



El Camino College
COURSE OUTLINE OF RECORD – Official

Course Acronym:	BUS
Course Number:	152
Descriptive Title:	Intermediate Accounting I
Division:	Business
Department:	Accounting
Course Disciplines:	Accounting
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.
Prerequisite:	BUS 151 with a minimum grade of C
Co-requisite:	
Recommended Preparation:	
Enrollment Limitation:	
Hours Lecture (per week):	3
Hours Laboratory (per week):	0
Outside Study Hours:	6
Total Course Hours:	54
Course Units:	3
Grading Method:	Letter Grade only
Credit Status:	Credit, degree applicable
Transfer CSU:	Yes
Effective Date:	Prior to July 1992
Transfer UC:	No
Effective Date:	
General Education:	
ECC	
Term:	
Other:	
CSU GE:	
Term:	
Other:	
IGETC:	

Term:	
Other:	
Student Learning Outcomes:	<p>SLO #1 Concepts and Terminology</p> <p>Understand the concepts and terminology used in Accounting Information Systems, the basic accounting process, and key financial statements.</p> <p>SLO #2 Analyzing and Preparation</p> <p>Analyze transactions, prepare journal entries recording those transactions, and prepare Balance Sheets, Income Statements, Statements of Changes in Stockholders' Equity.</p> <p>SLO #3 Problem Solving</p> <p>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.</p>
Course Objectives:	<ol style="list-style-type: none"> 1. Describe the objectives and the environment of financial reporting and the need for accounting standards. 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. 3. Prepare and analyze financial statements for most types of corporate businesses involving accounting reporting issues. 4. Define, contrast, compare, and solve problems pertaining to the time value of money, with emphasis on future versus present value and related issues. 5. Analyze, evaluate, and solve problems pertaining to internal controls, valuation, and special allowance methods used in reporting cash, accounts receivable, and notes receivable. 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. 7. Analyze and solve problems on accounting issues and special situations related to acquisition and valuation of plant assets. 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. 9. Analyze and solve problems pertaining to depletion of natural resources and the amortization of intangible assets. 10. Analyze, evaluate, and solve problems involving special accounting issues and reporting requirements related to the acquisition and disposition of property, plant, and equipment. 11. Analyze, evaluate, and solve problems pertaining to the various types of current liabilities and contingencies. 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.
Major Topics:	<p>I. The environment of financial accounting (3 hours, lecture)</p> <p>A. Parties involved in standards setting</p>

- B. Generally accepted accounting principles
- C. Issues in financial reporting

II. The conceptual framework underlying financial accounting (3 hours, lecture)

- A. Basic objectives
- B. Fundamental concepts
- C. Recognition and measurement concepts
- D. Basic assumptions
- E. Basic principles of accounting

III. The accounting information system (3 hours, lecture)

- A. Steps in the accounting cycles
- B. Preparation of financial statements
- C. Cash versus accrual basis of accounting

IV. Preparation and format of income statement (3 hours, lecture)

- A. Process for reporting irregular items
- B. Process for reporting issues

V. Preparation and format of balance sheet and statement of cash flows, ratio analysis (4.5 hours, lecture)

- A. Preparation and format of balance sheet
- B. Preparation and format of statement of cash flows
- C. Ratios for financial analysis

VI. Accounting and the time value of money (6 hours, lecture)

- A. Future value concepts
- B. Present value concepts

VIII. Financial Assets (4.5 hours, lecture)

- A. Internal controls for cash
- B. Internal controls for accounts receivable
- C. Internal controls for notes receivable

VIII. Inventory classification and control (9 hours, lecture)

- A. Basic issues in inventory valuation
- B. Costs included in inventory
- C. Flow assumptions
- D. Special valuation methods

IX. Plant Assets (3 hours, lecture)

- A. Procedures to record acquisition of plant assets
- B. Valuation issues

	<p>C. Procedures to record disposition of plant assets</p> <p>X. Depreciation (6 hours, lecture)</p> <p>A. Depreciation methods B. Procedures for recording impairments, depletion, special transactions, and reporting</p> <p>XI. Intangible assets (3 hours, lecture)</p> <p>A. Issues with intangible assets B. Specifically identifiable intangible assets C. Research and development costs</p> <p>XII. Current liabilities and contingencies (3 hours, lecture)</p> <p>A. Procedures for recording current liabilities B. Procedures for recording and reporting contingencies</p> <p>XIII. Long-term liabilities (3 hours, lecture)</p> <p>A. Bond payables B. Notes payables C. Mortgage payables</p>
Total Lecture Hours:	54
Total Laboratory Hours:	0
Total Hours:	54
Primary Method of Evaluation:	2) Problem solving demonstrations (computational or non-computational)
Typical Assignment Using Primary Method of Evaluation:	<p>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.</p> <p>Compare and contrast the results under these different costing methods in a one- to two-page paper.</p>
Critical Thinking Assignment 1:	<p>(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</p>

	Weatherspoon to satisfy his objective? (b) What are each of Clarence's contributions to the fund?
Critical Thinking Assignment 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?
Other Evaluation Methods:	Homework Problems, Matching Items, Multiple Choice, Quizzes, True/False
Instructional Methods:	Discussion, Lecture, Multimedia presentations
If other:	
Work Outside of Class:	Answer questions, Problem solving activity, Required reading, Study, Written work (such as essay/composition/report/analysis/research)
If Other:	
Up-To-Date Representative Texts:	Spiceland, Nelson and Thomas. <u>Intermediate Accounting</u> . 11 th ed. McGraw Hill Publishing, 2023.
Alternative Texts:	
Required Supplementary Readings:	Working papers for the above textbook
Other Required Materials:	
Requisite:	Prerequisite
Category:	sequential
Requisite course(s): List both prerequisites and corequisites in this box.	BUS 151
Requisite and Matching skill(s): Bold the requisite skill. List the corresponding course objective under each skill(s).	<p>Prepare basic corporate financial statements and accounting notes.</p> <p>BUS 151 - Prepare basic corporate financial statements and accounting notes such as Income Statements, Balance Sheets, Statements of Stockholders Equity and Statements of Cash Flow.</p> <p>Interpret and evaluate basic corporate financial statements, notes, and information as presented in a public annual report.</p> <p>BUS 151 - Interpret and evaluate basic corporate financial statements, notes, and information as presented in public annual reports.</p> <p>Evaluate and solve problems pertaining to capital investment proposals, using payback period, return on investment, discounted cash flows, and net present value.</p>

	BUS 151 - Evaluate and solve problems pertaining to capital investment proposals using payback period, return on investment, discounted cash flows, and net present value.
Requisite Skill:	
Requisite Skill and Matching Skill(s): Bold the requisite skill(s). If applicable	
Requisite course:	
Requisite and Matching skill(s):Bold the requisite skill. List the corresponding course objective under each skill(s).	
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Enrollment Limitations and Category:	
Enrollment Limitations Impact:	
Course Created by:	Dave Tanaka
Date:	06/01/1973
Original Board Approval Date:	
Last Reviewed and/or Revised by:	Sidney Porter
Date:	10/12/2023
Last Board Approval Date:	12/18/2023
Effective Term:	FALL 2024