

ACC202 Accounting II

Syllabus Overview

This syllabus contains all relevant information about the course: its objectives and outcomes, the grading criteria, the texts and other materials of instruction, and weekly topics, outcomes, assignments, and due dates. Consider this your roadmap for the course. Please read through the syllabus carefully and ask questions if you would like anything clarified. Please print a copy of this syllabus for reference.

Course Description

3 Credits

Prerequisite: ACC201 Accounting I

Students will continue to develop a basic understanding of fundamental accounting concepts and practices. Students will also be introduced to fundamental managerial accounting concepts and practices and will learn to interpret and use internal financial information in the management and analysis of business operations

Course Outcomes

At the completion of this course, students should be able to:

1. Describe the use of bonds as a method of financing.
2. Demonstrate the techniques used to analyze and interpret the financial statements.
3. Discuss and prepare a statement of cash flows.
4. Introduce the basic steps in the decision-making process.
5. Analyze ethical issues in accounting.

Communication with Your Instructor

You will receive a welcome email from your instructor prior to the start of class. This email will contain your instructor's contact information. Your instructor will also be communicating with you via several methods in the course, including:

- **Announcements** – This communication tool, located on the navigation menu within your course in Canvas, contains important updates. Be sure to check for new announcements from your instructor each time you access your course.

- **Q&A** – Use this discussion board, located on the Home screen in your course, to communicate with your instructor and classmates regarding general course questions (i.e. missing links, assignment clarification, etc.).
- **Inbox** – Use the Inbox, located in the top right corner of Canvas, to send a message to your instructor or classmates.

Materials and Resources

The bookstore can be located in the left-hand navigation of any Canvas course.

Custom Textbook through the Online Bookstore

To reduce your textbook costs, we have created a custom version of the textbook with only the chapters needed. You have 2 options for your textbook purchase – eBook or Hardcopy.

NOTE: Both options have been bundled with a Connect access card. This is a required resource for this course.

PURCHASE ONLY ONE OF THE FOLLOWING:

ISBN: 9781264107551 – Phillips: LL Fundamentals of Financial Accounting, 6/e with Connect access (hardcopy) **OR**

ISBN 9781264107513 – Phillips: Fundamentals of Financial Accounting, 6/e Connect Online Access (eBook)

Source Textbook: Phillips, F., Libby, P., Libby, R., (2019). *Fundamentals of Financial Accounting*. (6th ed.). New York: McGraw-Hill Education.

Library Services

Detailed information about the eLibrary can be found in the Student Resource Center. This is a course that all students have access to during their academic career.

Canvas Help Desk and Technical Questions

If you experience technical issues in your course, please contact the Canvas Help Desk by clicking the Help link (top right corner within Canvas). There are 3 ways to contact them:

- Phone (888-628-2749)
- Live chat
- Report a problem (submit a ticket)

Be sure to notify your instructor of any technical difficulties you are experiencing.

Additional resources are available in the Student Resource Center and the Canvas Guides website:

<https://community.canvaslms.com/docs/DOC-4121>

Weekly Schedule

Week 1	Preparing Financial Statements and Communicating Decisions
Outcomes	<ul style="list-style-type: none"> • Analyze the effects of business transactions on the financial statements • Apply GAAP to business transactions and explain its effect. • Prepare the Balance Sheet and Income Statement • Present financial information and communicate decisions based on the information
Readings	<ul style="list-style-type: none"> • Chapter 1-6 Review of Financial Statements and Decisions
Lectures	<ul style="list-style-type: none"> • Overview
Discussion	<p>Company identification</p> <p>Throughout the first six chapters, you were exposed to the business decisions and financial statements organizations utilize. This first week is a review of the first 6 chapters as accounting offers stepping stones which are mutually dependent. In other words, you need the knowledge you gained about the Income Statement, Balance Sheet, Adjustments, Cash, Internal Controls, and merchandising operations to understand the topics covered in this course.</p> <p>Using the SEC's EDGAR tool https://www.sec.gov/edgar/searchedgar/companysearch.html, find a publicly-traded company you wish to work with throughout the course. The company you pick must include the following characteristics:</p> <ol style="list-style-type: none"> 1. You must be able to obtain the most recent (oldest 2017) Form 10-K Annual Report 2. The company should be unique or creative. To accomplish this please post your company name as early in the week as possible. Companies will be assigned on a first-come basis based on the date/time you posted your company name. 3. Please do not pick a company represented in your textbook (review the table of contents) or one of the well-known companies (ie NO Target, Walmart etc) <p>Once you have located and posted your company name in the discussion area, answer the following questions based on your company.</p> <ul style="list-style-type: none"> - What type of organization is it? Type of product/services? - What is the net income? - What is the accounting equation (using your company's numbers) - Calculate the net profit margin and explain what this tells the decision maker and what are the limitations of this ratio. - Discuss any adjustments the company discusses in the notes to the financial statements and explain the effect on the overall financial statements due to this adjustment.

