



Principles of Accounting
ACCT285 [all sections]
Southwestern College Professional Studies

COURSE SYLLABUS

I. Course Catalog Description

This course provides a basic understanding of the financial reporting requirements of business organizations. Learners will translate business transactions into journal entries and post the journal entries to ledger accounts, examine and develop the components of basic financial statements (income statement, balance sheet, statement of equity, and statement of cash flows), and complete the accounting cycle. Learners will use horizontal, vertical, and financial ratio analysis to analyze the financial performance of a company.

II. Required and Supplementary Instructional Materials

Warren, C. S., Reeve, J., & Duchac, J. (2016). *Financial Accounting*. Boston: Cengage.

III. Learning Outcomes

Learning outcomes describe the knowledge, skills, values, and attitudes that learners gain as the result of a particular learning experience. Southwestern College Professional Studies has learning outcomes specific to each course and each [undergraduate](#) and [graduate](#) program of study, as well as [institution-wide outcomes](#) related to the mission and vision of the college. Outcomes can help learners and instructors focus on the big picture of the learning experience and can help inform potential employers about a graduate's knowledge and skills.

Upon successfully completing this course, the learner will be able to:

1. Describe the purpose of financial accounting in business.
2. Record business transactions, and adjusting and closing entries in accordance with GAAP.
3. Account for service and merchandising activities in accordance with GAAP and regulatory and/or tax guidelines.
4. Create a complete corporate balance sheet in accordance with GAAP.
5. Prepare financial statements in accordance with GAAP.
6. Evaluate the financial performance of a company.

At the end of the course, learners may vary in their ability to achieve these outcomes. You are more likely to achieve these outcomes only if you attend class and/or online activities as required by the syllabus, complete the requirements for all assignments to the best of your ability, participate actively in class activities and group work as directed, and study diligently for exams.

IV. Course Policies

Students are expected to read and abide by the course policies located in the instructor-specific syllabus in the blackboard course.

V. Course Requirements:

Requirements	Number of Assignments	Points Possible	Percent of Grade
Discussions	5	300	30%
Exercises	5	400	40%
Project	2	100	10%
Final Exam	1	200	20%

Requirements	Number of Assignments	Points Possible	Percent of Grade
Total Points		1000	100%

VI. Course at a Glance:

Unit	Reading & Preparation Activities	Graded Work Due
1	<ul style="list-style-type: none"> • Introduction Discussion • Warren, Chapters 1-2 • Chapters 1-2 PowerPoints • Video: Tell me more: Describe the nature of business and the role of accounting in business. • Video: Tell me more: Summarize the development of accounting principles and relate them to practice. • Video: Tell me more: State the Accounting equation and define each element of the equation. • Video: Example: The Accounting Equation - Part 1 • Video: Example: The Accounting Equation - Part 2 • Video: Example: The Accounting Equation - Part 3 • Video: Tell me more: Describe and illustrate how business transactions can be recorded in terms of the resulting change in the elements of the accounting equation. • Video: Example: The Effects of Transactions on the Accounting Equation • Video: Example: Nature of Transactions • Video: Example: Transactions • Video: Tell me more: Describe the financial statements of a proprietorship and explain how they interrelate. • Video: Example: Balance Sheet • Video: Example: Financial Statements • Video: Example: Statement of Cash Flows • Video: Tell me more: Describe and illustrate the use of the ratio of liabilities to owner's equity in evaluating a company's financial condition. • Video: Example: Ratio of Liabilities to Stockholders' Equity • Video: Tell me more: Describe the characteristics of an accounts and a chart of accounts • Video: Example: Journal Entries • Video: Example: Account Balances • Video: Example: Capital Accounts • Video: Tell me more: Describe and illustrate journalizing transactions using the double-entry accounting system. (Ch. 2) • Video: Example: Rules of Debits and Credits and Normal Balances. • Video: Example: Transactions and T Accounts • Video: Example: Journalizing and Posting • Video: Tell me more: Describe and illustrate the journalizing and posting of transactions to accounts. (Ch. 2) • Video: Example: Journal Entries and Trial Balance - Part 1 • Video: Tell me more: Describe and illustrate the use of horizontal analysis in evaluating a company's performance and financial condition. (Ch. 2) • Video: Example: Horizontal Analysis 	<ul style="list-style-type: none"> • Unit 1 Discussion • Unit 1 Exercises

