

Financial Accounting 1

Course Outcome Summary

Wisconsin Indianhead Technical College

Information

Alternate Title	Previously Financial Accounting I
Course Number	10101101
Credits	4
Instructional Area	Accounting
Instructional Level	Associate Degree
Division	Business
Developers	Sharon Wichlidal
Development Date	06/12/1996
Revision Date	06/01/2007
Revised By	Accounting faculty/program mod
Revision History	Revised course title

Types of Instruction

	Type of Instruction	Contact Hours	Outside Hours	Credits
	Classroom Presentation	48	96	3
	On Campus Lab and/or Shop Experience	32	16	1
	Totals	80		4

Description

Complete accounting cycle, special journals, payroll tax principles, special procedures, and financial statements. Accounting applications through practice set approach.

Goals

- 1 The student will have a clear understanding of the accounting process, the accounting cycle, the accounting equation, and how financial statements report the condition of a business. Be prepared for Accounting II.

Course Level Learning Outcomes

Competencies

1. Prepare records of financial transactions. (Covered in fractions A, B, C, and D.)

Performance Standards

Competence will be demonstrated:

- o in the classroom.

Criteria - Performance will be satisfactory when:

- o learner will pass the unit test with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Understand the debit and credit rules.
- b. Understand what assets, liabilities, capital, revenue, expense, and drawing accounts are.
- c. Understand how to journalize transactions.
- d. Understand what a transaction is.

2. Journalize transactions. (Covered in fractions A, B, C, and D.)

Performance Standards

Competence will be demonstrated:

- o in a classroom setting.

Criteria - Performance will be satisfactory when:

- o learner will complete an exam with 70% accuracy.
- o learner keys numeric ten-key pad without looking at hands.
- o learner keys a minimum of 137 correct digits per minute (CDPM).

Learning objectives

What you will learn as you master the competency:

- a. The student is to analyze, classify, and record accounting information in a debit and credit format.
- b. Analyze journal entries and explain what transactions gave rise to them.
- c. Apply keying the numeric keys by touch.

3. Post from journals to ledgers. (Covered in fractions A, B, C, and D.)

Performance Standards

Competence will be demonstrated:

- o in the classroom.

Criteria - Performance will be satisfactory when:

- o learner will complete a unit exam with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Transfer information from journals to the general and subsidiary ledgers.
- b. Understand the flow of information/audit trail inherent in the accounting model.

4. Maintain accounts and records. (Covered in fractions A, B, C, and D.)

Performance Standards

Competence will be demonstrated:

- o in a classroom setting.

Criteria - Performance will be satisfactory when:

- o learner will complete a unit exam with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. To provide students with the knowledge of the importance of maintaining accurate accounts and records.
- b. Balance and reconcile accounts.
- c. Create schedules which reconcile subsidiary records to control accounts.

5. Organize classifications of accounts. (Covered in fractions A, B, C, and D.)

Performance Standards

Competence will be demonstrated:

- o in a classroom setting, with one page of handwritten notes.

Criteria - Performance will be satisfactory when:

- o learner will complete a unit exam with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. To teach the student what asset, liability, capital, revenue, drawing, and expense accounts are.
- b. Understand the chart of accounts and its arrangement.
- c. Be able to create a chart of accounts and number it properly.

6. Investigate incorrect postings. (Covered in fractions A, B, C, and D.)

Performance Standards

Competence will be demonstrated:

- o in a classroom setting with one page of handwritten notes.

Criteria - Performance will be satisfactory when:

- o learner will complete a unit exam with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Recognize out-of-balance situations and their causes.
- b. Take steps to identify causes out-of-balance situations and make appropriate corrections.

7. Verify and prepare financial statements. (Covered in fractions A, B, C, and D.)

Performance Standards

Competence will be demonstrated:

- o in a classroom setting with one page of handwritten notes and in a homework setting.

Criteria - Performance will be satisfactory when:

- o learner will complete a unit text and practice set with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Prepare financial statements and understand the flow of information from one to another.
- b. Identify the source of information for selected components of the financial statements.

8. Provide summary reports. (Covered in fractions A, B, C, and D.)

Performance Standards

Competence will be demonstrated:

- o with the preparation of a practice set.
- o in a test setting.

Criteria - Performance will be satisfactory when:

- o learner will complete required homework assignments and successfully complete a practice set with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Prepare summary reports including trial balance, and financial statements.
Covered in fraction D only - Prepare summary reports including schedules of Accounts Receivable, Accounts Payable, and others.

9. Prepare working papers. (Covered in fraction B.)

Performance Standards

Competence will be demonstrated:

- o in a homework setting and completed by the due date.

Criteria - Performance will be satisfactory when:

- o learner completes the homework assignments and the practice set.

Learning objectives

What you will learn as you master the competency:

- a. Choose an appropriate form for recording accounting transactions.
- b. Prepare the worksheet and its component parts of Trial Balance, Adjusting Entries, Income Statement, and Balance Sheet.

10. Balance books and compile reports. (Covered in fraction B.)

Performance Standards

Competence will be demonstrated:

- o in a homework setting.

Criteria - Performance will be satisfactory when:

- o learner will complete required homework assignments and complete the practice set successfully with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. To teach the student the importance of accuracy and to close out the accounting cycle.
- b. To assist the student to prepare reports.

11. Verify prepaid expenses and deferred charges. (Covered in fraction B.)

Performance Standards

Competence will be demonstrated:

- o in a classroom setting with one page of handwritten notes and in a homework setting.

