

SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

SAULT STE. MARIE, ONTARIO



Sault College

COURSE OUTLINE

COURSE TITLE: APPLIED ACCOUNTING

CODE NO. : ACC 107 **SEMESTER:** 1

PROGRAM: BUSINESS/ACCOUNTING

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DATE: June 2007 **PREVIOUS OUTLINE DATED:** June
2006

APPROVED:

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	DEAN	DATE

TOTAL CREDITS: 4

PREREQUISITE(S): NONE

LENGTH OF COURSE: 15 WEEKS **TOTAL CREDIT HOURS:** 60

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For additional information, please contact
School of Technology, Skilled Trades, Natural Resources and Business
(705) 759-2554

Course Name

Code No.**I. COURSE DESCRIPTION:**

I. COURSE DESCRIPTION: This course enables the student to begin measuring and evaluating an organization's financial activities. The course will permit the student to employ Generally Accepted Accounting Principles when preparing and maintaining the accounting records of a service or merchandising business.

II. LEARNING OUTCOMES AND ELEMENTS OF THE PERFORMANCE:

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

1. Identify the key financial statements of a business organization and their purpose. These statements are the Balance Sheet, Income Statement and Statement of Owner's Equity.

Potential Elements of the Performance:

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

- Recognize the Balance Sheet.
- Describe the Balance Sheet and three major components
- Recognize the Income Statement
- Describe the Income Statement and two main components
- Recognize the Statement of Owner's Equity
- Describe the Statement of Owner's Equity and its components
- Interpret each statement as to the organization's financial activities.

This learning objective will constitute 10% of the course's grade.

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2. 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.

Potential Elements of the Performance

- Identify the concepts and principles of accounting
- Show application of the concepts and principles

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- Analyze business transactions using the accounting equation
- Define each asset and liability classification appearing on the Balance Sheet.
- Classify balance sheet items.
- Prepare a Balance Sheet.
- Prepare an Income statement.
- Update the Statement of Owner's Equity at the end of the relevant accounting period.

This learning outcome will constitute 15% of the course's grade.

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

Potential Elements of the Performance:

- 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.
- Prepare financial statements for a service business.

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 Bank Reconciliation.

Potential 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.

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- Prepare journal entries to record petty cash transactions.
- Determine why the bank balance and the book balance of cash should be reconciled.
- Prepare formal bank reconciliation.
- Journalize and post the entries resulting from the bank reconciliation.

This learning outcome will constitute 35 % of the course's grade.

5. Prepare payroll for a basic business

Potential Elements of the Performance:

- List the taxes and other items frequently withheld from employee's wages
- Prepare the gross earnings and necessary deductions to calculate an employee's net earnings
- Prepare entries to record the above
- Calculate the employer's payroll costs.

This learning outcome will constitute 15% of the course's grade.

III. TOPICS:

1. Identify the key financial statements of a business organization and their purpose. These statements are the Balance Sheet, Income Statement and Statement of Owner's Equity.
2. 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.
3. Journalize transactions, post these transactions to the General Ledger and prepare a Trial Balance at the end of each accounting period. Prepare financial statements for a service business.
4. Prepare the appropriate Accounting Journals when recording the daily financial transactions of a business. Prepare Bank Reconciliation.
5. Prepare payroll for a basic business.

IV. REQUIRED RESOURCES/TEXTS/MATERIALS:

Fundamental Accounting Principles, 12th Canadian Edition,
Volume I with Working papers. Larson, Jensen, Carroll.. Publ: McGraw-Hill.

V. EVALUATION PROCESS/GRADING SYSTEM:

Tests: All students will be required to complete four tests (each rep. 25% of final grade) during the course of the term. The total weighting of the four tests will represent 100% of the final term grade. The tests will be administered during the term as follows:

Test #1: Learning outcome # 1 & 2: Financial statements, Accounting concepts and principles,. Reference material is Chapter 1&2

Test #2: Learning outcome # 3: Accounting principles for a service business including Classified Balance Sheet, Income Statement. Reference material is Chapter 3

Test #3: Learning outcome # 4: Specialized journals, subsidiary ledgers and trial balance. Reference material is Chapter 6 and 8 .

Test #4: Bank reconciliation section of learning outcome #4 and learning outcome #5 on payroll. Reference material is Chapter 9 and 11.

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 if they have attended 80% of the classes during the regular term. 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.

The following semester grades will be assigned to students in postsecondary courses:

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<u>Grade</u>	<u>Definition</u>	<u>Grade Point Equivalent</u>
A+	90 - 100%	4.00
A	80 - 89%	4.00
B	70 - 79%	3.00
C	60 - 69%	2.00
D	50 - 59%	1.00
F (Fail)	Below 50%	0.00
CR (Credit)	Credit for diploma requirements has been awarded.	
S	Satisfactory achievement in field placement or non-graded subject areas.	
U	Unsatisfactory achievement in field placement or non-graded subject area.	
X	A temporary grade. This is used in limited situations with extenuating circumstances giving a student additional time to complete the requirements for a course (see <i>Policies & Procedures Manual - Deferred Grades and Make-up</i>).	
NR	Grade not reported to Registrar's office. This is used to facilitate transcript preparation when, for extenuating circumstances, it has been impossible for the faculty member to report grades.	

VI. SPECIAL NOTES:

Special Needs:

If you are a student with special needs (e.g. physical limitations, visual impairments, hearing impairments, or learning disabilities), you are encouraged to discuss required accommodations with your professor and/or the Special Needs office. Visit Room E1101 or call Extension 2703 so that support services can be arranged for you.

Retention of Course Outlines:

It is the responsibility of the student to retain all course outlines for possible future use in acquiring advanced standing at other postsecondary institutions.

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Code No.Communication:

The College considers **WebCT/LMS** as the primary channel of communication for each course. Regularly checking this software platform is critical as it will keep you directly connected with faculty and current course information. Success in this course may be directly related to your willingness to take advantage of the **Learning Management System** communication tool.

Plagiarism:

Students should refer to the definition of “academic dishonesty” in *Student Code of Conduct*. Students who engage in academic dishonesty will receive an automatic failure for that submission and/or such other penalty, up to and including expulsion from the course/program, as may be decided by the professor/dean. In order to protect students from inadvertent plagiarism, to protect the copyright of the material referenced, and to credit the author of the material, it is the policy of the department to employ a documentation format for referencing source material.

Course Outline Amendments:

The professor reserves the right to change the information contained in this course outline depending on the needs of the learner and the availability of resources.

Substitute course information is available in the Registrar's office.

VII. PRIOR LEARNING ASSESSMENT:

Students who wish to apply for advanced credit in the course should consult the professor. Credit for prior learning will be given upon successful completion of a challenge exam or portfolio.

VIII. DIRECT CREDIT TRANSFERS:

Students who wish to apply for direct credit transfer (advanced standing) should obtain a direct credit transfer form from the Dean's secretary. Students will be required to provide a transcript and course outline related to the course in question.