



Course Introduction to Accounting (2016-2017)

Code / Version ACCT1025 (101)

Total Hours 45

Credits 3

PreRequisite(s)

CoRequisite(s)

Course Description

This course introduces the non-accounting student to the subject of Accounting. It is designed to teach the student an essential life skill. The course focuses on the logic of accounting principles and relates it to the financial well being of the student. The student will learn a basic understanding of accounting that can be used in both their personal life and business career.

This course introduces ASPE, IFRS, accounting terminology, the accounting equation, the double-entry system of bookkeeping, the accrual basis of accounting, financial statements and financial analysis and the ledgers and journals making up a basic accounting system for both sole proprietorship and corporation forms of businesses.

PLAR Eligible: Yes

Course Outcomes

Successful completion of this course will enable the student to:

1. Identify and use financial accounting terminology in personal and business life.
2. Explain the purpose of ASPE and IFRS principles.
3. Identify the ways to recognize revenue and expenses.
4. Identify and record business transactions in appropriate journals.
5. Post to ledger accounts.
6. Complete the accounting cycle in order to prepare financial statements for a sole proprietorship business.
7. Explain the difference between a service proprietorship and a merchandising corporation.
8. Calculate cost of goods sold, gross profit and prepare inventory transactions using the perpetual inventory system.
9. Prepare a bank reconciliation based upon a review of cash control guidelines.
10. Explain the terms commonly associated with a payroll system and prepare the related journal entries including supporting calculations.
11. Explain how to analyze a business by examining their financial statements.

Essential Employability Skills addressed in this course			Taught	Reinforced	Assessed
Communication	^	Communicate clearly, concisely and correctly in the written, spoken, and visual form that fulfills the purpose and meets the needs of the audience		X	
	^	Respond to written, spoken, or visual messages in a manner that ensures effective communication		X	
Numeracy	^	Execute mathematical operations accurately	X	X	X
Critical Thinking and Problem Solving	^	Apply a systematic approach to solve problems	X	X	X
	^	Use a variety of thinking skills to anticipate and solve problems	X	X	X
Information Management	^	Locate, select, organize, and document information using appropriate technology and information systems		X	
	^	Analyze, evaluate, and apply relevant information from a variety of sources	X	X	X



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Essential Employability Skills addressed in this course			Taught	Reinforced	Assessed
Interpersonal	ⁿ	Show respect for the diverse opinions, values, belief systems, and contributions of others		X	
	ⁿ	Interact with others in groups or teams in ways that contribute to effective working relationships and the achievement of goals			
Personal	ⁿ	Manage the use of time and other resources to complete projects		X	X
	ⁿ	Take responsibility for one's own actions, decisions, and consequences		X	

Unit Outcomes

Successful completion of the following units will enable the student to:

1.0 Personal Accounting and Linking Personal Business

- 1.1 Identify the purposes of the income statement and balance sheet.
- 1.2 Calculate net worth.
- 1.3 Record basic transactions.
- 1.4 Examine the effect of basic transactions on net worth.
- 1.5 Differentiate between accrual and cash based accounting.
- 1.6 Identify similarities between personal and business accounting. Make the connection between net worth and owner's equity.
- 1.7 Identify the types of accounts in proprietary business.
- 1.8 Prepare transactions for proprietary business and analyze the effect on owner's equity and the financial statements.
- 1.9 Identify and journalize three ways to recognize revenue (cash, accounts receivable and unearned).
- 1.10 Identify and journalize three ways to recognize expenses (cash, accounts payable and prepaid).
- 1.11 Prepare adjustments for unearned revenue and prepaid expenses.

2.0 The Accounting Framework

- 2.1 Identify users in a business and how they rely on the financial statements.
- 2.2 Identify how to apply ASPE principles to accounting transactions.
- 2.3 Identify similarities between ASPE and IFRS.
- 2.4 Identify how to apply IFRS to accounting transactions.

3.0 The Accounting Cycle: Journals and Ledgers

- 3.1 Identify the rules related to debits and credits and double entry accounting.
- 3.2 Apply debit and credit rules to record transactions.
- 3.3 Prepare transactions in the general journal, learning how to properly record and prepare the entries.
- 3.4 Post journal entries from the general journal to the general ledger.
- 3.5 Explain how to update the general ledger balances and create a trial balance.

4.0 The Accounting Cycle: Adjustments

- 4.1 Identify the purpose of a worksheet.
- 4.2 Complete a worksheet.
- 4.3 Prepare adjusting entries in the worksheet, general journal and general ledger.

5.0 The Accounting Cycle: Statements and Closing Entries

- 5.1 Prepare the income statement, statement of owner's equity and the balance sheet.



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- 5.2 Identify the purpose of closing the books.
 - 5.3 Prepare closing entries and post-closing trial balance.
 - 6.0 Merchandising Corporations
 - 6.1 Identify the differences between owner's equity in a proprietorship, and share capital and retained earnings in a corporation.
 - 6.2 Explain cost of goods sold, gross profit and gross profit percentage.
 - 6.3 Create a multistep income statement and a classified balance sheet.
 - 7.0 Merchandising Transactions
 - 7.1 Differentiate between the perpetual and the periodic inventory systems.
 - 7.2 Prepare transactions for purchases and sales using the perpetual inventory system.
 - 8.0 Cash Controls
 - 8.1 Identify different types of controls that can be implemented to protect cash.
 - 8.2 Explain the importance of bank reconciliation.
 - 8.3 Prepare bank reconciliation and journal entries on a bank statement and general ledger.
 - 8.4 Prepare the set up and operation of a petty cash account.
 - 8.5 Identify petty cash controls.
 - 9.0 Payroll
 - 9.1 Explain gross pay, deductions and net pay.
 - 9.2 Calculate statutory deductions (CPP, EI and Income Tax).
 - 9.3 Prepare journal entries to record the payroll transaction relating to statutory deductions.
 - 9.4 Calculate and record the employer's portion of payroll and payroll remittances.
 - 10.0 Financial Analysis
 - 10.1 Explain the purpose of performing financial analysis on a business.
 - 10.2 Calculate and analyse profitability, liquidity and management ratios.
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Required Student Resources

Joffe. Key Accounting Principles Volume 1 (4th). AME Learning.

Optional Student Resources

Evaluation

The minimum passing grade for this course is 55 (D).

In order to successfully complete this course, the student is required to meet the following evaluation criteria:

Class Quizzes (6)	10.00
Computer Tutorials (12)	5.00
Computer Posts Class Homework (12)	13.00
Computer Chapter Quizzes (12)	2.00
Mid-Term Exam	35.00



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Final Exam	35.00
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	100.00 %

Other

Conestoga College is committed to providing academic accommodations for students with documented disabilities. Please contact the Accessibility Services Office.

This course is eligible for a supplemental exam.

Prepared By David Hummel

School Business and Hospitality

Date 2016-05-17

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