-style-type: none"> 2. Numbers / Data 3. Critical thinking
<ol style="list-style-type: none"> 1. Interpreting vertical and horizontal analysis of income statements and balance sheets, calculating and interpreting the following ratios: 1. accounts receivable turnover 2. days' sales in receivables 3. inventory turnover 4. days' sales in inventory 5. current ratio 6. acid-test ratio 7. cash ratio 8. debt/equity ratio 9. net profit margin 10. return on assets 11. return on investment 12. return on total equity 13. return on common equity 14. degree of financial leverage 15. earnings per share 16. price/earnings ratio 17. dividend yield, 18. discussing financial leverage and its effect on earning 	
<p>Competency 7:The student shows comprehension of the cash flow statement by:</p>	<ol style="list-style-type: none"> 1. Numbers / Data 2. Communication 3. Information Literacy
<ol style="list-style-type: none"> 1. Distinguishing between operating activities, investing activities, financing activities, estimating a company's operating cash flow/total debt, and explaining operating cash flow/cash dividends. 	

Updated: SPRING TERM 2024