Criteria - Performance will be satisfactory when:

- o learner can successfully complete a unit test and the practice set with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Understand when an adjusting entry is, why it is important, and how to compute and record it.
- b. Show the difference in adjusting prepaids/deferrals initially posted to balance sheet accounts as compared to such items initially posted to income statement accounts.

12. Reconcile bank statements. (Covered in fraction C.)

Performance Standards

Competence will be demonstrated:

- o in a test setting and in a homework setting.

Criteria - Performance will be satisfactory when:

- o learner can complete the unit exam and the practice set successfully with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. To teach the student how to prepare a bank statement.
- b. To teach the student how to reconcile the book balance to the bank balance.
- c. Make appropriate journal entries to account for adjustments necessitated by the bank statement reconciliation.
- d. To teach the students which adjustments are required upon completion of the bank statement.

13. Calculate employee wages. (Covered in fraction C.)

Performance Standards

Competence will be demonstrated:

- o in a test setting and in a homework setting.

Criteria - Performance will be satisfactory when:

- o learner can successfully complete a unit exam and the practice set with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Compute gross wages in a variety of different situations.
- b. Create journal entries to account for payroll, both for the employee and employer portions.
- c. Compute deductions for taxes and any other appropriate items.
- d. Calculate the employer's taxes due for payroll transactions.
- e. Differentiate between wages, salary, and piece-rate pay.
- f. Understand the differences between an employee and a general contractor.

14. Examine current liabilities. (Covered in fraction C.)

Performance Standards

Competence will be demonstrated:

- o in a classroom setting with one page of handwritten notes.

Criteria - Performance will be satisfactory when:

- o learner can successfully complete the unit test with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Differentiate between current and long-term liabilities and how to record them.

15. Complete real-life simulation/practice set. (Covered in fraction C.)

Performance Standards

Competence will be demonstrated:

- o in the homework and classroom setting.

Criteria - Performance will be satisfactory when:

- o learner will successfully complete a practice set with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Analyze business transaction and complete the accounting cycle.

16. Examine accounts and records. (Covered in fraction D.)

Performance Standards

Competence will be demonstrated:

- o in a classroom setting with one page of handwritten notes.

Criteria - Performance will be satisfactory when:

- o learner will complete a unit exam with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Understand the concept of control accounts and subsidiary ledgers.
- b. Relate the accounts in the financial statements to their corresponding sources in the general ledger.

17. Summarize details of separate ledgers. (Covered in fraction D.)

Performance Standards

Competence will be demonstrated:

- o in a homework setting.

Criteria - Performance will be satisfactory when:

- o learner will complete related homework assignments and complete the practice set.

Learning objectives

What you will learn as you master the competency:

- a. To show the student the relation between the control accounts and the subsidiary ledgers.
- b. To show the students how to calculate what is owed to us and what we owe to others.

18. Account for returns and allowances. (Covered in fraction D.)

Performance Standards

Competence will be demonstrated:

- o in homework assignments and in the unit test.

Criteria - Performance will be satisfactory when:

- o learner completes the required homework assignments and attains at least 70% accuracy in the unit test.

Learning objectives

What you will learn as you master the competency:

- a. Create appropriate journal entries for returns and allowances.
- b. Identify accounts to be used in returns and allowance transactions.
- c. Demonstrate the ability to compute the number of elapsed days between given dates.
- d. Identify appropriate journals for entering returns and allowances transactions.

19. Account for discounts and transportation costs. (Covered in fraction D.)

Performance Standards

Competence will be demonstrated:

- o on homework assignments, in a practice set, and in a test setting.

Criteria - Performance will be satisfactory when:

- o learner can successfully complete a unit test with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Define and differentiate between FOB Shipping Point and FOB Destination terms.
- b. Discuss the propriety of "gross" vs. "net" methods for handling cash discounts on purchases.
- c. Understand the differences between trade and cash discounts.
- d. Compute trade discounts and show their proper handling in the accounting records.
- e. Calculate chain discounts.

20. Complete the accounting cycle for a merchandising enterprise. (Covered in fraction D.)

Performance Standards

Competence will be demonstrated:

- o in homework assignments, in a comprehensive practice set, and in a test setting.

Criteria - Performance will be satisfactory when:

- o learner can successfully complete a unit test with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Make the adjusting entry for inventory and all other required items.

21. Compute percentages and interest charges. (Covered in fraction D.)

Performance Standards

Competence will be demonstrated:

- o in a classroom setting with one page of handwritten notes.

Criteria - Performance will be satisfactory when:

- o learner can complete a unit test with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Compute interest charges on notes receivable and payable and other instruments.
- b. To teach the student how to compute interest to charge customers.
- c. Define "discount" and demonstrate its function in notes.
- d. Show the differences between interest-bearing and non-interest-bearing notes.
- e. Give appropriate adjusting entries for notes.

22. Examine allowance for doubtful accounts and charge-offs. (Covered in fraction D.)

Performance Standards

Competence will be demonstrated:

- o in a classroom setting with one page of handwritten notes.

Criteria - Performance will be satisfactory when:

- o learner can successfully complete the unit test with 70% accuracy.

Learning objectives

What you will learn as you master the competency:

- a. Show the two methods (direct-write-off and allowance) for computing bad debts.
- b. Analyze the allowance account.
- c. Prepare a Schedule of Aged Accounts Receivable.
- d. To teach the students how to compute net realizable value.
- e. Understand methods of estimating the amount to be written off, or the proper balance of the allowance account. Discuss the benefits of each method.
- f. Describe the method for writing off a bad debt.