

Common Course Outline
ACCT 102
Principles of Accounting II
3 Credits

Community College of Baltimore County

Description

ACCT 102 – 3 credits – Principles of Accounting II defines accounting practices for partnerships and corporations through the use of specific accounting problems; explains current accounting systems procedures and the preparation of financial statements, as well as managerial and cost accounting methods.

3 Credits

Pre-requisites: ACCT 101 or successful completion of CLEP exam is accepted

Overall Course Objectives

Upon completion of this course students will be able to:

1. identify characteristics of partnerships and similar organizations;
2. allocate and record income and loss among partners, account for the admission and withdrawal of partners, and partnership liquidation;
3. identify characteristics of corporations and their organization;
4. record the following stock transactions: issuance of capital stock, purchase and sale of treasury stock, cash and stock dividends;
5. compute earnings per share and book value per share and explain their significance to financial analysis;
6. record the following bond transactions: bonds sold on their date of issuance at par, at a discount, and at a premium; and bonds issued at par between interest dates;
7. use present value tables to calculate the issue price of a bond;
8. complete an amortization table for an installment note;
9. differentiate between the indirect and direct methods of preparing a cash flow statement;
10. prepare a cash flow statement;
11. explain the purpose and identify the building blocks of analysis;
12. apply methods of horizontal and vertical analysis and use ratio analysis;
13. identify manufacturing activities and the flow of manufacturing costs;
14. prepare a manufacturing statement and compute cost of goods manufactured and sold;
15. prepare job cost sheets and a job cost summary;
16. prepare journal entries for job cost and process cost transactions;
17. compute equivalent units of production and prepare a process cost summary;
18. identify cost behavior types, and apply cost-volume-profit analysis;
19. compute the contribution margin ratio and the break-even point;
20. prepare a contribution margin income statement;
21. define standard costs as used in budgeting;

22. prepare a flexible budget and compute variances;
23. compute payback period; accounting rate of return; net present value; internal rate of return; and
24. evaluate relevant costs for short-term decision making.

Major Topics

- I. Accounting for Partnerships
 - A. Partnership Form of Organization
 - B. Basic Partnership Accounting
 - C. Admission and Withdrawal of Partners
 - D. Liquidation of a Partnership
- II. Accounting for Corporations
 - A. Corporate Form of Organization
 - B. Common Stock, Dividends and Preferred Stock
 - C. Treasury Stock
 - D. Earnings Per Share
- III. Long-Term Liabilities
 - A. Basics of Bonds
 - B. Bond Issuances and Retirements
 - C. Long-Term Notes Payable
- IV. Reporting Cash Flows
 - A. Purpose of the Statement of Cash Flows
 - B. Operating, Investing and Financing Activities
 - C. Direct versus Indirect Methods
- V. Analysis of Financial Statements
 - A. Basics of Analysis
 - B. Horizontal and Vertical Analysis
 - C. Ratio Analysis
- VI. Managerial Accounting Concepts and Principles
 - A. Purpose and Nature of Managerial Accounting
 - B. Types of Cost Classifications
 - C. Reporting Manufacturing Activities
- VII. Job Order Cost Accounting
 - A. Job Order Cost Accounting
 - B. Job Order Cost Flows and Reports
 - C. Adjusting Factory Overhead
- VIII. Process Cost Accounting
 - A. Process Operations
 - B. Process Cost Accounting
 - C. Equivalent Units of Production
- IX. Cost-Volume-Profit Analysis
 - A. Identifying and Measuring Cost Behaviors
 - B. Break-Even and Cost-Volume-Profit Analysis
 - C. Contribution Margin
- X. Flexible Budgets and Standard Costs

- A. Preparation of Flexible Budgets
 - B. Materials and Labor Standards
 - C. Cost Variances
- XI. Capital Budgeting and Managerial Decisions
- A. Budgeting Methods With the Time Value of Money
 - B. Budgeting Methods Without the Time Value of Money
 - C. Managerial Decisions

Course Requirements

Grading/exams: Grading procedures will be determined by the individual faculty member, but will include the following:

- A minimum of ten (10) graded assignments that provide appropriate feedback of the student's mastery of applications and concepts.
- Three (3) examinations that include practical applications. Two (2) of the exams must be proctored.
- A comprehensive final exam that will count at least 10% of the course grade.

Written Assignments: Students are required to utilize appropriate academic resources. Evaluation of student performance will include some formal and/or informal writing assignments that contribute to the mastery of writing within the discipline of accounting. The individual faculty member will determine the specific writing assignments that demonstrate one or more of the following abilities as appropriate to the course content: apply procedures, explain concepts, analyze financial data, or summarize current business events.

Other Course Information

- This course is the second course in a two-course sequence (ACCT 101).
- This course is taught in a computerized environment.
- Students will be expected to have regular access to a required textbook and such additional learning material as an instructor may assign.
- The instructor may arrange for guest lecturers, audio/visual presentations, and/or attention to current events as a part of the course content.
- The instructor will be available to assist students during regular office hours, by telephone, and via Blackboard.
- Individual faculty members may add course objectives, major topics, and other course requirements to the minimum expectations stated in the Common Course Outline.