Title: Financial Accounting I
Abbreviation and Number: ACCA105  
AB Paper No.:  14-22
School: Business
Department: Accounting
Credits:  3  
Course Sequence:       (     ) Fall               (     ) Spring               (   X  ) Fall and Spring
Hours Per Week:  (      ) Lecture               (     ) Seminar        (     ) Laboratory        (       ) Studio              (       ) Kitchen
Pre-requisite(s):   None  
Co-requisite(s):    None

COURSE DESCRIPTION
Students are introduced to generally accepted accounting principles (GAAP) as they relate to the preparation of the Income Statement, Statement of Owner's Equity, and the Balance Sheet of a sole proprietorship, service or merchandising operation. Students analyse and record transactions and complete the accounting cycle.

SPECIFIC OBJECTIVES
Upon successful completion of this course, students will be able to
1)   Apply (GAAP) to the accounting cycle;
2)   Record transactions of a sole proprietor involved in a service or merchandising enterprise;
3)   Post transactions to the general and/or special journals and reconcile control accounts;
4)   Post to ledger accounts, make necessary adjusting entries, prepare a worksheet and trial balance;
5)   Prepare financial statements; and
6)   Account for inventories, cash and receivables, current liabilities and long-term assets.

COURSE CONTENT
I.   Accounting Information and Financial Statements
    A.   Purpose, characteristics and uses
    B.   Measurement
    C.   Forms of business organisations
    D.   Accounting equation
    E.   (GAAP)

II.   Accounting Cycle
    A.   Recording transactions
        i.   analysis of source documents and transactions
        ii.  double-entry system, debits, credits and 'T' accounts
        iii. journalising and posting to general ledger
        iv.  extraction and correction of trial balance
    B.   Measuring and recognising revenues and expenses
        i.   adjusting entries
        ii.  deferred and accrued expenses
        iii. deferred and accrued revenues
    C.   Worksheet
        i.  format and preparation
        ii.  unadjusted trial balance
        iii. adjusting journal entries
        iv.  adjusted trial balance
        v.   financial statements
        vi.  closing entries

III.  Merchandising Operations
    A.   Inventory systems
Title: Financial Accounting I  
Abbreviation and Number: ACCA105

III  Journal Types
   A.  General Journal
   B.  Special-purpose Journals
      i. periodic
      ii. perpetual
   C.  Sales
       B. Purchases
   C.  Sales

IV Special-Purpose Journals
   A. Sales
   B. Purchases
   C. Cash Receipts
   D. Cash Payments

V Financial Reporting
   A. Accounting conventions
   B. Income Statements
      i. multi-step
      ii. single-step
   C. Statement of Owner’s Equity
   D. Classified Balance Sheet

VI Inventories
   A. Inventory choices
      i. level
      ii. method
      iii. system
   B. Cost and valuation
      i. lower-of-cost-or-market
      ii. specific identification
      iii. average cost
      iv. first-in first-out
      v. last-in first-out
   C. Estimation
      i. retail
      ii. gross profit

VI Current Assets and Current Liabilities
   A. Cash
      i. control of receipts and disbursements
      ii. petty cash
      iii. bank reconciliation
   B. Receivables
      i. accounts receivable
      ii. uncollectible accounts
      iii. notes receivable
      iv. maturity
      v. interest calculations
   C. Payables
      i. accounts payable
      ii. contingent liability
iii. notes payable
iv. maturity
v. interest calculations

VII Long Term Assets
A. Acquisition of property, plant and equipment
B. Depreciation and depletion
   i. straight line
   ii. units of production
   iii. double declining
C. Disposal of depreciable assets

ASSESSMENT
Assignments.........................................................10%
In-Class Tests.......................................................50%
Final examination..................................................40%
Total........................................................................100%

REQUIRED TEXT

SUPPLEMENTARY READINGS

JOURNALS
Accounting Review
Journal of Accounting, Auditing and Finance
Journal of Accounting Research
Review of Accounting Studies

WEBSITES
www.cengage.com/accounting/needles
www.principlesofaccounting.com