	<p>Review your peer's companies and find the closest industry match to your company. If a peer did not pick a company within or close to your company's industry, use one of the textbook companies.</p> <p>Compare and contrast 3 items related to the topics covered in chapters 1-6 and discuss why these organizations are different. This is a great place to use the GAAP guide as a source to explain why two companies in the same industry can account for the same item differently. As an investor, which company would you invest in knowing only what you know now? Why?</p> <p>Hold on to your company's 10-K as we will revisit this over the next 7 weeks.</p> <p>NOTE: Duplicating companies will not be accepted. If someone has already chosen the company you wish to review, you must select an alternative. First come basis based on the date/time of your post. (Please note any attempt to circumvent the date/time criteria (i.e., editing the content of your post after the initial post) is a violation of the academic integrity policy.</p>
Assignments	Comprehensive Connect Review Assignment
Quiz	Connect Quiz

Week 2 Inventory and Cost of Goods Sold	
Outcomes	<ul style="list-style-type: none"> • Describe the issues in managing different types of inventory • Compute cost using four inventory costing methods • Evaluate inventory management by computing and interpreting the inventory turnover ratio • Discuss IFRS and GAAP differences when reporting inventory • Determine the effects of inventory errors.
Readings	<p>Textbook</p> <ul style="list-style-type: none"> • Chapter 7- Inventory and Cost of Goods Sold • Chapter 7- PowerPoint Presentation
Lectures	<ul style="list-style-type: none"> • Inventory and Cost of Goods Sold
Discussion	<p>Inventory</p> <p>Using the data from the company identified in week 1, describe the type(s) and classifications of inventories the company reports on their financial statements. Describe the dollar value changes reported from the previous year and how it impacts Gross Profit. What is the reporting method used for the company's inventory? Are there any reporting issues to be considered regarding IFRS and GAAP differences?</p>

	<p>Finally, calculate the Inventory Turnover Ratio and discuss the changes from the previous year.</p> <p>Industry data is as essential (and sometimes more important) than the company's data alone. A number or ratio is nothing without an explanation and a standard used for comparison. Research the primary industry for your company and determine the industries inventory turnover ratio average. Now pick two of your peers who are in the same or similar industries. Compare your peer's company to the industry and to your company. Explain the differences and how decision makers can use this information.</p>
Assignments	Connect Assignment
Quiz	Connect Quiz

Week 3 Receivables, Bad Debt Expense, and Interest Revenue	
Outcomes	<ul style="list-style-type: none"> • Describe the pros and cons of offering credit • Compute and report interest on notes receivable • Record bad debt expense • Explain the importance of the disclosure notes to decision-makers and investors.
Readings	<p>Textbook</p> <ul style="list-style-type: none"> • Chapter 8- Receivables, Bad Debt Expense, and Interest Revenue • Chapter 8- PowerPoint Presentation
Lectures	Receivables, Bad Debt Expense, and Interest Revenue
Discussion	<p>Receivables</p> <p>Using the Company you identified in week 1 review and explain in your own words what the organization discloses in the notes to the financial statements about receivables, bad debt expense and interest revenue. Why are these items disclosed in the notes? What GAAP rule applies to these items (great place to use the GAAP code as your source). Calculate the interest on notes receivable and the receivables turnover ratio and explain what these mean to the decision-makers and investors?</p> <p>Respond to at least 2 of your peers this week by comparing and contrasting your company and their company. Identify specific information that is the same and different and discuss why these items are different. Please pick companies outside of your company's industry.</p>

