



Course Description

ACG3113 | Intermediate Financial Accounting II | 3.00 credits

This course is a continuation of ACG3103. Particular emphasis will be on analysis of balance sheet accounts through problem solving. It provides students with a more in-depth knowledge of Generally Accepted Accounting Principles (GAAP), including the advanced study of long-term assets, current and long-term liabilities and equities. Prerequisite: ACG3103

Course Competencies:

Competency 1: The student will demonstrate Financing liabilities i.e. Bonds and Long-term liabilities by:

1. Explaining the reasons for issuing long-term financing liabilities, such as bonds and notes payable
2. Understanding the characteristics of bonds payable
3. Computing the issue price of bonds payable
4. Recording the issuance of bonds payable
5. Amortizing bond discounts and bond premiums
6. Explaining extinguishment of liabilities

Competency 2: The student will demonstrate Contributed Capital by:

1. Defining equity and explaining the corporate form of organization, including its advantages and disadvantages
2. Explaining the rights and terms that apply to capital stock
3. Computing the accounting for the issuance of capital stock
4. Analyzing non-compensatory share purchase plans
5. Analyzing and accounting for share-based compensation plans
6. Describing the characteristics of preferred stock
7. Understanding the accounting for treasury stock
8. Distinguishing the components of contributed capital and how they are reported in financial statements

Competency 3: The student will demonstrate Retained Earnings and Earnings per share by:

1. Explaining the accounting and reporting for different types of dividends
2. Discussing the accounting for prior period adjustments and restrictions of retained earnings
3. Explaining the various components of shareholders' equity and related disclosures
4. Computing basic earnings per share (EPS) including the computation of weighted average common shares
5. Computing diluted earnings per share including the identification of potential common shares
6. Analyzing the differences in diluted and basic earnings per share

Competency 4: The student will demonstrate Advanced Issues in Revenue Recognition by:

1. Understanding and explaining the core issues of revenue recognition
2. Describing how a company identifies a contract with a customer
3. Examining how a company identifies the performance obligations in a contract
4. Understanding how a company determines the transaction price of a contract
5. Describing how to allocate the transaction price to the performance obligations in the contract
6. Analyzing revenue as the company satisfies the performance obligations in the contract
7. Understanding the accounting for long-term contracts in which revenue is recognized over time versus at a point in time

Competency 5: The student will demonstrate Accounting for Income Taxes by:

1. Understanding accounting issues related to income taxes
2. Applying inter-period income tax allocation and explaining the accounting for temporary differences
3. Analyzing recording and reporting deferred tax liabilities and deferred tax assets
4. Understanding and explaining the accounting for permanent differences
5. Explaining and accounting for operating loss carrybacks and carryforwards
6. Describing and applying intra-period tax allocation
7. Examining presentation and disclosure issues related to accounting for income taxes
8. Understand and explain the accounting for uncertain tax positions

Competency 6: The student will demonstrate Accounting for Post- Retirement Pension Plans by:

1. Understanding the characteristics of pension plans
2. Explaining the GAAP for pension plans, including computing pension expenses and recognizing pension liabilities and assets
3. Accounting for defined benefit pension plans
4. Understanding several important additional issues related to accounting for pension plans
5. Explaining and accounting for other post-retirement benefit plans (OPRBS)

Competency 7: The student will demonstrate Accounting for Leases by:

1. Explaining how to classify leases
2. Explaining the advantages and disadvantages of leasing
3. Accounting for a lessee's operating and capital leases
4. Understanding statement of cash flow presentation and disclosure by the lessee
5. Accounting for a lessor's operating, direct financing and sales-type leases
6. Understanding statement of cash flow presentation and disclosure by the lessor

Competency 8: The student will demonstrate knowledge of Statement of Cash Flows by:

1. Understanding and defining operating, investing, and financing activities
2. Explaining the direct and indirect methods for reporting operating cash flows
3. Preparing a statement of cash flows using the visual inspection method
4. Preparing a statement of cash flows using the spreadsheet method
5. Accounting for special items affecting the statement of cash flows
6. Understanding and preparing the operating activities section under the direct method

Competency 9: The student will demonstrate knowledge of Accounting for Errors by:

1. Identifying the types of accounting changes and explaining the methods of reporting each type of change
2. Accounting for a change in accounting principle
3. Accounting for a change in estimate
4. Identifying a change in a reporting entity
5. Identifying accounts for a correction of an error

Learning Outcomes:

- Use quantitative analytical skills to evaluate and process numerical data
- Solve problems using critical and creative thinking and scientific reasoning
- Use computer and emerging technologies effectively