

## **Course Description**

### **ACG3103 | Intermediate Accounting I | 3.00 credits**

Theory and methodology underlying financial reporting, including the FASB's conceptual framework, the accounting process, financial statements, accounting changes, present value applications, and current assets.

Prerequisites: ACG2071, MAC 2233, QMB2100

## **Course Competencies:**

**Competency 1:** The student will demonstrate knowledge of accounting and its theoretical foundation by:

1. Describing the various professional associations concerned with the development and application of accounting principles
2. Identifying accounting standards issued by the financial accounting standards board
3. Listing the traditional assumptions of the accounting model
4. Defining the conceptual framework components of the financial accounting standards board
5. Describing the provision of additional disclosure to the balance sheet including a summary of significant accounting policies

**Competency 2:** The student will show comprehension of accounting techniques by:

1. Explaining the recording of the acquisition of non-current assets by various means such as lump sum purchase price, deferred payment contracts, capital leases, exchange of non-monetary assets, issuance of securities, and by donation
2. Converting U.S. Dollars to foreign currency in inventory transactions
3. Distinguishing the items to be included in the determination of inventory cost
4. Summarizing the difference between accrual and cash-basis accounting
5. Paraphrasing the steps in reporting changes in retained earnings
6. Giving examples of compensating balances and of petty cash funds
7. Distinguishing between accounts receivable and notes receivable as to methods of valuation and reporting

**Competency 3:** The student will demonstrate knowledge of Cash and Temporary Investments by:

1. Listing the assets that compose this category
2. Describing the usefulness of each of these assets
3. Reproducing this portion of the balance sheet
4. Stating the criteria for reporting securities as temporary investments
5. Describing the time-value-of-money concept
6. Defining future value and present value techniques
7. Providing an illustration of the reporting of cash and temporary investments on the balance sheet and on the statement of cash flows
8. Outlining the use of notes receivable as a source of cash
9. Naming the procedures to value temporary investments subsequent to acquisition

**Competency 4:** The student will apply knowledge of Financial Statements by:

1. Preparing several different forms of the balance sheet
2. Producing a statement of cash flows using the direct method
3. Creating a statement of cash flows using the indirect method
4. Demonstrating the reporting of cash flow from investing activities and from financing activities

**Competency 5:** The student will apply knowledge of non-current assets by:

1. Computing the depreciation for non-current assets using three different methods
2. Showing the different ways of estimating goodwill
3. Solving problems involving the amortization of intangible assets and the depletion of natural resources
4. Using the cost method and the equity method for long-term investments in equity securities
5. Relating to the various ways of retiring a non-current asset

**Competency 6:** The student will perform an analysis of Asset accounts by:

1. Distinguishing between current and non-current assets
2. Identifying the different methods of inventory valuation, including their income tax consequences
3. Differentiating the methods for writing off a bad debt
4. Illustrating the different methods of estimating the value of inventory for mid-year reporting
5. Discussing the nature of inventories of raw materials, goods in process, and finished goods

**Competency 7:** The student will demonstrate the ability to synthesize the accounting process by:

1. Generating bank reconciliations
2. Organizing the income statement accounts into a multi-step income statement
3. Compiling a balance sheet and describing its usefulness
4. Creating a statement of cash flows
5. Explaining how computers are used to increase speed and accuracy in accounting
6. Relating an illustration of the importance of recognizing, measuring, and reporting income

**Learning Outcomes**

- Use quantitative analytical skills to evaluate and process numerical data
- Solve problems using critical and creative thinking and scientific reasoning
- Formulate strategies to locate, evaluate, and apply information
- Demonstrate knowledge of ethical thinking and its application to issues in society