



El Camino College
COURSE OUTLINE OF RECORD – Approved

I. GENERAL COURSE INFORMATION

Subject and Number: Business 2A
Descriptive Title: Intermediate Accounting
Course Disciplines: Accounting
Division: Business

Catalog Description:

This course emphasizes advanced financial accounting theory and practice for the corporate form of ownership. A major focus of the course is on the preparation and analysis of complex financial statements, notes, and special reporting issues.

Conditions of Enrollment:

Prerequisite: Business 1B with a minimum grade of C

Course Length:	X Full Term	Other (Specify number of weeks):
Hours Lecture:	3.00 hours per week	TBA
Hours Laboratory:	0 hours per week	TBA
Course Units:	3.00	

Grading Method: Letter
Credit Status: Associate Degree Credit

Transfer CSU: X **Effective Date:** Prior to July 1992
Transfer UC: No

General Education:

El Camino College:

CSU GE:

IGETC:

II. OUTCOMES AND OBJECTIVES

A. COURSE STUDENT LEARNING OUTCOMES (The course student learning outcomes are listed below, along with a representative assessment method for each. Student learning outcomes are not subject to review, revision or approval by the College Curriculum Committee)

1. SLO #1 Concepts and Terminology

Understand the concepts and terminology used in Accounting Information Systems, the basic accounting process, and key financial statements.

2. SLO #2 Analyzing and Preparation

Analyze transactions, prepare journal entries recording those transactions, and prepare Balance Sheets, Income Statements, Statements of Changes in Stockholders' Equity.

3. SLO #3 Problem Solving

Solve a variety of problems related to the accounting for cash, receivables, inventory, long term assets, income measurement, profitability analysis, and the time-value of money.

The above SLOs were the most recent available SLOs at the time of course review. For the most current SLO statements, visit the El Camino College SLO webpage at <http://www.elcamino.edu/academics/slo/>.

B. Course Student Learning Objectives (The major learning objective for students enrolled in this course are listed below, along with a representative assessment method for each)

1. Describe the objectives and the environment of financial reporting and the need for accounting standards.
 - Objective Exams
2. Analyze, record, and process a wide array of business transactions through a double-entry accounting information system, in accordance with acceptable accounting practices, government regulations, and generally acceptable accounting principles.
 - Other (specify)
 - Objective and problem-solving exams
3. Prepare and analyze financial statements for most types of corporate businesses involving accounting reporting issues.
 - Homework Problems
4. Define, contrast, compare, and solve problems pertaining to the time value of money, with emphasis on future versus present value and related issues.
 - Objective Exams
5. Analyze, evaluate, and solve problems pertaining to internal controls, valuation, and special allowance methods used in reporting cash, accounts receivable, and notes receivable.
 - Other (specify)
 - Problem-solving exams
6. Contrast, compare, and solve problems pertaining to the various types of inventory valuation methods and evaluate the impact on financial statements; such balance sheets and income statements.
 - Objective Exams
7. Analyze and solve problems on accounting issues and special situations related to acquisition and valuation of plant assets.
 - Homework Problems
8. Contrast, compare, and solve problems pertaining to the various types of depreciation methods and evaluate the impact on financial statements; such as balance sheets for plant assets.
 - Quizzes

9. Analyze and solve problems pertaining to depletion of natural resources and the amortization of intangible assets.
 - Other (specify)
 - Problem-solving exams
10. Analyze, evaluate, and solve problems involving special accounting issues and reporting requirements related to the acquisition and disposition of property, plant, and equipment.
 - Objective Exams
11. Analyze, evaluate, and solve problems pertaining to the various types of current liabilities and contingencies.
 - Homework Problems
12. Analyze, evaluate and solve problems pertaining to various types of corporate long-term liabilities, with a focus on bond valuation, amortization of bond discounts and premiums, and related bond issues.
 - Quizzes

III. OUTLINE OF SUBJECT MATTER (Topics are detailed enough to enable a qualified instructor to determine the major areas that should be covered as well as ensure consistency from instructor to instructor and semester to semester.)

Lecture or Lab	Approximate Hours	Topic Number	Major Topic
Lecture	3	I	The environment of financial accounting A. Parties involved in standards setting B. Generally accepted accounting principles C. Issues in financial reporting
Lecture	3	II	The conceptual framework underlying financial accounting A. Basic objectives B. Fundamental concepts C. Recognition and measurement concepts D. Basic assumptions E. Basic principles of accounting
Lecture	3	III	The accounting information system A. Steps in the accounting cycles B. Preparation of financial statements C. Cash versus accrual basis of accounting
Lecture	3	IV	Preparation and format of income statement A. Process for reporting irregular items B. Process for reporting issues
Lecture	4.5	V	Preparation and format of balance sheet and statement of cash flows, ratio analysis A. Preparation and format of balance sheet B. Preparation and format of statement of cash flows C. Ratios for financial analysis
Lecture	6	VI	Accounting and the time value of money A. Future value concepts B. Present value concepts

Lecture	4.5	VII	Financial Assets A. Internal controls for cash B. Internal controls for accounts receivable C. Internal controls for notes receivable
Lecture	9	VIII	Inventory classification and control A. Basic issues in inventory valuation B. Costs included in inventory C. Flow assumptions D. Special valuation methods
Lecture	3	IX	Plant Assets A. Procedures to record acquisition of plant assets B. Valuation issues C. Procedures to record disposition of plant assets
Lecture	6	X	Depreciation A. Depreciation methods B. Procedures for recording impairments, depletion, special transactions, and reporting
Lecture	3	XI	Intangible assets A. Issues with intangible assets B. Specifically identifiable intangible assets C. Research and development costs
Lecture	3	XII	Current liabilities and contingencies A. Procedures for recording current liabilities B. Procedures for recording and reporting contingencies
Lecture	3	XIII	Long-term liabilities A. Bond payables B. Notes payables C. Mortgage payables
Total Lecture Hours		54	
Total Laboratory Hours		0	
Total Hours		54	

