NOTE: This course is not designed for transfer credit.

Catalog Course Description:

A continuation of the study of financial accounting theory and practice, including measurement and valuation of intangible assets, liabilities and stockholder's equity, cash flow measurement and reporting, issues related to income measurement and the preparation and analysis of financial statements.

Entry Level Standards:

The student must have an understanding of generally accepted accounting principles and financial statements.

Prerequisite:

ACC 2215

Textbook(s) and Other Reference Materials Basic to the Course:

Required:

Accounting paper

Calculator - Programmable calculators are not allowed on quizzes or exams.

Recommended:
Study Guide to accompany text

I. Week/Unit/Topic Basis:

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
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<tbody>
<tr>
<td>1-2</td>
<td>Intangible Assets</td>
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<tr>
<td>3-4</td>
<td>Statement of Cash Flows</td>
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<td>5-6</td>
<td>Current and Contingent Liabilities</td>
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<tr>
<td>7-8</td>
<td>Long-term Liabilities</td>
</tr>
<tr>
<td>9-10</td>
<td>Stockholders' Equity: Contributed Capital</td>
</tr>
<tr>
<td>11-12</td>
<td>Stockholders' Equity: Retained Earnings</td>
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</tbody>
</table>
II. Course Objectives*:

A. Use appropriate accounting treatment of intangible assets. I, III, V

B. Demonstrate knowledge of the statement of cash flows. I, II, III, IV, V, VIII

C. Apply the proper accounting techniques to both current and long-term liabilities. I, II, III, IV, V, VIII

D. Properly account for the stockholders’ equity of a corporation. I, III, IV, V

E. Apply proper accounting treatment to the recognition of revenue. I, II, III, IV, V, VIII

F. Demonstrate a basic knowledge of accounting for leases. I, II, III, V, VIII

G. Use appropriate techniques to analyze the financial statements of a company. I, II, III, IV, V, VIII

*Roman numerals after course objectives reference goals of the Computer Accounting program.

III. Instructional Processes*:

Students will:

1. Practice elements of the work ethic such as preparedness, punctuality, honesty, cooperation, dependability, contribution, and good manners. Personal Development Outcome, Cultural Diversity and Social Adaptation Outcome

2. Discuss generally accepted accounting principles and how economic events are identified, recorded, and communicated to internal and external user groups. Communication Outcome, Personal Development Outcome, Problem Solving and Decision Making Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Active Learning Strategy

3. Use critical thinking skills to interpret and evaluate the financial statements of existing companies and make informed judgements about these statements to facilitate in decision making and problem solving strategies. Personal Development Outcome, Problem Solving and Decision Making Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Active Learning Strategies

4. Participate in course assignments involving team discussions. Communication Outcome, Personal Development Outcome, Problem Solving and Decision Making Outcome, Cultural Diversity and Social Adaptation Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Transitional Strategies, Active Learning Strategies

5. Refine their reading skills and expand their vocabularies through completion of assigned readings. Communication Outcome, Personal Development Outcome, Information Literacy Outcome

6. Discuss how internal, and primarily external, user groups interpret financial accounting data
and make informed judgments about this data to facilitate decision making and problem solving strategies. **Communication Outcome, Personal Development Outcome, Problem Solving and Decision Making Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Active Learning Strategies**

7. Prepare and discuss individual written assignments. **Communication Outcome, Problem Solving and Decision Making Outcome, Numerical Literacy Outcome, Information Literacy Outcome**

8. Discuss ethical issues and their impact on corporate financial statements. **Communication Outcome, Personal Development Outcome, Cultural Diversity and Social Adaption Outcome, Numerical Literacy Outcome, Active Learning Strategies**

*Strategies and outcomes listed after instructional processes reference Pellissippi State’s goals for strengthening general education knowledge and skills, connecting coursework to experiences beyond the classroom, and encouraging students to take active and responsible roles in the educational process.*

**IV. Expectations for Student Performance***:

Upon successful completion of this course, the student should be able to:

