

SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY

SAULT STE. MARIE, ONTARIO

COURSE OUTLINE

Course Outline: Introduction to Accounting

Code Number: ACC 117

Program: Office Admin.


Semester: 1

Date: September 1997

Previous
Outline: September 1996

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Approved:


Dean, Business & Hospitality

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I. **COURSE DESCRIPTION:** This course enables the student to begin using Generally Accepted Accounting Principles when preparing and maintaining the accounting records of a service or merchandising business.

II. **LEARNING OUTCOMES AND ELEMENTS OF PERFORMANCE:**

(Generic Skills Learning Outcomes placement on the course outline will be determined at a later date)

A. **Learning Outcomes:**

1. Journalize transactions, post these transactions to the General Ledger and prepare a Trial Balance at the end of each accounting period.
2. Prepare and journalize the month end and year end adjusting and closing entries. Post the entries to the General Ledger. Prepare a post closing Trial Balance.
3. Identify and correctly apply the Generally Accepted Accounting Principles which relate to the preparation of the Income Statement, Balance Sheet and Statement of Owner's Equity.
4. Prepare the appropriate Accounting Journals when recording the daily financial transactions of a business. Prepare a Bank Reconciliation.

B. **Learning Outcomes and Elements of the Performance:**

Upon successful completion of this course the student will demonstrate the ability to:

1. Journalize transactions, post these transactions to the General Ledger and prepare a Trial Balance at the end of each accounting period.

Elements of the performance:

- Recognize the effects of transactions on the elements of the Accounting equation.
- State the rules of **DEBIT** and **Credit** and use the rules to analyze transactions and show their effects on the accounts.
- Record transactions in a **General Journal**
- Describe balance column accounts
- Post entries from the **Journal** to the accounts.
- Prepare a **Trial Balance** to discover and correct errors.

This learning outcome will constitute 25% of the course's grade.

2. Prepare and journalize the month end and year end adjusting and closing entries. Post the entries to the General Ledger. Prepare a post closing Trial Balance.

Elements of the performance:

- Prepare adjustments for prepaid expenses, unearned revenues, accrued expenses and accrued revenues.
- Explain why a Work Sheet is prepared and be able to prepare a work sheet for a service business.
- Prepare the closing entries for a service business and a merchandising business.
- Explain why it is necessary to close the temporary accounts at the end of each accounting period.
- Prepare a Post-closing trial balance and explain its purpose.

This learning outcome will constitute 25% of the course's grade.

3. Identify and correctly apply the Generally Accepted Accounting Principles which relate to the preparation of the Income Statement, Balance Sheet and Statement of Owner's Equity.

Elements of the performance:

- Define each asset and liability classification appearing on the Balance Sheet.
- Classify balance sheet items.
- Prepare a final draft of a Classified Balance Sheet.
- Prepare a multi-step Income statement for a Merchandising business.
- Update the Statement of Owner's Equity at the end of the relevant accounting period.

This learning outcome will constitute 25% of the course's grade.

4. Prepare the appropriate Accounting Journals when recording the daily financial transactions of a business. Prepare a Bank Reconciliation.

Elements of the performance:

- Explain how special journals save time and labour.
- Journalize and post transactions using Special journals.
- Explain how a controlling account and its subsidiary ledger are related and how a subsidiary ledger is used to maintain a separate account for each credit customer or each account payable.
- Explain how to test the accuracy of the account balances in the Accounts Payable and Accounts Receivable subsidiary ledgers and prepare schedules of accounts in those subsidiary ledgers.
- Explain the operation of a petty cash fund.
- Prepare journal entries to record petty cash transactions.
- Determine why the bank balance and the book balance of cash should be reconciled.
- Prepare a formal bank reconciliation.
- Journalize and post the entries resulting from the bank reconciliation.

This learning outcome will constitute 25% of the course's grade.

Method of Assessment:

A) Grading:	A+	90% - 100%
	A	80% - 89%
	B	70% - 79%
	C	60% - 69%
	R	Below 59% - Repeat the course

B) Tests: All students will be required to complete three tests during the course of the term. The total weighting of the three tests will represent 100% of the final term grade. The tests will be administered during the term as follows:

Test #1: Learning outcome # 1: Debit and Credit rules, Journal entries, Posting to the General Ledger, Trial Balance. Reference material is Chapter 1, 2 & 3 from Financial Accounting text.

Test #2: Learning outcome # 2 & 3: Accounting principles for a Service and Merchandising business, Work sheets, Classified Balance Sheets, Income Statements, Accruals, Adjusting Entries and Closing Entries. Reference material is Chapter 4 & 5.

Test #3: Learning outcome # 4: Cash receipts journal, Cash payments journal, Sales journal, Purchases journal, Petty Cash and Bank reconciliations. Reference material is Chapter 6 & 7.

Supplementary Test: Administered at the end of the semester. A student who fails a test or missed a test during the regular semester qualifies to write the supplementary test. The grade received on the supplementary test will replace the lowest failed test or a missed test. The supplementary test is a comprehensive test drawing upon all of the material covered during the regular semester.

Notes to Students:

- a) Attendance is critical to the participant's success in this course.
- b) Your instructor reserves the right to modify the course as he/she deems necessary to meet the needs of the students.

PRIMARY RESOURCES

- 3) Fundamental Accounting Principles, 8th Canadian Brief Edition, Volume I with working papers. Larson, Nelson, Zin, Carroll. Irwin Publishers.