IV. PRIMARY METHOD OF EVALUATION AND SAMPLE ASSIGNMENTS

A. PRIMARY METHOD OF EVALUATION:

Problem solving demonstrations (computational or non-computational)

B. TYPICAL ASSIGNMENT USING PRIMARY METHOD OF EVALUATION:

Iowa Company is a multi-product firm. Presented below is information concerning one of their products, the Hawkeye: Date: Transaction: Quantity: Price/Cost: 1/1 Beginning Inventory 1,000 \$12 2/4 Purchase 2,000 \$18 2/20 Sale 2,500 \$30 4/2 Purchase 3,000 \$23 11/4 Sale 2,000 \$33 Instructions: Compute costs of goods sold, assuming Iowa uses: (a) Periodic system, FIFO cost flow (b) Perpetual system, FIFO cost flow (c) Periodic system, LIFO cost flow (d) Perpetual systems, LIFO cost flow (e) Periodic system, weighted-average cost-flow (f) Perpetual system, moving-average cost flow. Compare and contrast the results under these different costing methods in a one-to-two page paper.

C. COLLEGE-LEVEL CRITICAL THINKING ASSIGNMENTS:

1. (Computations for a Retirement Fund) Clarence Weatherspoon, a super salesman contemplating retirement on his fifty-fifth birthday, decides to create a fund on an 8% basis that will enable him to withdraw \$20,000 per year on June 30, beginning in 2003, and continuing through 2006. To develop this fund, Clarence intends to make equal contributions on June 30 of each of the years 1999-2002. Instructions: Prepare one-page summaries and appropriate financial statements that answer the following questions.
 - (a) How much must the balance of the fund equal on June 30, 2002, in order for Clarence Weatherspoon to satisfy his objective?
 - (b) What are each of Clarence's contributions to the fund?
2. (Computation of Future Values and Present Values) Using the appropriate interest table, answer the following questions (each case is independent of the others). Prepare one-page summaries and appropriate financial statements that answer the following questions.
 - (a) What is the future value of 20 periodic payments of \$4,000 each made at the beginning of each period and compounded at 8%?
 - (b) What is the present value of \$2,500 to be received at the beginning of each of 30 periods, discounted at 10% compound interest?
 - (c) What is the future value of 15 deposits of \$2,000 each made at the beginning of each period and compounded at 10%? (Future value as of the end of the fifteenth period.)
 - (d) What is the present value of six receipts of \$1,000 each received at the beginning of each period, discounted at 9% compounded interest?

D. OTHER TYPICAL ASSESSMENT AND EVALUATION METHODS:

Quizzes
Homework Problems
Multiple Choice
Matching Items
True/False
Other (specify):
Analyzing and solving problems and cases

V. INSTRUCTIONAL METHODS

Discussion
Lecture
Multimedia presentations

Note: In compliance with Board Policies 1600 and 3410, Title 5 California Code of Regulations, the Rehabilitation Act of 1973, and Sections 504 and 508 of the Americans with Disabilities Act, instruction delivery shall provide access, full inclusion, and effective communication for students with disabilities.

VI. WORK OUTSIDE OF CLASS

Study
Answer questions
Required reading
Problem solving activities
Written work

Estimated Independent Study Hours per Week: 6

VII. TEXTS AND MATERIALS

A. UP-TO-DATE REPRESENTATIVE TEXTBOOKS

Spiceland, Nelson and Thomas. Intermediate Accounting. 10th ed. McGraw Hill, 2019.

B. ALTERNATIVE TEXTBOOKS

C. REQUIRED SUPPLEMENTARY READINGS

Working papers for the above textbook

D. OTHER REQUIRED MATERIALS

VIII. CONDITIONS OF ENROLLMENT

A. Requisites (Course and Non-Course Prerequisites and Corequisites)

Requisites	Category and Justification
Course Prerequisite Business-1B	Sequential

B. Requisite Skills

Requisite Skills
Prepare basic corporate financial statements and accounting notes. BUS 1B - Prepare basic corporate financial statements and accounting notes such as Income Statements, Balance Sheets, Statements of Stockholders Equity and Statements of Cash Flow.
Interpret and evaluate basic corporate financial statements, notes, and information as presented in a public annual report. BUS 1B - Interpret and evaluate basic corporate financial statements, notes, and information as presented in public annual reports.
Evaluate and solve problems pertaining to capital investment proposals, using payback period, return on investment, discounted cash flows, and net present value. BUS 1B - Evaluate and solve problems pertaining to capital investment proposals using payback period, return on investment, discounted cash flows, and net present value.

C. Recommended Preparations (Course and Non-Course)

Recommended Preparation	Category and Justification
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D. Recommended Skills

Recommended Skills

E. Enrollment Limitations

Enrollment Limitations and Category	Enrollment Limitations Impact
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Course created by Dave Tanaka on 06/01/1973.

BOARD APPROVAL DATE:

LAST BOARD APPROVAL DATE: 12/16/2019

Last Reviewed and/or Revised by Sidney Porter
20172

Date: 10/1/2019