

Common Course Outline
ACCT 202
Intermediate Accounting II
3 Semester Hours

The Community College of Baltimore County

Description

Intermediate Accounting II

Continues the study of financial accounting standards; emphasizes accounting for inventories, securities, stockholders' equity, long-term liabilities, earnings per share, accounting changes, error analysis and cash flow. 3 credits: 3 lecture hours per week. *Prerequisites: ACCT 102 (ACCT 201 recommended)*

Overall Course Objectives

Upon completion of this course the student will be able to:

1. Explain capital formation and related theory as it applies to corporations;
2. Apply appropriate accounting procedures for typical stockholders' equity transactions, explain the accounting principles that apply, and prepare a complex stockholders' equity section of the balance sheet;
3. Explain the nature of revenue and the earnings process. Define "realization" and explain the basic revenue recognition criteria;
4. Differentiate the percentage-of-completion method and the completed-contract method of accounting for long-term construction contracts. Distinguish how each method effects the income statement and balance sheet. Demonstrate how each method is applied;
5. Differentiate the installment sales method and the cost recovery method of revenue recognition. Distinguish how each method effects the income statement and balance sheet. Demonstrate how each method is applied;
6. Differentiate accounting changes and error corrections. Using examples of typical accounting changes and error corrections, explain their effects on the income statement and balance sheet. Apply appropriate accounting procedures and explain the accounting principles that apply;
7. Prepare income statement disclosures for changes in accounting principles;
8. Identify prior period adjustments and prepare their proper disclosures;
9. Apply accounting procedures to long-term investments, explain the effects on the income statement and balance sheet, and explain the accounting principles that apply;
10. Apply accounting procedures to long-term liabilities (bonds and notes payable pensions, leases), apply present and future value concepts, explain the effects on the income statement and balance sheet, and explain the accounting principles that apply;
11. Differentiate the various types of leases;
12. Apply accounting procedures to leases, apply present and future value concepts, distinguish the effects of each type of lease on the income statement and balance sheet, and explain the accounting principles that apply;
13. Differentiate the various types of pension plans;
14. Apply accounting procedures to pension plans, apply present and future value concepts, explain the effects on the income statement and balance sheet, and explain the accounting principles that apply;
15. Differentiate temporary and permanent differences in recognizing revenue and expenses for GAAP and tax purposes;
16. Apply procedures to account for current and long-term tax liabilities, distinguish the effects on the income statement and balance sheet, and explain the accounting principles that apply;

17. Calculate earnings per share, present EPS for a complex income statement (includes extraordinary items, cumulative effect of accounting change, etc.), explain the usefulness of such a presentation, and explain the effects of convertible debt on the EPS computation;
18. Differentiate the direct and indirect methods of statement of cash flow preparation/presentation;
19. Using the direct and indirect methods, prepare sophisticated statements of cash flow using only the income statement, balance sheets for the beginning and ending of the accounting period, and minimal additional information.

Major Topics

- I. Stockholders' equity and contributed capital
- II. Long-term construction contract revenues
- III. Installment sale revenues
- IV. Accounting changes, error correction, and prior period adjustments
- V. Long-term investments
- VI. Long-term liabilities
- VII. Accounting for leases
- VIII. Accounting for pension plans and post retirement benefits
- IX. Accounting for income taxes
- X. Earnings per share
- XI. Statement of cash flows

Course Requirements

1. Through a variety of learning experiences including lecture, class discussion, audio-visual material, the World Wide Web, and interactive CD-ROMs, the students will, independently and collaboratively, apply financial accounting concepts and procedures.
2. All students will be expected to participate in at least one oral presentation during the Course. (This could be as simple as a demonstration of a homework problem or as elaborate as a formal presentation of a project.)
3. All students will be expected to participate in at least one collaborative project during the Course.
4. All students will prepare at least one exercise that requires the collection and analysis of data through the Internet.

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

1. 3 examinations that include practical applications. Two of the exams must be proctored in class. Two of the exams will include an analytical essay.
2. 4 graded assignments that provide appropriate feedback of the student's mastery of applications and concepts.

Writing: 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 specific writing assignments and will include the following:

1. 2 written assignments that demonstrate one or more of the following abilities as appropriate to the Course content: apply procedures, explain concepts, analyze financial data, resolve an ethical dilemma, summarize current business events.

Other Course Information

1. This course is the second course in a required two-course sequence.
2. Regular attendance and participation in class are requirements for this course.

3. Students will be expected to have regular access to a required text and such additional learning material as an instructor may assign.
4. The instructor, at his/her discretion, may arrange for guest lecturers, audio/video presentations, and/or attention to current events as a part of the Course content.
5. The instructor will be available to assist students through regular office hours, telephone, and in some cases voice mail and Internet email.
6. Individual faculty members may include additional course objectives, major topics, and other course requirements to the minimum expectations stated in the Common Course Outline.
7. The Community College of Baltimore County is committed to providing a high-quality learning experience that results in a growth in knowledge, attitudes, and skills necessary to function successfully as a transfer student, in a career, and as a citizen. To accomplish this goal, we maintain high academic standards and expect students to accept responsibility for their individual growth by attending class, completing all homework and other assignments, participating in class activities, and preparing for tests.
8. We take seriously our responsibility to maintain high-quality programs and will periodically ask you to participate in assessment activities to determine whether our students are attaining the knowledge, attitudes, and skills appropriate to various courses and programs. The assessment activities may take many different forms such as surveys, standardized or faculty-developed tests, discussion groups, or portfolio evaluations. We ask that you take these activities seriously so that we can obtain valid data to use for the continuous improvement of CCBC's courses and programs.

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