1. Describe the characteristics of intangible assets. A

2. Explain the procedure for valuing and amortizing intangible assets. A

3. Identify the types of specifically identifiable intangible assets. A

4. Explain the conceptual issues related to goodwill. A

5. Describe the accounting procedures for recording goodwill. A

6. Identify the conceptual issues related to research and development costs. A

7. Describe the accounting procedures for research and development costs and other similar costs. A

8. Indicate the presentation of intangibles and related items. A

9. Describe the purpose of the statement of cash flows. B

10. Identify the major classifications of cash flows. B

11. Differentiate between net income and net cash flows from operating activities. B

12. Contrast the direct and indirect methods of calculating net cash flows from operating activities. B

13. Determine net cash flows from investing and financing activities. B

14. Prepare a statement of cash flows using the indirect method. B

15. Identify sources of information for a statement of cash flows. B

16. Identify special problems in preparing a statement of cash flows. B
17. Define current liabilities and describe how they are valued. C
18. Identify the nature and types of current liabilities. C
19. Explain the classification issues of short-term debt expected to be refinanced. C
20. Identify types of employee-related liabilities. C
21. Identify criteria used to account for and disclose gain and loss contingencies. C
22. Explain the accounting for different types of loss contingencies. C
23. Indicate how current liabilities and contingencies are presented and analyzed. C, G
24. Describe the formal procedures associated with issuing long-term debt. C
25. Identify various types of bond issues. C
26. Describe the accounting valuation for bonds at date of issuance. C
27. Apply the methods of bond discount and premium amortization. C
28. Describe the accounting procedures for the extinguishment of debt. C
29. Explain the accounting procedures for long-term notes payable. C
30. Indicate how long-term debt is presented and analyzed. C, G
31. Discuss the characteristics of the corporate form of organization. D
32. Identify the rights of stockholders. D
33. Explain the key components of stockholders' equity. D
34. Explain the accounting procedures for issuing shares of stock. D
35. Identify the major reasons for purchasing treasury stock. D
36. Explain the accounting for treasury stock. D
37. Describe the major features of preferred stock. D
38. Distinguish between debt and preferred stock. D
39. Identify items reported as additional paid-in capital. D
40. Describe the policies used in distributing dividends. D
41. Identify the various forms of dividend distributions. D
42. Explain the accounting for small and large stock dividends. D
43. Distinguish between stock dividends and stock splits. D
44. Explain the effect of different types of preferred stock dividends.  D
45. Identify the reasons for appropriating retained earnings.  D
46. Explain accounting and reporting for appropriated retained earnings.  D
47. Indicate how stockholders’ equity is presented and analyzed.  D, G
48. Apply the revenue recognition principle.  E
49. Describe accounting issues involved with revenue recognition at the point of sale.  E
50. Apply the percentage-of-completion method for long-term contracts.  E
51. Apply the completed-contract method for long-term contracts.  E
52. Identify the proper accounting for losses on long-term contracts.  E
53. Describe the installment sales method of accounting.  E
54. Explain the cost recovery method of accounting.  E
55. Explain the nature, economic substance, and advantages of lease transactions.  F
56. Describe the accounting criteria and procedures for capitalizing leases by the lessee.  F
57. Contrast the operating and capitalization methods of recording leases.  F
58. Identify the classifications of leases for the lessor.  F
59. Describe the lessor’s accounting for sales-type leases.  F
60. Describe the disclosure requirements for leases.  F

*Letters after performance expectations reference the course objectives listed above.

V. Evaluation:

A. Testing Procedures:

Students are evaluated primarily on the basis of tests. Four major exams are recommended. Exams may include multiple choice questions, short answer questions, and exercises/problems.

B. Laboratory Expectations:

N/A

C. Field Work:

N/A
D. Other Evaluation Methods:

Additional evaluation will be accomplished using homework, in-class exercises, written cases, a financial reporting project, a team PowerPoint presentation, and class participation. Details regarding these methods will be provided on the first day of class on a syllabus supplement.

E. Grading Scale:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage Range</th>
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<tbody>
<tr>
<td>A</td>
<td>92 - 100</td>
</tr>
<tr>
<td>B+</td>
<td>89 - 91</td>
</tr>
<tr>
<td>B</td>
<td>82 - 88</td>
</tr>
<tr>
<td>C+</td>
<td>79 - 81</td>
</tr>
<tr>
<td>C</td>
<td>72 - 78</td>
</tr>
<tr>
<td>D</td>
<td>65-71</td>
</tr>
<tr>
<td>F</td>
<td>Below 65</td>
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</tbody>
</table>

VI. Policies:

A. Attendance Policy:

Pellissippi State Technical Community College expects students to attend all scheduled instructional activities. As a minimum, students in all courses must be present for at least 75 percent of their scheduled class and laboratory meetings in order to receive credit for the course.

B. Academic Dishonesty:

Plagiarism, cheating, and other forms of academic dishonesty are prohibited. Students guilty of academic misconduct, either directly or indirectly through participation or assistance, are immediately responsible to the instructor of the class. In addition to other possible disciplinary sanctions which may be imposed through the regular Pellissippi State procedures as a result of academic misconduct, the instructor has the authority to assign an F or a zero for the exercise or examination or to assign an F in the course.