Assignments	Connect Assignment
Quiz	Connect Quiz

Week 4 Long-Lived Tangible and Intangible Assets	
Outcomes	<ul style="list-style-type: none"> • Define, classify, and explain the nature of long-lived assets • Explain the book adjustments required to accurately report long-lived assets on the financial statements • Analyze the acquisition, use, and disposal of long-lived assets • Calculate depreciation, depletion and impairments of assets.
Readings	Textbook <ul style="list-style-type: none"> • Chapter 9 Long Lived Tangible and Intangible Assets • Chapter 9- PowerPoint Presentation
Lectures	Long-Lived Tangible and Intangible Assets
Discussion	<p>Long-lived tangible and intangible assets</p> <p>Using the data from the company identified in week 1, describe the various long-lived tangible and intangible assets reported by the company. Include any changes in these accounts from the prior period. How did the company calculate and apply depreciation and/or amortization to the appropriate assets?</p> <p>Discuss what accounts are involved when calculating, recording and reporting any impairments and dispositions of both tangible and intangible assets.</p> <p>Reply to at least two peers offering additional information pertaining to the long-lived and intangible assets. Research what is discussed in the news and scholarly articles about long-lived tangible and intangible assets. Can you find information on GAAP and IFRS, what is the difference?</p>
Assignments	Connect Assignment
Quiz	Connect Quiz

Week 5 Liabilities	
---------------------------	--

Outcomes	<ul style="list-style-type: none"> • Explain liabilities and the role they play in business • Calculate and interpret the debt-to-assets ratio and the times interest earned ratio and explain the decisions managers make using the ratio. • Calculate bond amortization
Readings	Textbook <ul style="list-style-type: none"> • Chapter 10- Liabilities • Chapter 10- PowerPoint Presentation
Lectures	Liabilities
Discussion	<p>Liabilities – Bonds</p> <p>Using the data from the company identified in week 1, detail any bonds the company has recorded as liabilities. Provide details that include maturity dates par values and interest rates. Discuss whether the bonds were issued at a premium or a discount and the accounts used to record the bond issue.</p> <p>Even if the company has no bonds issued, what would be the procedure and impact of retiring a bond early and why a company would retire that debt early? (If your company does not have a bond liability, please find a company that does and complete this assignment using that company's financials)</p> <p>Using the financial statements, calculate the company's debt-to-assets ratio and the times interest earned ratio. What do these ratios tell us about the company's financial health?</p> <p>Compare your company to General Mills (the company in the chapter) and one of your peers. Discuss the differences between the bond liabilities in the three companies. Discuss why some items are handled the same while others are accounted for differently.</p>
Assignments	Connect Assignment
Quiz	Connect Quiz

Week 6	Stockholders' Equity
Outcomes	<ul style="list-style-type: none"> • Explain corporate stock financing and the effects of the transactions on the financial statements • Describe the characteristics of preferred stock and analyze transactions affecting preferred stock • Explain how stock transactions affect the financial statements
Readings	Textbook

	<ul style="list-style-type: none"> • Chapter 11: Stockholders' Equity • Chapter 11- PowerPoint Presentation
Lectures	Stockholders' Equity
Discussion	<p>Types of Stock</p> <p>Using the data from the company identified in week 1, describe the types of stock the company reports on its financial statements. What are the amounts of authorized stock and issued stock, and is there a difference in those amounts? If so why?</p> <p>Using the current stock price (please note the date you looked up the price), calculate the company's EPS and P/E ratios. If the company chose to perform a 2-for-1 stock split, how would this impact the company's Stockholder's Equity and the EPS and P/E ratios? Who would or would not benefit from this transaction?</p> <p>You have been asked by one of your peers (your pick but please try to pick someone who has not been picked yet so we can all participate) to help them determine if they should use Equity or Debt to finance a large expansion project. Explore the options available for your peer and make a recommendation on how they should finance this project.</p> <p>PEER- Review the suggestion provided for your company and make a decision on what avenue you think is best and why?</p>
Assignments	Connect Assignment
Quiz	Connect Quiz

Week 7 Statement of Cash Flows	
Outcomes	<ul style="list-style-type: none"> • Interpret and report cash flows from operating, investing, and financing activities • Distinguish between the two types of Cash Flow Statements. • Discuss the benefits and uses of the Cash Flow Statement
Readings	<p>Textbook</p> <ul style="list-style-type: none"> • Chapter 12: Statement of Cash Flows • Chapter 12- PowerPoint Presentation
Lectures	Statement of Cash Flows Revisited
Discussion	Statement of Cash Flows

