

# ACC3201 Intermediate Financial Accounting I

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**Code**

ACC3201

**Title**

Intermediate Financial Accounting I

**Prerequisites**

Financial Accounting II

**Credits**

3

**Description**

This course begins in-depth analysis of accounting issues introduced in Financial Accounting. It addresses some of the following topics: the accounting process, financial accounting and reporting, the income statement and the statement of retained earnings, the balance sheet and the statement of cash flows, revenue recognition and income determination, cash and receivables, inventory valuation and departures from historical cost and estimating inventory cost.

**Objectives**

BSc program's mission is to equip students with a strong foundation of business skills and knowledge, to develop their ability to apply this knowledge, and to enable them to transfer the knowledge to business and industry.

**Outcomes**

By the end of the course students will be able to do the following: **KNOWLEDGE** Students will have an understanding of: To further develop understanding of accounting and its role in the business environment. To have a deeper and more detailed consideration of the accounting valuation techniques and reporting practices existing in the current business environment. To have deeper understanding of conceptual framework for financial reporting and provides a variety of practical solutions for presenting and interpreting accounting data. Describe the function and primary focus of financial accounting. Explain the purpose of the FASB's conceptual framework and discuss the historical development of accounting standards. Describe the purpose of the income statement and understand its usefulness and limitations. Demonstrate ability to prepare income statement in accordance with the GAAP requirements. Explain the difference between net income and comprehensive income and how we report components of the difference. Convert from cash basis net income to accrual basis net income. Describe the purpose of the balance sheet and understand its usefulness and limitations. Demonstrate ability to prepare balance sheet in accordance with the GAAP requirements. Describe the purpose of the statement of cash flows. Demonstrate ability to prepare cash flow statement in accordance with the GAAP requirements using direct or indirect method. Understand the concepts of future and present value. Briefly describe how the concept of the time value of money is incorporated into the valuation of bonds, long-term leases, and pension obligations. Understand the issues related to accounting for cash and receivables, such as: approaches to estimating bad debts; the accounting treatment of short-term notes receivable; Differentiate between the use of receivables in financing arrangements accounted for as a secured borrowing and those accounted for as a sale. Understand the issues related to accounting for inventories such as: valuation of inventories; accounting for cash discounts; merchandise returns; Differentiate between the specific identification, FIFO, LIFO, and average cost methods used to determine the cost of ending inventory and cost of goods sold. Understand and apply the lower-of-cost-or-market rule used to value inventories. Estimate ending inventory and cost of goods sold using the gross profit method the retail inventory method. Understand the issues related to accounting for property, plant, and equipment, such as: costs included in the initial cost of property, plant, and equipment, natural resources, and intangible assets; cost of individual operational assets acquired as a group for a lump-sum purchase price; cost of operational assets acquired in exchange for equity securities, or through donation; cost of a self-constructed asset and the amount of capitalized interest; dispositions and exchanges of nonmonetary assets; depreciation, amortization, and depletion of long-term assets; impairment of the value of long-term assets; accounting treatment of repairs and maintenance, additions, improvements, and rearrangements to operational assets. **SKILLS** Students will further develop analytical, communication, and critical thinking skills. **APPLICATION ABILITIES** Students will be able to: analyze business transactions related to the topics studied; journalize the transactions based on the analysis done; recognize and analyze ethical dilemmas and select a resolution for practical business situations **VALUES AND ATTITUDES** KIMEP Core Values Academic honesty Respect for peers, instructors and staff

**Assessment**

60 % -first and second assessments

40 % -final assessment

**Tentative course outline****Week1**

Introduction, Ch.1: Environment and the Theoretical Structure of Financial Accounting

**Week2**

Ch.2: Review of the Accounting Process

**Week3**

Ch.2: Review of the Accounting Process

**Week4**

Ch.3: The Balance Sheet and Financial Disclosures

**Week5**

Ch.3: The Balance Sheet and Financial Disclosures Ch.4: The Income Statement and Statement of Cash Flows

**Week6**

Ch.4: The Income Statement and Statement of Cash Flows Ch.5: Income Measurement and Profitability Analysis

**Week7**

Ch.5: Income Measurement and Profitability Analysis Midterm Exam I

**Week8**

Ch 6: Time Value of Money Concepts

**Week9**

Ch 6: Time Value of Money Concepts

**Week10**

Ch 7: Cash and Receivables Midterm Exam II

**Week11**

Ch 8: Inventories, Measurement

**Week12**

Ch 10: Property, Plant, and Equipment and Intangible Assets: Acquisition and Disposition

**Week13**

Ch 10: Property, Plant, and Equipment and Intangible Assets: Acquisition and Disposition

**Week14**

Ch11: Property, Plant, and Equipment and Intangible Assets: Utilization and Impairments

**Week15**

Ch11: Property, Plant, and Equipment and Intangible Assets: Utilization and Impairments