

SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY

SAULT STE. MARIE, ONTARIO

COURSE OUTLINE

COURSE TITLE : FUNDAMENTALS OF HOSPITALITY ACCOUNTING

CODE NO. : ACC 105 SEMESTER: 2

PROGRAM : HOTEL AND RESTAURANT MANAGEMENT

AUTHOR : JOHN MITCHELL

DATE : JANUARY 1998 PREVIOUS OUTLINE DATED: SEPT/97

APPROVED: _____

DEAN

Dec 3/97

DATE

TOTAL CREDITS: 4

PREREQUISITE : NONE

LENGTH OF COURSE: 4 HOURS PER WEEK FOR 15 WEEKS

Fundamentals of Hospitality AccountingACC 105

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 organization.

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. 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. Prepare the appropriate Accounting Journals when recording the daily transactions of a service organization, 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 organization.
4. Prepare Subsidiary Ledgers for use with service organization operations.
5. Prepare a Petty cash fund and it's maintenance. Prepare a Bank Reconciliation.
6. Prepare payroll for a service organization within the laws and regulations that apply to payroll.

B. 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 an business organization and their purpose. These statements are the Balance Sheet, Income Statement and Statement of Owner's Equity.

Elements of the performance:

- Recognize the Balance Sheet.
- Describe the Balance Sheet and three major components

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- 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 it's components
- Interpret each statement as to the organization's financial activities.

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

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.

Elements of the performance:

- Identify the concepts and principles of accounting
- Show application of the concepts and principles
- 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 Income statement.
- Update the Statement of Owner's Equity at the end of the relevant accounting period.
- Recognize the effects of transactions on the elements of the Accounting equation.
- State the rules of DEBIT and CREDIT and the rules to analyze transactions and show their effects on the accounts.

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

3. Prepare the appropriate Accounting Journals when recording the daily transactions of a business, 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 organization.

Elements of the performance:

- Record transactions in the **Accounting Journals**
- Describe balance column accounts
- Post entries from the **Journals** to the accounts.
- Prepare a **Trial Balance** to discover and correct errors.
- Prepare financial statements for a service organization.

This learning outcome will constitute 30% of the course's grade.

4. Prepare Subsidiary Ledgers for use with a service organization

Elements of the Performance:

- 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 client or each vendor
- Explain how to test the accuracy of the account balances in the Accounts Receivable and Accounts Payable subsidiary ledgers and prepare schedules of accounts in those subsidiary ledgers.

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

5. Prepare a Petty cash fund and it's maintenance. Prepare a Bank reconciliation.

Elements of the performance:

- 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.

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- Journalize and post the entries resulting from the bank reconciliation.

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

6. Prepare payroll records for a service organization.

- Explain the laws and regulations effecting payroll
- Explain the preparation required to calculate the payroll for a service organization.
- Prepare a payroll for a service organization.

This learning outcome will constitute 15% 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 & 2: Financial statements, Accounting concepts and principles, Debit and Credit rules. Reference material is Chapter 1,2 & 3. Weighting of this test is 30%.

Test #2: Learning outcome # 3 & 4: Journalizing transactions, Posting to the General Ledger, Trial Balance, & Subsidiary Ledgers. Reference material is Chapter 3,4,9 & 10. Weighting of this test is 40%.

Test #3: Learning outcome # 5 & 6: Petty Cash, Bank reconciliations and payroll. Reference material is Chapter 6,7 & 8.

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

College Accounting, A Practical Approach 6th Ed. Slater and Zwicher
. Prentice Hall Publishers
Working Papers for above.