	<p>Cash is King! Yet, we only discuss actual cash (liquid bank accounts and securities) in chapter 5 and chapter 12 because cash accounting is not the method used by most companies for their financial statements. Why?</p> <p>Using the data from the company identified in week 1, examine your financial statements including the Statement of Cash Flow and discuss what an investor can learn when reviewing these 4 statements together. Explain why they are different but yet connected.</p> <p>Analyze the SCF and provide information on how well the company generates cash using operating activities. Does your analysis reflect positively for investors, why or why not? Analyze both investing and financing activity cash flows and discuss any indicators of concern for the company.</p> <p>Respond to two of your peers: Reviewing their SCF and discuss where your peer's company is in the phase of the Corporate Life Cycle. You must support your conclusion by offering at least 1 outside source for each response to explain why. Counter arguments (are encouraged) must also be supported with an outside source (not your textbook)</p>
Assignments	Connect Assignment
Quiz	Connect Quiz

Week 8	Measuring and Evaluating Financial Performance
Outcomes	<ul style="list-style-type: none"> • Calculate, analyze, and interpret the financial ratios used to assess profitability, liquidity, and solvency • Discuss how analyses of financial statements depend on key accounting decisions and concepts
Readings	<p>Textbook</p> <ul style="list-style-type: none"> • Chapter 13- Measuring and Evaluating Financial Performance • Chapter 13- PowerPoint Presentation
Lectures	Measuring and Evaluating Financial Performance
Discussion	<p>Ratio Analysis</p> <p>Using the data from the company identified in week 1, select and calculate two profitability ratios, two liquidity ratios and one solvency ratio for the current period and one prior period. Analyze the results to identify improvements or declines in the overall</p>

	<p>company status. Provide some insights on how the company may use these ratios to determine on-going and future performance considerations.</p> <p>Reflect back on this course and discuss how at least 2 key accounting decisions and concepts affect the financial statements.</p> <p>You do not need to respond to your peers this week. Please make sure your post is in by Friday at 6am!</p>
Assignments	Connect Comprehensive Assignment
Quiz	Connect Quiz

Grading and Evaluation

Your grades will reflect the way in which you present and support your topics and positions in the various learning activities used in this course. The grades will be based on the quality and quantity of your comments and responses in the various activities.

Be sure to review the discussion and assignment rubrics in the course for specific grading criteria.

The various graded activities are weighted as follows:

Course Element	% of Final Grade
Discussions	40%
Assignments	25%
Quizzes	25%
Comprehensive Problem Final	10%
Total	100%

Students will be expected to meet all the deadlines of the class as indicated throughout the course and in the syllabus. This is primarily so we don't get behind in the course. In addition, discussions cannot overlap from one week to the next. This is to ensure that all discussions and submissions take place within the week they are scheduled in order to be of value to the entire class as well as to help you not get behind. If there are extenuating circumstances, you will need to communicate that to the instructor and make arrangements accordingly, if appropriate.

Late Assignments: Exceptions are to be determined by the instructor on a case-by-case basis. There will be no opportunities for extra credit.

Learner Success Guidelines

These guidelines are provided to help you succeed in your coursework:

- Participate in the class introduction activity on the first day of class.
- Submit ALL assignments by the posted due dates and times.
- Check your emails daily.
- Contact Portal Help for logon problems or Canvas Help for technical issues with Canvas.
- Participate fully in all threaded discussions.
- Contact your instructor if you have questions about an assignment or need additional help completing your work successfully.

Academic dishonesty is grounds for dismissal from the program.

Academic Policies

The following Academic Policies can be found in the [Student Resource Center](#).

- Grading Criteria
- Reasonable Accommodations Policy
- Student Attendance Policy
- Academic Honesty and Integrity Policy
- Student Engagement and the Granting of Academic Credit
- Copyright Policy

Caveat

The above schedule, content, and procedures in this course are subject to change. All policies are superseded by the latest College Catalog available on our website: <https://www.cambridgecollege.edu/student-rights-complaints-grievances/student-code-conduct>