Unit	Reading & Preparation Activities	Graded Work Due
2	<ul style="list-style-type: none"> • Warren, Chapters 3-4 • Chapters 3-4 PowerPoints • Video: Tell me more: Describe the nature of the adjusting process. (Ch. 3) • Video: Example: Accounts Requiring Adjustment • Video: Example: Types of Adjustments • Video: Tell me more: Journalize entries for accounts requiring adjustments (Ch. 3) • Video: Example: Adjustment for prepaid expense • Video: Example: Adjustment for unearned revenue • Video: Example: Adjustment for accrued revenue • Video: Example: Adjustment for accrued expense • Video: Example: Adjustment for depreciation • Video: Example: Adjusting Entries for Unearned and Accrued Fees • Video: Example: Adjusting Entries for Accrued Salaries • Video: Example: Adjusting Entries • Video: Tell me more: Summarize the adjusting process (Ch. 3) • Video: Example: Effect of omitting adjustments • Video: Tell me more: Prepare an adjusted Trial balance (CH. 3) • Video: Tell me more: Describe and illustrate the use of vertical analysis in evaluating a company's performance and financial condition. (CH. 3) • Video: Example: Vertical Analysis • Video: Tell me more: Describe the flow of accounting information from the unadjusted trial balance into the adjusted trial balance and financial statements. (CH. 4) • Video: Example: Financial Statements and Closing Entries • Video: Example: Statement of Owner's Equity • Video: Example: Classified Balance Sheet • Video: Example: Income Statement • Video: Example: Income Statement; Net Loss • Video: Tell me more: Prepare closing entries. (Ch. 4) • Video: Example: Closing Entries • Video: Example: Post-Closing Trial Balance • Video: Tell me more: Describe the accounting cycle. (Ch. 4) • Video: Tell me more: Explain what is meant by the fiscal year and the natural business year. (Ch. 4) • Video: Tell me more: Describe and illustrate the use of working capital and the current ratio in evaluating a company's financial condition. Ch. 4) • Video: Example: Working Capital and Current Ratio 	<ul style="list-style-type: none"> • Unit 2 Discussion • Unit 2 Exercises

Unit	Reading & Preparation Activities	Graded Work Due
3	<ul style="list-style-type: none"> • Warren, Chapters 6-7 • Chapters 6-7 PowerPoints • Video: Tell me more: Distinguish between the activities and financial statements of service and merchandising businesses. (Ch. 6) • Video: Example: Gross Profit • Video: Example: Determining Cost of Merchandise Sold • Video: Tell me more: Describe and illustrate the accounting for merchandise transactions. (Ch. 6)r • Video: Example: Purchase-Related Transaction V3 • Video: Example: Determining Amounts to be paid on Invoices • Video: Example: Sales-Related Transactions V3 • Video: Example: Sales Tax Transactions • Video: Example: Sales-Related and Purchases-Related Transactions Using Perpetual Inventory System. • Video: Tell me more: Describe and illustrate the financial statements of merchandising businesses. (Ch. 6) • Video: Example: Multiple-Step Income Statement • Video: Example: Single-Step Income Step • Video: Tell me more: Describe and illustrate the use of the ratio of sales to assets in evaluating a company's operating performance. (Ch. 6) • Video: Example: Ratio of sales to assets • Video: Tell me more: Describe three inventory cost flow assumptions and how they impact the income statement and balance sheet. (Ch. 7) • Video: Example: Cost Flow Methods • Video: Tell me more: Determine the cost of inventory under the perpetual inventory system using the FIFO, LIFO, and weighted average cost methods. (Ch. 7) • Video: Example: Perpetual Inventory System Using FIFO • Video: Example: Perpetual Inventory System Using LIFO • Video: Example: Weighted Average Cost Flow Method under Perpetual Inventory System • Video: Example: FIFO Perpetual Inventory • Video: Example: LIFO Perpetual Inventory • Video: Tell me more: Describe and illustrate the inventory turnover and the number of days' sales in inventory in analyzing the efficiency and effectiveness of inventory management. (Ch. 7) • Video: Example: Inventory Turnover and Number of Days' Sales in Inventory 	<ul style="list-style-type: none"> • Unit 3 Discussion • Unit 3 Exercises

Unit	Reading & Preparation Activities	Graded Work Due
4	<ul style="list-style-type: none"> • Warren, Chapters 10, 11, 13 • Chapters 10, 11, 13 PowerPoints • Video: Tell me more: Define, classify, and account for the cost of fixed assets. (Ch. 10) • Video: Tell me more: Compute and journalize entries for depreciation, using the straight-line method, units of output method, and double declining balance method. (Ch. 10) • Video: Example: Straight-line Depreciation • Video: Example: Units-of Output Depreciation • Video: Example: Double-Declining-Balance Depreciation • Video: Tell me more: Describe and illustrate the fixed assets turnover ratio to assess the efficiency of a company's use of its fixed assets. (Ch. 10) • Video: Example: Fixed Asset Turnover Ratio • Video: Tell me more: Describe and illustrate current liabilities related to accounts payable, current portion of long-term debt, and notes payable. (CH. 11) • Video: Example: Current Liabilities section of the Balance Sheet • Video: Example: Liability Transactions • Video: Tell me more: Describe and illustrate the use of the quick ratio to analyzing a company's ability to pay its current liabilities. (Ch. 11) • Video: Example: Quick Ratio (Ch. 11) • Video: Tell me more: Describe the nature of the corporate form of organization. (Ch. 13) • Video: Tell me more: Describe the two main sources of stockholders' equity. (Ch. 13) • Video: Tell me more: Describe and illustrate the characteristics of stock, classes of stock, and entries for issuing stock • Video: Example: Entries for issuing Par Stock • Video: Example: Entries for issuing No-Par Stock • Video: Tell me more: Describe and illustrate the reporting of stockholders' equity. (Ch. 13) • Video: Example: Reporting Stockholders Equity • Video: Example: Retained Earnings(Ch. 13) 	<ul style="list-style-type: none"> • Unit 4 Discussion • Unit 4 Exercises

Unit	Reading & Preparation Activities	Graded Work Due
5	<ul style="list-style-type: none"> • Warren, Chapters 14, 16, 17 • Chapters 14, 16, 17 PowerPoints • Video: Tell me more: Describe the characteristics and terminology of bonds payable. (Ch. 14) • Video: Tell me more: Journalize entries for bonds payable issued at face amount, discount, and premium. (Ch. 14) • Video: Example: Issuing Bonds at a Discount • Video: Example: Discount Amortization • Video: Example: Issuing Bonds at a Premium • Video: Example: Premium Amortization • Video: Example: Redemption of bonds Payable • Video: Example: Entries for Issuing Bonds • Video: Tell me more: Describe and illustrate the reporting of long-term liabilities on the balance sheet. (Ch. 14) • Video: Tell me more: Describe the cash flow activities reported in the statement of cash flows.(CH. 16) • Video: Example: Classifying Cash Flows • Video: Tell me more: Describe and illustrate the use of free cash flow in evaluating a company's cash flow. (Ch. 16) • Video: Example: Free Cash Flow • Video: Tell me more: Describe basic financial statement analytical methods. (Ch. 17) • Video: Example: Vertical Analysis of Income Statement • Video: Example: Common-Sized Income Statement • Video: Example: Vertical Analysis of Balance Sheet • Video: Example: Horizontal Analysis of the Income Statement • Video: Tell me more: Use financial statement analysis to assess the solvency of a business. (Ch. 17) • Video: Example: Current Position Analysis • Video: Example: Long-term Solvency Analysis • Video: Tell me more: Use financial statements analysis to assess the profitability of a business. (Ch. 17) • Video: Example: Profitability Ratios 	<ul style="list-style-type: none"> • Unit 5 Discussion • Unit 5 Exercises
6	<ul style="list-style-type: none"> • Review Units 1 and 2 • Review Chapters 1-4 • Review Units 4,5 • Review Chapters 10, 11, 13, 14, 16, 17 	<ul style="list-style-type: none"> • Unit 6 Project • Unit 6 Final Exam

VII. Other Policies and Requirements

Follow this link to the Southwestern College Professional Studies [Standard Syllabus](#) in Blackboard. You may be required to log in.